CITY OF
CHARLEVOIX

**AGENDA**
**CITY OF CHARLEVOIX CITY COUNCIL REGULAR MEETING**
**Monday, June 15, 2020- 6:00 PM**
**Held virtually via Zoom (instructions in the agenda)**

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1. **Pledge of Allegiance**

   A. Zoom Log-in Instructions

2. **Roll Call**

3. **Presentations**

4. **Inquiry Regarding Conflicts of Interest**

5. **Consent Agenda**

   A. City Council Special Meeting Minutes - May 29, 2020
   B. City Council Meeting Minutes - June 1, 2020
   C. Accounts Payable and Payroll Check Registers
   D. Electric Department Safety Meeting Contract Extension
   E. CARES Act Grant Agreement
   F. Resolution to Set Alternate Board of Review Dates
   G. Approve Annual Art & Craft Show

6. **Public Hearings and Actions Requiring Public Hearings**

   A. Public Hearing: Ordinance 821 Outdoor Sales
   Mark L. Heydlauff, City Manager

7. **All Other Actions and Requests**

   A. Power Supply Risk Management Policies
   Don Swem, Electric Department Superintendent
   B. Downtown Parking Plan
   Council Members Kalbfell, Bryan, and Oleksy
   C. Request for Legal Opinion
   Council Members Kalbfell, Bryan, and Hagen
   D. Hybrid Council Meetings and Public Engagement
   Mark L. Heydlauff, City Manager

**8. Reports and Communications**

A. Public Comment

B. City Manager's Comments

C. Mayor and Council Comments

**9. Other Council Business**

**10. Adjourn**

*The City of Charlevoix will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon one weeks' notice to the City of Charlevoix. Individuals with disabilities requiring auxiliary aids or services should contact the City of Charlevoix Clerk's Office in writing or calling the following: City Clerk, 210 State Street, Charlevoix, MI 49720 (231) 547-3250.*

# CHARLEVOIX CITY COUNCIL

**Pledge of Allegiance**

**TITLE:** Zoom Log-in Instructions

**DATE:** June 15, 2020

**BACKGROUND:**

This meeting is held as a Zoom Meeting pursuant to Governor Whitmer's Executive Order.

Topic: City Council Meeting for June 15, 2020
Time: Jun 15, 2020 06:00 PM Eastern Time (US and Canada)

Join Zoom Meeting
https://zoom.us/j/91280580760?pwd=a1BQWHhDYUhEY3g5a2tsS2J4TjZJUT09

Meeting ID: 912 8058 0760
Password: 020591
One tap mobile
+16465588656,,91280580760#,,1#,020591# US (New York)
+13017158592,,91280580760#,,1#,020591# US (Germantown)

Dial by your location
+1 646 558 8656 US (New York)
+1 301 715 8592 US (Germantown)
+1 312 626 6799 US (Chicago)
+1 669 900 9128 US (San Jose)
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)
Meeting ID: 912 8058 0760
Password: 020591
Find your local number: https://zoom.us/u/adqUT8wSEB

*Special accommodations can be made for people with disabilities upon request by contacting the City Clerk at (231) 547-3250.*

Persons wishing to make a comment may use the raise hand feature and those who have dialed in may wait and the Mayor will call on you to give you a chance to speak. There is no obligation to speak but the opportunity is accorded to you. The Michigan Attorney General has issued a reminder of the criminality of those who attempt to use virtual public meetings to air lewd comments and images.

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** City Council Special Meeting Minutes - May 29, 2020
**DATE:** June 15, 2020

**RECOMMENDATION:**
Motion to approve City Council minutes.

**ATTACHMENTS:**

- Draft Council Minutes

**CITY OF CHARLEVOIX**
**CITY COUNCIL SPECIAL MEETING MINUTES**
**Friday, May 29, 2020 – 10:00 a.m.**
Remote Participation via Zoom

The meeting was called to order at 10:00 a.m. by Mayor Kurtz.

**1. Pledge of Allegiance**
In order to be in compliance with Governor Whitmer's Executive Order 2020-21 which prohibits in-person work not necessary to sustain or protect life, this Special Meeting was held remotely in accordance with Executive Order No. 2020-15 which grants temporary authorization of remote participation in public meetings due to the COVID-19 pandemic.

**2. Roll Call**

| | |
|---|---|
| Mayor: | Luther Kurtz |
| Members Present: | Greg Bryan, Aaron Hagen, Janet Kalbfell, Tom Oleksy, Brian Slater |
| Members Absent: | Shane Cole |
| City Manager: | Mark L. Heydlauff |
| City Clerk: | Joyce Golding |

**3. Inquiry Regarding Conflicts of Interest**
Mayor Kurtz and Hagen stated they will recuse themselves from Item 4.B.

**4. All Other Actions and Requests**

A. Safety and Walkability Zone Modifications

Mayor Kurtz stated that after talking with several members of the public and also the downtown business owners, he felt an update to the Downtown Safety and Walkability Plan was appropriate. Council discussed the proposed plan and offered their opinions. The proposed changes are detailed below.

- Starting Friday, May 29, the parking spaces adjacent to any outdoor dining, and one space on either end of the dining, will be reserved for pedestrians seven days a week.
- The rest of the Downtown Safety and Walkability Plan will be placed on hold until June 19. The City Manager will re-implement the rest of the plan that was approved at the previous council meeting.
- During the time the plan is on hold, the City will work on:
  - Potential for merchants to sell items in a limited space as an addition to the Downtown Safety and Walkability Plan.
  - Making the cones look more inviting and less like construction, if possible.
  - Signage to let pedestrians know what the space is reserved for (we have ten sandwich boards set aside for this).
  - A way to keep the cones from setting along the sidewalk when they are not set out for parking. This has confused people regarding parking this week.
- Council retains the option to amend the plan in the future.
- Advance messaging will take place prior to June 19.

Mayor Kurtz opened the item to public comment:
- Maureen Owens, DDA Chair, was in favor of the plan
- Kay Heise was in favor of the plan
- Jodi Bergman felt safety was paramount
- Sarah Knapp questioned how tourists will be informed
- Darsi Lee was in favor of setting a firm date for the plan
- Darlene Klein felt business owners should be in the stakeholders group

Motion by Kalbfell, second by Hagen to [implement the proposed changes to the Downtown Safety and Walkability Plan as discussed above].

| | |
|---|---|
| Yeas: | Kalbfell, Bryan, Hagen |
| Nays: | Slater, Oleksy |
| Absent: | Cole |

B. Curbside Takeout/Shopping Spots

Mayor Kurtz and Hagen recused themselves. As senior member, Kalbfell facilitated the discussion regarding reserved parking for curbside pickup.

Kalbfell opened the item to public comment:
- Darsi Lee was not in favor of pick up spots for retail
- Jodi Bingham felt the spaces could be better utilized
- Maureen Owens stated that the DDA was in favor of spots for restaurants, but not retail

Council directed the City Manager to work with all businesses on the curbside options appropriate for them on a case-by-case basis.

**5. Reports & Communications**

A. Public Comments

- Darsi Lee questioned the status of sidewalk merchandise sales.

B. City Manager Comments

C. Mayor & Council Comments

- Council thanked everyone for participating in the meeting.

**6. Other Council Business**

**7. Adjourn**

Mayor Kurtz adjourned the meeting at 11:06 a.m.

Joyce M. Golding, City Clerk

Luther Kurtz, Mayor

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** City Council Meeting Minutes - June 1, 2020
**DATE:** June 15, 2020

**RECOMMENDATION:**
Motion to approve City Council minutes.

**ATTACHMENTS:**

- Draft Council Minutes

**CITY OF CHARLEVOIX**
**REGULAR CITY COUNCIL MEETING MINUTES**
**Monday, June 1, 2020 – 6:00 p.m.**
Virtual Meeting Held via Zoom

The meeting was called to order at 6:00 p.m. by Mayor Kurtz.

**1. Pledge of Allegiance**
The Mayor requested a moment of silence for former Council member Leon Perron.

**2. Roll Call**

| | |
|---|---|
| Mayor: | Luther Kurtz |
| Members Present: | Greg Bryan, Shane Cole, Aaron Hagen, Janet Kalbfell, Tom Oleksy, Brian Slater |
| Members Absent: | None |
| City Manager: | Mark L. Heydlauff |
| City Clerk: | Joyce Golding |

**3. Presentations**
Recreation Director Knorr presented Council with an update for 2020 activities.

**4. Inquiry Regarding Conflicts of Interest**
Kalbfell recused herself from Item 7.A. The Mayor recused himself from Item 7.C. Hagen recused himself from Item 7.D.

**5. Consent Agenda**
All items listed under Consent Agenda are considered routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion of an item is required, it will be removed from the Consent Agenda and considered separately.

A. City Council Meeting Minutes – May 18, 2020
B. Accounts Payable and Payroll Check Registers
   a. Special Accounts Payable Check Register – May 20, 2020
   b. Regular Accounts Payable Check Register – June 2, 2020
   c. ACH Payments – May 18, 2020 to May 29, 2020
   d. Payroll Check Register – May 29, 2020
   e. Payroll Transmittal – May 29, 2020
   f. Tax Disbursement – June 2, 2020
C. Building Authority Commission Reappointment – Treasurer McGinn, term expiring June 2023
D. PA 95 Opt In/Out – Opt out of PA 95 Energy Assistance Programs
E. Marina Seasonal Slip Holders Account Credit – grant a prorated credit to Marina seasonal slip holders towards the 2021 season
F. Water Plant Pump #1 Service - Northern Pump and Well for $26,770

Motion by Kalbfell, second by Oleksy to approve the Consent Agenda.
Yeas: Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: None

**6. Public Hearings & Actions Requiring Public Hearings**
A. <u>Public Hearing: Ordinance 818 Right-of-Way Construction Activities</u>
The Mayor opened the public hearings at 6:21 p.m. City Manager Heydlauff stated Council requested review of rules for dumpsters in the street, private construction across sidewalks and other related rules. The draft ordinance makes several amendments to the City Code related to private construction activities involving public spaces.

Mayor Kurtz opened the item to public comment and none was heard.

Motion by Slater, second by Oleksy to approve Right-of-Way Construction Activities Ordinance 818 of 2020.

***CITY OF CHARLEVOIX***
***ORDINANCE NO. 818 of 2020***
*AN ORDINANCE OF THE CITY OF CHARLEVOIX REGULATING PLACEMENT OF CONSTRUCTION WASTE, CONSTRUCTION WITHIN THE PUBLIC RIGHT-OF-WAY, AND CONSTRUCTION PARKING AND TRAFFIC*

***THE CITY OF CHARLEVOIX ORDAINS:***

***SECTION 1. Title V, Chapter 51.06 of the City Code shall be amended by adding a section (E), subpart 3 to read as follows:***

*Containers shall not be placed in the public right-of-way or street except when a permit is obtained from the City Manager pursuant to §151.22. No permit shall be allowed when the container could reasonably be placed on private property.*

***SECTION 2. Title VI, Chapter 70.04 of the City Code, section 2.30, subpart 3 shall be amended so that it reads:***

*A special request to hood or cover a meter or meters shall be allowed upon approval of the chief of police and on advance payment of a fee as the City Council may from time to time set by resolution. Such approval shall be considered for the purpose of construction, refurbishment or maintenance for an adjacent building or property. Special consideration, at no charge, for the purpose of funerals or other requests deemed proper by the chief of police.*

***SECTION 3. Title XV, Chapter 151.02 of the City Code shall be struck and replaced as follows:***

*No person shall move, transport or convey any building or other similar bulky or heavy object, including machinery, trucks and trailers, larger in width than eight feet eight inches or higher than 13 feet six inches above the surface of the roadway, into, across or along any street, alley or other public place in the city without first obtaining a house moving permit from the Manager. Such permit shall specify the route to be used in such movement and no person shall engage in such movement along a route other than that specified in the permit. No house moving permit shall be granted until the applicant shall pay for a permit and comply with insurance and performance bond requirements found in a cash deposit in § 151.22 of this chapter; additionally, all costs associated for city services associated for with such action as contemplated in this section shall be assigned to the owner and reimbursed to the City or paid as a deposit in advance of the activity. Such costs shall include but not be limited to utility moving or replacement, traffic control, and damage to infrastructure or property. The Manager shall have the power to regulate the time and date of house moving requests to account for traffic and special event demands of the community.*

*This chapter shall not be construed as to limit the transportation of wide or oversized loads on the state or federal highway which may be lawfully permitted nor shall this chapter limit the transportation of boats or marine vessels along routes of the City which the Police Chief shall from time to time publish in consultation with other City staff.*

***SECTION 4. Title XV, Chapter 151.22 of the City Code shall be struck and replaced as follows:***

*(A) Where permits are required, they shall be obtained from the City Manager or his or her designee and shall contain the information necessary for consideration by the City in a manner as the Manager may require. Such permit(s) shall be revocable by the Manger for failure to comply with this code, rules and regulations adopted hereto, and the lawful orders of the Manger. The permit(s) shall only be valid for the period the Manager may designate. Application for a permit under this chapter shall be deemed an agreement by the applicant to promptly complete the work permitted, observe all pertinent regulations of the city in connection with therewith, repair all damages done to the street surface, subsurface, and related structures, over or within such street, including trees, and protect and save harmless the city from all damages or actions at law that may arise or may be brought on account of injury to person or property resulting from the work done under the permit(s) or in connection therewith.*

*(B) Fees for such permits shall be set from time to time by resolution of Council. Council may vary the fees depending on the season and the times which are or are not preferable for the general benefit of the community to contend with construction in the public streets and rights of way. Such limitations shall not constrain public infrastructure projects which the City or the state of Michigan may from time to time undertake.*

*(C) Where liability insurance or bonds are required, the City Treasurer shall regularly obtain recommendations from the City's insurance carrier or other valid sources and share the same with City Council in order that it may adopt a resolution specifying minimum insurance coverages, standards, and bonds for work associated with the permits contemplated in this chapter. Similarly, Council may adopt the minimum for performance bonds and the City Manager or his or her designee may set the actual amount required in the bond subject to the minimum set by Council.*

***SECTION 5. Severability.***

*No other portion, paragraph or phase of the Code of the City of Charlevoix, Michigan shall be affected by this Ordinance except as to the above sections, and in the event any portion, section or subsection of this Ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this Ordinance or of the Code of the City of Charlevoix, Michigan.*

***SECTION 6. Effective Date.***

*This Ordinance shall become effective thirty (30) days after its enactment pursuant to the City Charter*

*Ordinance No. 818 was adopted on the 1st day of June, 2020 A.D., by the Charlevoix City Council as follows:*

| | |
|---|---|
| *Motion by:* | *Slater* |
| *Seconded by:* | *Oleksy* |
| *Yeas:* | *Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater* |
| *Nays:* | *None* |
| *Absent:* | *None* |

*State of Michigan*
*City of Charlevoix* } §

B. Public Hearing: Ordinance 819 Fireworks

DRAFT

Chief Doan stated that the proposed ordinance would be consistent with the current Michigan Fireworks Safety Act of 2011 (Public Act 256). The proposed ordinance outlines days and times fireworks may be used within the City and also includes rules and regulations adopted by the State.

Mayor Kurtz opened the item to public comment and one was heard.

Motion by Oleksy, second by Hagen to approve Fireworks Ordinance 819 of 2020.

***CITY OF CHARLEVOIX***
***ORDINANCE NO. 819 of 2020***
*AN ORDINACE TO AMEND TITLE IX, CHAPTER 94, SECTION 94.22 FIREWORKS OF THE CHARLEVOIX CITY CODE*

***THE CITY OF CHARLEVOIX ORDAINS:***

***SECTION 1. Title IX, Chapter 94, Section 94.22 of the City of Charlevoix Code is hereby repealed in its entirety and replaced with the following:***

*(A) Purpose. The purpose of this ordinance is to regulate the ignition, discharge, and use of consumer fireworks within the city boundaries in accordance with the Michigan Fireworks Safety Act, Public Act No. 256 of 2011, as amended.*

*Chapter 94, Parks and Recreation, is hereby amended to modify Section 94.22 to read as follows:*

*(B) Definitions and adoption by reference. As used in this section, the following words and phrases have the meanings indicated:*

*Act means the Michigan Fireworks Safety Act, Public Act No. 256 of 2011, MCL 28.451 to 28.471, as amended, which is hereby adopted by reference as a part of this ordinance.*

*Articles pyrotechnic, as defined in the Act, means pyrotechnic devices for professional use that are similar to consumer fireworks in chemical composition and construction.*

*Consumer fireworks, as defined in the Act, means fireworks devices that are designed to produce visible effects by combustion, that are required to comply with the construction, chemical composition, and labeling regulations promulgated by the United States Consumer Product Safety Commission and that are in compliance with the construction, chemical composition, labeling and other requirements in the Act. Novelties and low-impact fireworks as defined in the Act are not consumer fireworks.*

*Display fireworks, as defined in the Act, means large firework devices that are explosive materials intended for use in fireworks, displays and designed to produce visible or audible effects by combustion, deflagration, or detonation.*

*Fireworks, as defined in the Act, means any composition or device, except for a starting pistol, a flare fun, or a flare, designed for the purpose of producing a visible or audible effect by combustion, deflagration, of detonation, and consist of consumer fireworks, low-impact fireworks, articles pyrotechnic, display fireworks, and special effects.*

*Low-impact fireworks, as defined in the Act, means ground and handheld sparkling devices.*

*Minor is an individual who is less than 18 years of age.*

*Novelties, as defined in the Act, means all of the following:*

- *(a) Toy plastic or paper caps for toy pistols in sheets, strips, roll, or individual caps containing no more than .25 of a grain of explosive content per cap, in packages labeled to indicate the maximum explosive content per cap.*
- *(b) Toy pistols, toy canons, toy canes, toy trick noisemakers, and toy guns in which toy caps as described in subparagraph (i) are used, that are constructed so that the hand cannot come in contact with the cap when in place for the explosion, and that are not designed to break apart or be separated so as to form a missile by the explosion.*
- *(c) Flitter sparklers in paper tubes not exceeding 1/8 inch in diameter.*
- *(d) Toy snakes not containing mercury, if packed in cardboard boxes with not more than 12 pieces per box for retail sale and if the manufacturer's name and the quantity contained in each box are printed on the box; and toy smoke devices.*

*Special effects, as defined in the Act, means a combination of chemical elements or chemical compounds capable of burning, independently of the oxygen of the atmosphere and designed and intended to produce an audible, visual, mechanical, or thermal effect as an integral part of a motion picture, radio, television, theatrical, or opera production or live entertainment.*

*(C) Prohibited ignition, discharge, and use. Consumer fireworks shall not be ignited, discharged or used in the city except in the following situations:*

*(1) Consumer fireworks may be ignited, discharged or used on the following dates and times:*

- *(a) December 31 until 1 a.m. on January 1.*

*(b) The Saturday and Sunday immediately preceding Memorial Day until 11:45 p.m. on each of those days.*
*(c) June 29 to July 4 until 11:45 p.m. on each of those days.*
*(d) July 5, if that date is a Friday or Saturday, until 11:45 p.m.*
*(e) The Saturday and Sunday immediately preceding Labor Day until 11:45 p.m. on each of those days.*

*(2) The penalty for a violation under subsection (1) shall be a civil fine of $1,000.00 for each violation of the ordinance. A minimum of $500.00 of the fine collected under subsection (1) shall be remitted to the City of Charlevoix.*

*(3) Consumer fireworks shall not be ignited, discharged, or used on public, school, church, or private property of another person without the express written permission from the person or entity legally in possession and control of that property.*

*(D) Minors. A minor shall not possess, use, discharge, or ignite any consumer fireworks at any time unless supervised by a parent or legal guardian.*

*(E) Under the Influence. An individual shall not discharge, ignite, or use consumer fireworks or low impact fireworks while under the influence of alcoholic liquor, a controlled substance, or a combination or alcoholic liquor and controlled substance.*

*(F) Unmanned free-floating devices. Any unmanned free-floating device (sky lanterns) which requires fire underneath to propel it and is not moored to the ground while aloft, have an uncontrolled and unpredictable flight path and descent area so as to pose a potential fire risk and are therefore prohibited.*

*(G) Novelties; inapplicability of ordinance. This ordinance does not apply to novelties. Nothing in this ordinance regulates the sale, storage, display for sale, transportation, use, or distribution of novelties.*

*(H) Zoning Ordinances. Any person selling, distributing or transporting fireworks shall otherwise comply with the Act, and is required to comply with the zoning ordinances of the city, including obtaining necessary approvals hereunder. Failure to obtain necessary zoning approvals is subject to penalty as provided in the zoning ordinances of the city.*

*(I) Imminent dangers. Notwithstanding the Act, no person shall use, discharge, or ignite fireworks thereby creating or causing an imminent danger or threat to the public health, safety, or welfare, and such fireworks being used, ignited or discharged may be immediately seized.*

*(J) Seizure. All fireworks possessed, used, discharged, and/or ignited in violation of the Act and/or this section are subject to seizure. Any costs incurred by the city to seize and store the fireworks shall be paid by the responsible party.*

*The sanction/penalty for a violation of Section 94.22 is deemed a municipal civil infraction, punishable by a civil fine of not more than $1,000.00 for subsection (1), and $500.00 for all other sections in this ordinance, plus costs, damages, and expenses and any other relief allowed under law.*

***SECTION 2. Severability.***

*No other portion, paragraph or phrase of the Code of the City of Charlevoix, Michigan shall be affected by this Ordinance except as to the above section, and in the event any portion, section or subsection of this Ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this Ordinance or of the Code of the City of Charlevoix, Michigan.*

***SECTION 3. Effective Date.***

*This Ordinance shall become effective thirty (30) days after its enactment pursuant to the City Charter*

*Ordinance No. 819 was adopted on the 1st day of June, 2020 A.D., by the Charlevoix City Council as follows:*
*Motion by:* *Oleksy*
*Seconded by:* *Hagen*
*Yeas:* *Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater*
*Nays:* *None*
*Absent:* *None*

*State of Michigan*
*City of Charlevoix* } §

C. Public Hearing: Ordinance 820 Small Wireless and Pole Attachment
Electric Superintendent Swem stated that the proposed ordinance regulates the installation of small cell wireless communication facilities and closely matches the state law. It covers cases where the equipment is placed on existing poles as well as placement of new poles. He stated that the proposed ordinance does not cover the fiber or other communication lines between antennas.

Mayor Kurtz opened the item to public comment and none was heard.

Motion by Kalbfell, second by Cole to approve the Pole Attachment Ordinance 820 of 2020.

DRAFT

***CITY OF CHARLEVOIX***
***ORDINANCE NO. 820 of 2020***

*AN ORDINANCE TO AMEND TITLE XV, CHAPTER 153 OF THE CHARLEVOIX CITY CODE TO ADD SECTION 153.125(F) TO REGULATE SMALL WIRELESS COMMUNICATIONS FACILITIES DEPLOYMENT; TO PROVIDE FOR SEVERABILITY; TO REPEAL ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; AND TO PROVIDE AN EFFECTIVE DATE*

***THE CITY OF CHARLEVOIX ORDAINS:***

***SECTION 1. Title XV, Chapter 153, Section 153.125(F) of the City of Charlevoix Code is hereby added to read as follows:***

*(1) This ordinance shall be known and may be cited as the "small wireless communications facilities deployment ordinance."*

*(2) Definitions. For the purposes of this section, the following definitions shall apply unless the context clearly indicates or requires a different meaning:*

***ACT*** *means the small wireless communications facilities deployment act, 2018 PA 365, MCL 460.1301, et seq., as the same may be amended from time to time.*

***ANTENNA*** *means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.*

***APPLICANT*** *means a wireless provider or wireless infrastructure provider that submits an application described in this ordinance.*

***AUTHORITY****, unless the context implies otherwise, means the City of Charlevoix, to the extent authorized by law to make legislative, quasi-judicial, or administrative decisions concerning an application described in this ordinance. Authority does not include any of the following:*

*(i) A municipally owned electric utility.*

*(ii) An investor-owned utility whose rates are regulated by the Michigan Public Service Commission.*

*(iii) A state court having jurisdiction over an authority.*

***AUTHORITY POLE*** *means a utility pole owned or operated by an authority and located in the ROW.*

***COLOCATE OR COLLOCATION*** *means to install, mount, maintain, modify, operate, or replace wireless facilities on or adjacent to a wireless support structure or utility pole. "Collocation" has a corresponding meaning. Colocate does not include make-ready work or the installation of a new utility pole or new wireless support structure.*

***FEE*** *means an authority one-time per small cell site charge for application processing.*

***HISTORIC DISTRICT*** *means an officially designated historic district.*

***MAKE-READY WORK*** *means work necessary to enable an authority pole or utility pole to support collocation, which may include modification or replacement of utility poles or modification of lines.*

***MICRO WIRELESS FACILITY*** *means a small cell wireless facility that is not more than 24 inches in length, 15 inches in width, and 12 inches in height and that does not have an exterior antenna more than 11 inches in length.*

***PUBLIC RIGHT-OF-WAY OR ROW*** *means the area on, below, or above a public roadway, highway, street, alley, bridge, sidewalk, or utility easement dedicated for compatible uses. Public right-of-way does not include any of the following:*

*(i) A private right-of-way.*

*(ii) A limited access highway.*

*(iii) Land owned or controlled by a railroad as defined in section 109 of the railroad code of 1993, 1993 PA 354, MCL 462.109.*

*(iv) Railroad infrastructure.*

***RATE*** *means an authority annual charge per site.*

***SMALL CELL WIRELESS FACILITY*** *means a wireless facility that meets both of the following requirements:*

*(i) Each antenna is located inside an enclosure of not more than 6 cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements would fit within an imaginary enclosure of not more than 6 cubic feet.*

*(ii) All other wireless equipment associated with the facility is cumulatively not more than 25 cubic feet in volume. The following types of associated ancillary equipment are not included in the calculation of equipment volume: electric meters, concealment elements, telecommunications demarcation boxes, grounding equipment, power transfer switches, cut-off switches, and vertical cable runs for the connection of power and other services.*

***UTILITY POLE*** *means a pole or similar structure that is or may be used to support small cell wireless facilities. Utility pole does not include a sign pole less than 15 feet in height above ground.*

***WIRELESS FACILITY*** *means wireless equipment at a fixed location that enables the provision of wireless services between user equipment and a communications network, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration. Wireless facility includes a small cell wireless facility. Wireless* *facility does not include any of the following:*

*(i) The structure or improvements on, under, or within which the equipment is colocated.*

*(ii) A wireline backhaul facility.*

*(iii) Coaxial or fiber-optic cable between utility poles or wireless support structures or that otherwise is not immediately adjacent to or directly associated with a particular antenna.*

***WIRELESS PROVIDER*** *is a regulated provider of telecommunications services and a* ***WIRELESS INFRASTRUCTURE PROVIDER*** *is an installer of wireless equipment at small cell sites and, both terms are interchangeable terms for purposes of this ordinance. Wireless provider does not include an investor-owned utility whose rates are regulated by the MPSC.*

***WIRELESS SERVICES*** *means any services, provided using licensed or unlicensed spectrum, including the use of Wi-Fi, whether at a fixed location or mobile.*

***WIRELESS SUPPORT STRUCTURE*** *means a freestanding structure designed to support or capable of supporting small cell wireless facilities. Wireless support structure does not include a utility pole.*

***WIRELINE BACKHAUL FACILITY*** *means a facility used to transport services by wire or fiber-optic cable from a wireless facility to a network.*

*(3) Scope of authority.*

*(a) Except as provided in this ordinance or the Act, the Authority shall not prohibit, regulate, or charge for the collocation of small cell wireless facilities.*

*(b) The approval of a small cell wireless facility under this ordinance authorizes only the collocation of a small cell wireless facility and does not authorize either of the following:*

*1. The provision of any services.*

*2. The installation, placement, modification, maintenance, or operation of a wireline in the ROW.*

*(c) The terms of this section do not permit the wireless provider to operate a cable system or to provide cable service, as those terms are defined by Section 602 of the Cable Communications Policy Act of 1984, as amended (47 U.S.C. Section 522), or install any wires or facilities that are required to be permitted under the METRO Act, Public Act 48 of 2002, MCL 484.310, including any part of a small cell wireless facility constituting wireline telecommunication facilities.*

*(4) Small Cell Row Access; Permitted Use; Height; Underground, Downtown, Residential and Historic Districts.*

*(a) This subsection applies only to activities of a wireless provider within the public right-of-way for the deployment of small cell wireless facilities and associated new or modified utility poles.*

*(b) The Authority shall not enter into an exclusive arrangement with any person for use of the ROW for the construction, operation, or maintenance of utility poles or the collocation of small cell wireless facilities.*

*(c) The Authority shall not charge a wireless provider an annual rate more than:*

*1. $20.00 annually, unless subdivision 2 applies.*

*2. $125.00 annually, if a new utility pole or wireless support structure was erected at a new site by or on behalf of the wireless provider on or after the effective date of this act. This subdivision does not apply to the replacement of an existing utility pole that was not designed to support small cell wireless facilities.*

*Every 5 years after the effective date of the Act, the maximum rates are increased by 10% and rounded to the nearest dollar.*

*(d) All greater rates and fees in current agreements shall be modified within 90 days of application receipt, so as not to exceed the fees provided here, except for new small cell dedicated utility poles installed and operational in the ROW before the effective date of this ordinance or related agreements, which shall remain in effect for the duration of the ordinance or agreement.*

*(e) Except as set forth in § 153.125(F)(5) or (6), and as limited by this subsection, a wireless provider may colocate small cell wireless facilities and construct, maintain, modify, operate, or replace utility poles in, along, across, upon, and under the ROW as a permitted use not subject to zoning regulation if it complies with all other sections of this ordinance and if:*

*1. A utility pole in the ROW installed or modified on or after the effective date of this ordinance shall not exceed 40 feet above ground level, unless a taller height is agreed to by the Authority.*

*2. A small cell wireless facility in the ROW installed or modified after the effective date of this ordinance shall not extend more than 5 feet above a utility pole or wireless support structure on which the small cell wireless facility is colocated.*

*Such structures and facilities shall be constructed and maintained so as not to obstruct or hinder the usual travel or public safety on the ROW or obstruct the legal use of the Authority's ROW or uses of the ROW by other utilities and communications service providers.*

*(f) A proposed utility pole or other support structure that exceeds the height limits under § 153.125(F)(4)(e), is subject to zoning review.*

*(g) Undergrounding: A wireless provider shall comply with reasonable and nondiscriminatory requirements including concealment measures that prohibit communications service providers from installing structures on or above ground in the ROW in an area designated solely for underground or buried cable and utility facilities, if:*

*1. The Authority has required all cable and utility facilities, other than authority poles, along with any attachments, or poles* *used for street lights, traffic signals, or other attachments necessary for public safety, to be placed underground by a date that is not less than 90 days before the submission of the application; and*

2. *The Authority does not prohibit replacement of authority poles by a wireless provider in the designated area.*
3. *A wireless provider may apply for a waiver of the undergrounding requirements.*

(h) *Historic, Downtown and Residential Districts: A wireless provider shall comply with written, objective requirements for reasonable, technically feasible, nondiscriminatory, and technologically neutral designs or concealment measures in a historic district, downtown district, or residential zoning district. Such requirement shall not have the effect of prohibiting any wireless provider's technology. Any such design or concealment measures are not included in size restrictions in the definition of small wireless facility in this section.*

(a) *Aesthetic requirements: Wireless Providers shall install, modify, collocate or otherwise provide all wireless facilities, equipment, poles, support structures and all other related wireless objects in a manner, size and appearance that is consistent and in conformity with the existing requirements and existing practices in fact, pertaining to such districts as defined by the applicable ordinances, rules and codes of this community and the applicable rules and laws of this State, in such fashion as to create the least negative impact on the district as possible. Such accommodations may include use of similar height, materials, color, design, number and appearance of other similar structures utilized by other occupiers of the ROW and public spaces.*

1. *Collocation including replacement of existing poles or support structures is strongly encouraged over the installation of additional new poles or support structures in the ROW.*
2. *Placement of all equipment inside the pole or support structure is favored over placement outside the pole, including ground mountings.*
3. *Smallest equipment, antennas and poles and support structures feasible is preferred.*
4. *Camouflaging, stealth or concealment elements are preferred.*
5. *Installations generally are favored in the following zoning districts, in the following order of preference:*
   - i. *1st Preference: Industrial*
   - ii. *2nd Preference: Commercial*
   - iii. *3rd Preference: Residential*
   - iv. *4th Preference: Historic*
   - v. *5th Preference: Environmentally sensitive areas including nature and wetland preservation sites*

6. *Disagreements between the provider and Authority on specific aesthetics issues shall be addressed by the City Council upon timely written request of the provider. Staff and City Council may consider incentives favoring installations in preferred districts.*

(b) *All wireless providers shall repair all damage to the ROW caused by the activities of the wireless provider while occupying, constructing, installing, mounting, maintaining, modifying, operating, or replacing small cell wireless facilities, utility poles, or wireless support structures in the ROW and, to return the ROW to its original condition. Following 60 days' written notice, the Authority may make those repairs and charge the wireless provider the cost of the repairs.*

(5) *Provider and Authority Responsibilities; Application Information; Shot Clocks; Tolling; Deemed Approved; Basis for Denial; Resubmittal; Batch Applications; Application Fees; Micro Wireless Facility Exemption; Alternative Siting; Decommissioning Sites:*

(a) *This subsection applies to activities of a wireless provider within the public right-of-way.*

(b) *Except as otherwise provided in this subsection or the Act, a wireless provider shall seek an Authority ROW access permit to colocate a small cell wireless facility or install, modify, or replace a utility pole on which a small cell wireless facility will be colocated as required of all ROW users. The processing of an application for an Authority ROW access permit is subject to all of the following:*

1. *Unless physically or technically infeasible, all small wireless facilities shall be constructed to accommodate two or more users. Any wireless provider must openly allow another provider to colocate upon its wireless facility under rates and conditions that are acceptable within the industry to promote collocation. Collocation of small cell wireless facilities is strongly encouraged.*
2. *In-kind contributions to the Authority are not permitted in lieu of rates and fees described above unless all parties voluntarily agree in furtherance of the interests of both.*
3. *The Applicant shall provide all the information and documentation required by the Authority to enable the Authority to make an informed decision with regard to its criteria for authorizing ROW access including the following:*
   - i. *A certificate of compliance with FCC rules related to radio frequency emissions from a small cell wireless facility;*
   - ii. *Proof of notification to every other affected authority and all necessary permits, permit applications, or easements to ensure all necessary permissions for the proposed activity are obtained;*
   - iii. *An attestation that the small cell wireless facilities will be operational for use by a wireless services provider within 1 year after the permit issuance date. Failure to abide by this term shall result in termination of any permit issued in reliance on such attestation.*
4. *Within 25 days after receiving an initial application, the Authority shall notify the Applicant in writing whether the application*

*is complete. If incomplete, the notice will delineate all missing documents or information. The notice tolls the running of the time for approving or denying an application under § 153.125(F)(5)(b)6.*

5. *If the Applicant makes a supplemental submission in response to the Authority's notice of incompleteness, the Authority will so notify the Applicant in writing within 10 days, delineating the previously requested and missing documents or information. The time period for approval or denial is tolled in the case of second or subsequent notices under the procedures identified in § 153.125(F)(5)(b)4.*

6. *The Authority shall approve or deny the application and notify the Applicant in writing within the following period of time after the application is received:*

   i. *Collocation Shot Clock: For an application for the collocation of small cell wireless facilities on a utility pole, 60 days, subject to the following adjustments:*

      a. *Add 15 days if an application from another wireless provider was received within 1 week of the application in question.*

      b. *Add 15 days if the Authority notifies the Applicant in writing that an extension is needed and the reasons for the extension before the otherwise applicable 60-day or 75-day time period under this subsection elapses.*

   ii. *New or Replacement 40' Pole and Limited Equipment: For an application for a new or replacement utility pole that meets the height requirements of § 153.125(F)(4)(e) and associated small cell facility, 90 days, subject to the following adjustments:*

      a. *Add 15 days if an application from another wireless provider was received within 1 week of the application in question.*

      b. *Add 15 days if, a timely extension is requested.*

      c. *Deemed Approved: A completed application is considered to be approved if not timely acted upon by the Authority and, subject to the condition that the Applicant provide the Authority not less than 7 days' advance written notice that the Applicant will be proceeding with the work pursuant to this automatic approval.*

7. *Basis for Denial: The Authority may deny a completed application for a proposed collocation of a small cell wireless facility or installation, modification, or replacement of a utility pole that meets the height requirements in § 153.125(F)(4)(e) if the proposed activity would do any of the following:*

   i. *Materially interfere with the safe operation of traffic control equipment;*

   ii. *Materially interfere with sight lines or clear zones for transportation or pedestrians;*

   iii. *Materially interfere with compliance with the Americans with Disabilities Act of 1990, Public Law 101- 336, or similar federal, state, or local standards regarding pedestrian access or movement.*

   iv. *Materially interfere with maintenance or full unobstructed use of public utility infrastructure under the jurisdiction of an authority.*

   v. *With respect to drainage infrastructure under the jurisdiction of an authority, either of the following:*

      a. *Materially interfere with maintenance or full unobstructed use of the drainage infrastructure as it was originally designed.*

      b. *Not be located a reasonable distance from the drainage infrastructure to ensure maintenance under the drain code of 1956, 1956 PA 40, MCL 280.1 to 280.630, and access to the drainage infrastructure.*

   vi. *Fail to comply with reasonable, nondiscriminatory, written spacing requirements of general applicability adopted by ordinance or otherwise that apply to the location of ground-mounted equipment and new utility poles and that do not prevent a wireless provider from serving any location.*

   vii. *Fail to comply with all other applicable codes.*

   viii. *Fail to comply with sections § 153.125(F)(4)(g) or (h) relating to Undergrounding and Historic, Downtown, and Residential districts.*

   ix. *Fail to meet reasonable, objective, written stealth or concealment criteria for small cell wireless facilities applicable in a historic district or other designated area, as specified in an ordinance or otherwise and non-discriminatorily applied to all other occupants of the ROW, including electric utilities, incumbent or competitive local exchange carriers, fiber providers, cable television operators, and the Authority.*

8. *Reasons for Denial; Resubmission and 30 Day Shot Clock: If the completed application is denied, the notice shall explain the reasons for the denial and, if applicable, cite the specific provisions of applicable codes on which the denial is based. The Applicant may cure the deficiencies identified by the Authority and resubmit the application within 30 days after the denial without paying an additional application fee. The Authority shall approve or deny the revised application within 30 days. The Authority shall limit its review of the revised application to the deficiencies cited in the denial.*

9. *Batch Applications: An applicant may file an application and receive a single permit for the collocation of up to 20 substantially similar small cell wireless installations. The Authority may approve or deny 1 or more small cell wireless facilities included in such consolidated application.*
10. *Approval of an application authorizes the wireless provider to undertake the installation, collocation and maintenance of such facilities.*
11. *The Authority shall not institute a moratorium on filing, receiving, or processing applications or issuing permits for the collocation of small cell wireless facilities or the installation, modification, or replacement of utility poles on which small cell wireless facilities will be colocated.*
12. *The Authority and an applicant may extend a time period under this subsection by mutual agreement.*

*(c) Application Fee for a permit under § 153.125(F)(5)(b) shall not exceed the lesser of the following:*

1. *$200.00 for each small cell wireless facility alone.*
2. *$300.00 for each small cell wireless facility and a new utility pole to which it will be attached.*

*Every 5 years after the effective date of the Act, the maximum fees are increased by 10% and rounded to the nearest dollar.*

*(d) The Authority may revoke a permit, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated utility pole fail to meet the requirements of § 153.125(F)(5)(b)7.*

*(e) Micro Wireless Facility Exempt: The Authority shall not require a permit or any other approval or require fees or rates for ordinance compliant replacement, maintenance or operation of a small cell wireless facility or ordinance compliant installation, replacement, maintenance or operation of a micro wireless facility that is suspended on cables strung between utility poles or wireless support structures in compliance with applicable codes.*

*(f) Alternate Siting: Upon receipt of an application to place a new utility pole, the Authority may propose an alternate location within the ROW or on property or structures owned or controlled by the Authority within 75 feet of the proposed location to either place the new utility pole or colocate on an existing structure. The Applicant shall use the alternate location if, as determined by the Applicant, the Applicant has the right to do so on reasonable terms and conditions and the alternate location does not impose unreasonable technical limits or significant additional costs.*

*(g) Decommissioning Sites: A wireless provider shall notify the Authority in writing before discontinuing use of a small cell wireless facility, utility pole, or wireless support structure. The notice shall specify when and how the wireless provider intends to remove the small cell wireless facility, utility pole, or wireless support structure. The wireless provider shall return the property to its pre-installation condition. If the wireless provider does not complete the removal within 45 days after the discontinuance of use, the Authority may complete the removal and assess the costs of removal against the wireless provider. A permit under this subsection for a small cell wireless facility expires upon removal of the small cell wireless facility.*

*(h) A wireless provider shall obtain a permit for any work that will affect traffic patterns or obstruct vehicular or pedestrian traffic in the ROW.*

*(6) Zoning Review for Non-Permitted Uses.*

*(a) This subsection applies to zoning reviews for the following activities that are subject to zoning review and approval, that are not a permitted use under § 153.125(F)(4)(e), and that take place within or outside the public right-of-way:*

1. *The modification of existing or installation of new small cell wireless facilities.*
2. *The modification of existing or installation of new wireless support structures used for such small cell wireless facilities.*

*(b) The processing of an application for a zoning approval is subject to all of the following requirements:*

1. *Within 30 days after receiving an application under this section, the Authority shall notify the Applicant in writing whether the application is complete. If the application is incomplete, the notice shall clearly and specifically delineate all missing documents or information. The notice tolls the running of the 30-day period.*
2. *The running of the time period tolled under § 153.125(F)(6)(b)1 resumes when the Applicant makes a supplemental submission in response to the Authority's notice of incompleteness. If the Applicant makes a supplemental submission in response to the Authority's notice of incompleteness, the Authority will so notify the Applicant in writing within 10 days, delineating the previously requested and missing documents or information. The time period may be tolled in the case of second or subsequent notices under the procedures identified in subdivision § 153.125(F)(6)(b)1. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness.*
3. *Modification of Support Structure or Collocation or Installation of Wireless Facilities Shot Clock 90 Days – New Support Structure Shot Clock 150 Days; Modification by Agreement; Deemed Approved: The Authority shall approve or deny the application and notify the Applicant in writing within 90 days after an application for a modification of a wireless support structure or installation of a small cell wireless facility is received or 150 days after an application for a new wireless support structure is received.*
   i. *The time period for approval may be extended by mutual agreement between the Applicant and Authority.*
   ii. *If the Authority fails to comply with this subdivision, the application is considered to be approved subject*

*to the condition that the Applicant provide the Authority not less than 15 days' advance written notice that the applicant will be proceeding with the work pursuant to this automatic approval.*

4. *The Authority may deny an application if all of the following apply:*

   i. *The denial is supported by substantial evidence contained in a written record that is publicly released contemporaneously.*

   ii. *There is a reasonable basis for the denial.*

   iii. *The denial would not discriminate against the Applicant with respect to the placement of the facilities of other wireless providers.*

(c) *The Authority's review of an application for a zoning approval is subject to all of the following requirements:*

1. *Applicant Presumed Reasonable: An applicant's business decision on the type and location of small cell wireless facilities, wireless support structures, or technology to be used is presumed to be reasonable. This presumption does not apply with respect to the height of wireless facilities or wireless support structures. The Authority may consider the height of such structures in its zoning review, but shall not discriminate between the Applicant and other communications service providers.*

2. *The Authority shall not evaluate or require an applicant to submit information about an applicant's business decisions with respect to any of the following:*

   i. *The need for a wireless support structure or small cell wireless facilities.*

   ii. *The Applicant's service, customer demand for the service, or the quality of service.*

3. *Any requirements regarding the appearance of facilities, including those relating to materials used or arranging, screening, or landscaping, shall be reasonable.*

4. *Any spacing, setback, or fall zone requirement shall be substantially similar to a spacing, setback, or fall zone requirement imposed on other types of commercial structures of a similar height.*

(d) *Application Fees:*

1. *$1,000.00 for a new wireless support structure or modification of an existing wireless support structure.*

2. *$500.00 for a new small cell wireless facility or modification of an existing small cell wireless facility*

(e) *All zoning approval is void if the wireless provider fails to commence construction within 1 year of the grant of same, unless the Authority and the Applicant agree to extend this period or the delay is caused by a lack of commercial power or communications facilities at the site. The wireless provider may reapply for a zoning approval.*

(f) *A wireless provider may voluntarily request that a zoning approval be terminated.*

(g) *The Authority shall not institute a moratorium on either of the following:*

1. *Filing, receiving, or processing applications for zoning approval.*

2. *Issuing approvals for installations that are not a permitted use.*

(h) *The Authority may revoke a zoning approval, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated wireless support structure fail to meet the requirements of the approval, applicable codes, or applicable zoning requirements.*

(7) *Authority owned Poles; Rates; Terms*

(a) *The Authority shall not enter into an exclusive arrangement with any person for the right to attach to authority poles. A person who purchases, controls, or otherwise acquires an authority pole is subject to the requirements of this subsection.*

(b) *Rate: The rate for the collocation of small cell wireless facilities on authority poles shall be nondiscriminatory regardless of the services provided by the colocating person. The rate shall not exceed $30.00 per year per authority pole. Every 5 years after the effective date of the Act, the maximum rate then authorized under this subsection is increased by 10% and rounded to the nearest dollar. This rate for the collocation of small cell wireless facilities on authority poles is in addition to any rate charged for the use of the ROW under § 153.125(F)(4).*

(c) *All greater rates and fees in current agreements shall be modified within 90 days of application receipt, so as not to exceed the fees provided here, except with respect to wireless facilities on authority poles installed and operational before the effective date of this ordinance or any related agreement, which shall remain in effect for the duration of the ordinance or agreement.*

(d) *Within 90 days after receiving the first request to colocate a small cell wireless facility on an authority pole, the Authority shall make available, through ordinance or otherwise, the rates, fees, and terms for the collocation of small cell wireless facilities on the authority poles. The rates, fees, and terms shall comply with all of the following:*

1. *The rates, fees, and terms shall be nondiscriminatory, competitively neutral, and commercially reasonable and shall comply with the Act.*

2. *The Authority shall provide a good-faith estimate for any make-ready work within 60 days after receipt of a complete application. Make-ready work shall be completed within 60 days of written acceptance of the good-faith estimate by the Applicant.*

3. *The person owning or controlling the authority pole shall not require more make-ready work than required to comply with law or industry standards.*

4. *Fees for make-ready work shall not do any of the following:*

    i. *Include costs related to preexisting or prior damage or noncompliance unless the damage or noncompliance was caused by the Applicant.*

    ii. *Include any unreasonable consultant fees or expenses.*

    iii. *Exceed actual costs imposed on a nondiscriminatory basis.*

(e) *This section does not require the Authority to install or maintain any specific authority pole or to continue to install or maintain authority poles in any location if the Authority makes a nondiscriminatory decision to eliminate aboveground poles of a particular type generally, such as electric utility poles, in a designated area of its geographic jurisdiction. For authority poles with colocated small cell wireless facilities in place when an authority makes a decision to eliminate aboveground poles of a particular type, the Authority shall do 1 of the following:*

1. *Continue to maintain the authority pole.*

2. *Install and maintain a reasonable alternative pole or wireless support structure for the collocation of the small cell wireless facility.*

3. *Offer to sell the pole to the wireless provider at a reasonable cost.*

4. *Allow the wireless provider to install its own utility pole so it can maintain service from that location.*

5. *Proceed as provided by an agreement between the Authority and the wireless provider.*

(8) *No Provider Requirement of Service. This ordinance does not require wireless facility deployment or regulate wireless services.*

(9) *Appeals: The Applicant may appeal any Authority determinations related to this ordinance to the highest elected body of the Authority or, the Charlevoix County Circuit Court.*

(10) *Defense, Indemnity and Insurance: All applicant wireless providers shall:*

(a) *Defend, indemnify, and hold harmless the Authority and its officers, agents, and employees against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees resulting from the installation, construction, repair, replacement, operation, or maintenance of any wireless facilities, wireless support structures, or utility poles to the extent caused by the Applicant, its contractors, its subcontractors, and the officers, employees, or agents of any of these.*

(b) *Obtain insurance naming the Authority and its officers, agents, and employees as additional insureds against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees. A wireless provider may meet all or a portion of the authority's insurance coverage and limit requirements by self-insurance. To the extent a wireless provider elects to self-insure, the wireless provider shall provide to the Authority evidence demonstrating, to the Authority's satisfaction, the wireless provider's financial ability to meet the authority's insurance coverage and limit requirements.*

(11) *Bonding:*

(a) *As a condition of a permit described in this act, the wireless provider shall provide a $1,000 bond per small cell wireless facility, for the purpose of providing for the removal of abandoned or improperly maintained small cell wireless facilities, including those that an authority determines should be removed to protect public health, safety, or welfare, to repair the ROW as provided under section § 153.125(F)(4)(b) and, to recoup rates or fees that have not been paid by a wireless provider in more than 12 months, if the wireless provider has received 60-day advance notice from the authority of the noncompliance.*

(b) *The Authority shall not require a cash bond, unless the wireless provider has failed to obtain or maintain a bond required under this section or the surety has defaulted or failed to perform on a bond given to the Authority on behalf of a wireless provider.*

(12) *Labelling: A small cell wireless facility for which a permit is issued shall be labeled with the name of the wireless provider, emergency contact telephone number, and information that identifies the small cell wireless facility and its location.*

(13) *Electric Costs: A wireless provider is responsible for arranging and paying for the electricity used to operate a small cell wireless facility.*

(14) *Investor Owned Utilities.*

(a) *This Ordinance does not add to, replace, or supersede any law regarding poles or conduits, similar structures, or equipment of any type owned or controlled by an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, or an independent transmission company.*

(b) *This ordinance does not impose or otherwise affect any rights, controls, or contractual obligations of an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, or an independent transmission company with respect to its poles or conduits, similar structures, or equipment of any type.*

(c) *Except for purposes of a wireless provider obtaining a permit to occupy a right-of-way, this ordinance does not affect an investor-owned utility whose rates are regulated by the MPSC. Notwithstanding any other provision of this ordinance, pursuant to and consistent with section 6g of 1980 PA 470, MCL 460.6g, the MPSC has sole jurisdiction over attachment of wireless facilities on the poles, conduits, and similar structures or equipment of any type or kind owned or controlled by an investor-owned utility whose rates are* *regulated by the MPSC.*

***SECTION 2. Severability.*** *No other portion, paragraph or phase of the Code of the City of Charlevoix, Michigan shall be affected by this ordinance except as to the above sections, and in the event any portion, section or subsection of this ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this ordinance or of the Code of the City of Charlevoix, Michigan.*

***SECTION 3. Effective Date.***

*This Ordinance shall become effective thirty (30) days after its enactment pursuant to the City Charter*

*Ordinance No. 820 was adopted on the 1st day of June, 2020 A.D., by the Charlevoix City Council as follows:*

| | |
|---|---|
| *Motion by:* | *Kalbfell* |
| *Seconded by:* | *Cole* |
| *Yeas:* | *Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater* |
| *Nays:* | *None* |
| *Absent:* | *None* |

*State of Michigan* } §
*City of Charlevoix*

D. Outdoor Sales and Sidewalk Use

The public hearings were closed at 6:31 p.m. City Manager Heydlauff stated that at the last Council meeting, Council requested more information about expanded outdoor uses and how it might encourage social distancing measures in the community. Zoning Administrator Scheel and Planner Egan discussed options and answered questions from Council. Council agreed to discuss the outdoor merchandise ordinance amendment further at a public hearing.

Mayor Kurtz opened the item to public comment and eight comments were heard.

Motion by Cole, second by Slater to set a public hearing for June 15, 2020 at 6:00 p.m. in Council Chambers.
Yeas: Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: None

**7. All Other Actions & Requests**

A. Lease of Commercial Dock Space

Kalbfell recused herself. Council members Oleksy, Slater, and Cole requested this agenda item regarding a commercial space at the City Marina to be discussed with further action. Oleksy felt that all of Council needed to be present in order to award the lease.

Mayor Kurtz opened the item to public comment and none was heard.

Motion by Oleksy, second by Slater to reconsider the approval of the lease for the commercial dock space made at the previous May 18th Council meeting [Little Traverse Charters LLC].
Yeas: Oleksy, Cole, Hagen, Slater
Nays: Bryan
Abstain: Kalbfell

Motion by Oleksy, second by Slater to rescind the previous approval of the lease of commercial dock space that was made at the May 18th meeting [Little Traverse Charters LLC].
Yeas: Oleksy, Cole, Slater
Nays: Bryan, Hagen
Abstain: Kalbfell

Motion by Hagen, second by Cole to direct Staff to find a way for both businesses [Little Traverse Charters and Whitecaps Charters] to operate until June 13th or the whole summer and have a sealed bid process which will be decided within the week [if there is no long term solution for the season].
Yeas: Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: Bryan
Abstain: Kalbfell

B. Commercial Dock Variance Request

Recreation Director Knorr stated that we can request a variance from the Waterways Commission to allow an extra commercial slip for the upcoming summer. Because we anticipate less transient activity in 2020, he requested a one year variance to allow an extra commercial vendor for 2020.

Mayor Kurtz opened the item to public comment and two were heard.

Motion by Hagen, second by Cole to require the sealed bid price be per foot with a one year term [for the previous motion].
Yeas: Oleksy, Cole, Hagen, Slater
Nays: Bryan
Abstain: Kalbfell

Motion by Hagen, second by Cole to approve the Recreation Department to seek a variance with the Michigan State Waterways Commission to allow a 3rd commercial boat service to be located in the Charlevoix City Marina for the summer of 2020.
Yeas: Bryan, Oleksy, Cole, Hagen, Slater
Nays: None
Abstain: Kalbfell

C. Request from BLOOM & The Cantina to Improve Safety of Van Pelt Alley
Kalbfell returned to the meeting and the Mayor recused himself. DDA Director Dotson stated that the City received a request from two businesses located in Van Pelt Alley to temporarily block off the space between their buildings for pedestrian use only. A complication has arisen with the limited operating capacity that the businesses must adhere to for proper social distancing, which has resulted in more pedestrians populating the alley as they wait for a table or wait to go inside the flower shop. She stated that the Zoning Administrator and Superintendent of Public Works found no issue. On May 26th the Charlevoix Main Street DDA Board reviewed the request and voted to recommend that Council approve.

Deputy Mayor Cole opened the item to public comment and seven comments were heard.

Motion by Hagen, second by Slater to approve temporary closure to vehicular traffic in Van Pelt Alley between 100 and 108 Van Pelt Place with readily movable fixtures to improve the safety of pedestrians while also giving a place to adequately social distance while businesses in this area are operating at a reduced capacity.
Yeas: Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: None

D. Bridge Street Tap Room Outdoor Dining
The Mayor returned to the meeting and Hagen recused himself. Zoning Administrator Scheel stated that several years ago, the Bridge Street Tap Room obtained permission from Council by resolution to use space adjacent to their building next to Bridge Park as an outdoor patio service area. They are requesting an enlarged footprint due to operating at reduced capacity. It was noted that the DDA should review any further requests prior to Council's consideration.

Mayor Kurtz opened the item to public comment and six were heard.

Motion by Bryan, second by Slater to approve Bridge Street Tap Room outdoor dining Resolution 2020-06-01.

**CITY OF CHARLEVOIX**
**RESOLUTION NO. 2020-06-01**
APPROVAL OF AN OUTDOOR SEATING AREA TO SERVE FOOD AND ALCOHOLIC BEVERAGES
FOR THE BRIDGE STREET TAP ROOM

**WHEREAS**, in accordance with the Cool Cities initiatives, the City of Charlevoix is supportive of outdoor dining experiences, which provides restaurants an incentive to invest in Charlevoix and an enjoyable experience for our residents and visitors; and

**WHEREAS**, the City permits other restaurants to have outdoor seating on City property where patrons can be served food and alcohol, provided that this use is permitted by the Michigan Liquor Control Commission and the Michigan Department of Transportation; and

**WHEREAS**, the City finds that the sidewalk area adjacent to the building is unused and the outdoor seating area will not interfere with pedestrian movement; and

**WHEREAS**, the patrons of the Bridge Tap Room and the general public are not permitted to consume alcoholic beverages outside of the seating area unless it is during an event authorized by City Council.

**NOW THEREFORE BE IT RESOLVED**, that the City of Charlevoix authorizes the Bridge Street Tap Room to provide outdoor seating and to serve food and alcoholic beverages within that seating area effective through December 31, 2020 based on the attached site plan dated May 26, 2020.

**RESOLVED** this 1st day of June, 2020 A.D.

Resolution was adopted by the following yea and nay vote:
Yeas: Bryan, Oleksy, Cole, Kalbfell, Slater
Nays: None
Abstain: Hagen

E. 2020 Permit Parking Rules and Process

Hagen returned to the meeting. City Manager Heydlauff stated that this item was originally scheduled for action back on March 16, 2020 but was canceled due to the onset of pandemic conditions. Given Council's consideration for other changes downtown, he recommended against establishing permit parking spaces this year so that as much parking can be available as possible.

Mayor Kurtz opened the item to public comment and none was heard.

Motion by Cole, second by Hagen to suspend permit parking for the 2020 season.
Yeas: Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: None

F. Council Appointment

Motion by Hagen, second by Kalbfell to reappoint Kay Heise to the Historic District Commission, term expiring June 2023.
Yeas: Bryan, Oleksy, Cole, Kalbfell, Hagen, Slater
Nays: None

**8. Reports & Communications**

A. Public Comments

- Shirley Gibson felt Council members should not profit personally by using City property.

B. City Manager Comments

- Confirmed with Council that three items will have further discussion: park use fees, long term strategy for Van Pelt Alley, and commercial boat slip.
- Asked Council for direction regarding the bridge railings for a future agenda item
- COVID-19 update and re-opening City Hall by appointment

C. Mayor & Council Comments

- Council reflected on their personal experiences and friendship with Leon Perron; all agreed that he served his City well.

**9. Other Council Business**

Slater felt that Council should set aside a designated area for peaceful protests.

Mayor Kurtz opened the item to public comment and two were heard.

Motion by Slater, second by Oleksy to designate East Park and Bridge Park as locations for peaceful protests.
Yeas: Oleksy, Hagen, Slater
Nays: Bryan, Cole, Kalbfell
The Mayor broke the tie by voting nay. Motion failed.

It was noted that the dissenting members were not in favor of East Park. Council ultimately decided not to specify a particular area.

**10. Adjourn**

The Mayor adjourned the meeting at 8:59 p.m.

| | | | |
|---|---|---|---|
| Joyce M. Golding | City Clerk | Luther Kurtz | Mayor |

**Special Accounts Payable – 05/20/2020**

| | | | |
|---|---|---|---|
| AT&T | 4,419.93 | PRIORITY HEALTH | 39,707.12 |
| AT&T LONG DISTANCE | 259.73 | STANDARD INSURANCE CO | 2,675.38 |
| AZZOPARDI, ANTHONY | 49.45 | VSP INSURANCE CO. (CT) | 543.09 |
| CHARLEVOIX STATE BANK | 6,415.06 | WEX BANK | 1,100.57 |
| CHARTER COMMUNICATIONS | 671.67 | **TOTAL** | **59,904.10** |
| GREAT LAKES ENERGY | 266.27 | | |
| HOLIDAY COMPANIES | 3,225.22 | | |
| MONY LIFE INSURANCE | 570.61 | | |

**Regular Accounts Payable – 06/02/2020**

| | | | |
|---|---|---|---|
| 5 ALARM FIRE & SAFETY | 697.32 | BELL EQUIPMENT COMPANY | 136.99 |
| ABILITA | 1,425.00 | BIOTECH AGRONOMICS INC | 468.00 |
| AIRGAS USA LLC | 69.29 | BOUND TREE MEDICAL LLC | 99.51 |
| ALLSHRED SERVICES | 104.00 | BUDDE, ELAINE | 50.00 |
| AMERICAN WASTE INC. | 46.76 | CDW GOVERNMENT INC. | 540.00 |
| ANDERSON, ELIZABETH A. | 50.00 | CENTRAL DRUG STORE | 26.36 |
| ANZELL, BETH A. | 50.00 | CERTIFIED LABORATORIES | 193.67 |
| AT YOUR SERVICE PLUS INC | 250.00 | CHX AREA CHAMBER OF COMMERCE | 10,000.00 |
| AVFUEL CORPORATION | 7,659.98 | CHARLEVOIX COUNTY EQUALIZATION | 1,407.11 |

| | | | |
|---|---|---|---|
| CHARLEVOIX COUNTY TREASURER | 821.01 | McGINN, KELLY A. | 50.00 |
| CHARLEVOIX SCREEN MASTERS INC | 1,367.27 | MCLEAN ENGINEERING CO INC | 1,827.00 |
| CINTAS | 383.62 | MCMULLEN, DONALD R. | 50.00 |
| CINTAS CORPORATION | 158.16 | MICHIGAN MUNICIPAL LEAGUE | 2,017.00 |
| CSI EMERGENCY APPARATUS LLC | 1,382.45 | MICHIGAN WATER ENV ASSOC | 154.00 |
| DeROSIA, PATRICIA E. | 50.00 | MILLER, WILLIAM S. | 50.00 |
| DOAN, GERARD P. | 50.00 | MINERAL MASTERS | 1,865.07 |
| DORAN, JUSTIN J. | 50.00 | NORTH CENTRAL MICHIGAN COLLEGE | 3,435.00 |
| DOTSON, LINDSEY J. | 50.00 | NORTHERN CREDIT SERVICES | 152.75 |
| EJ USA INC. | 674.18 | NORTHERN MICHIGAN HARDWOODS | 2,380.00 |
| ELLIOTT, PATRICK M. | 50.00 | NORTHERN PUMP SERVICE INC. | 5,122.30 |
| ELLSWORTH FARMER'S EXCHANGE | 792.00 | OHM ADVISORS | 29,019.50 |
| EMBROIDME | 182.35 | PEARSALL, MICHAEL | 487.00 |
| FAMILY FARM & HOME | 119.54 | PENINSULA FIBER NETWORK LLC | 470.00 |
| FASTENAL COMPANY | 55.50 | PLUNKETT & COONEY | 2,680.00 |
| GEMPLER'S | 172.99 | POWER LINE SUPPLY | 17,901.26 |
| GOLDING, JOYCE M. | 50.00 | PRELL'S TOWING SERVICE LLC | 618.75 |
| GOOD BOY EVENTS | 100.00 | QUALITY CAR & TRUCK REPAIR INC | 734.41 |
| GRAINGER | 1,096.58 | QUILL CORP | 69.99 |
| GREAT LAKES PIPE & SUPPLY | 520.00 | REICH, ROBIN | 80.00 |
| Grey | 20.00 | SHANAHAN, CHERYL J. | 50.00 |
| HACH COMPANY | 2,082.35 | SILVA, JESSE L.A. | 50.00 |
| HANKINS, SCOTT A. | 50.00 | SITE ONE LANDSCAPE SUPPLY | 359.60 |
| HERITAGE-CRYSTAL CLEAN LLC | 96.40 | STEPHENS, LYON G. | 50.00 |
| HEYDLAUFF, MARK L. | 84.00 | STUART C IRBY CO | 302.85 |
| HYDE SERVICES LLC | 197.50 | SWEM, DONALD L. | 50.00 |
| JOHNSON, MELISSA A. | 50.00 | TELEDYNE INSTRUMENTS INC | 1,475.29 |
| KLOOSTER, ALIDA K. | 50.00 | TELE-RAD INC | 320.00 |
| KLOOSTER, PATRICK H. | 50.00 | TERMINAL SUPPLY CO | 394.22 |
| KNORR, KENT J. | 50.00 | TRAVERS, MANUEL J. | 50.00 |
| KSS ENTERPRISES | 717.93 | TRUCK & TRAILER SPECIALTIES | 302.50 |
| LAKESHORE TIRE & AUTO SERVICE | 46.95 | UNIVERSAL CLEANERS LLC | 3,100.00 |
| LAMAR COMPANIES | 770.00 | USA BLUE BOOK | 4,138.72 |
| LAVENDER, JOSEPH E. | 50.00 | VILLAGER PUB, THE | 219.16 |
| LETTERS ONLINE | 50.00 | WORK & PLAY SHOP | 519.98 |
| LIVINGSTON, BRIAN D. | 50.00 | WURST, RANDALL W. | 50.00 |
| MACGREGOR PLUMBING & HEATING | 510.00 | WYMAN, MATTHEW A. | 50.00 |
| MAMA T'S COMMERCIAL CLEANING | 225.00 | **TOTAL** | **117,246.12** |
| MAYER, SHELLEY L. | 50.00 | | |

**ACH Payments – 05/18/2020 to 05/29/2020**

| | | | |
|---|---|---|---|
| MI PUBLIC POWER AGENCY | 26,633.41 | VANTAGEPOINT (401 ICMA PLAN) | 858.02 |
| MI PUBLIC POWER AGENCY | 15,062.59 | VANTAGEPOINT (457 ICMA PLAN) | 19,992.38 |
| MI PUBLIC POWER AGENCY | 185,112.11 | VANTAGEPOINT (ROTH IRA) | 1,186.52 |
| IRS (PAYROLL TAX DEPOSIT) | 40,251.53 | MERS (DEFINED BENEFIT PLAN) | 71,848.16 |
| ALERUS FINANCIAL (HCSP) | 350.00 | **TOTAL** | **367,191.45** |
| STATE OF MI (WITHHOLDING TAX) | 5,896.73 | | |

**Payroll Net Pay – Check Date 05/29/2020**

| | | | |
|---|---|---|---|
| HEYDLAUFF, MARK L. | 2,724.04 | MEIER III, CHARLES A. | 1,329.58 |
| GOLDING, JOYCE M. | 1,653.60 | ZACHARIAS, STEVEN B. | 1,609.75 |
| DEROSIA, PATRICIA E. | 1,305.24 | NEWMAN, MARK J. | 1,022.67 |
| DOTSON, LINDSEY J. | 1,422.46 | SWEM, DONALD L. | 2,466.17 |
| KLOOSTER, ALIDA K. | 1,753.72 | EATON, BRAD A. | 2,609.72 |
| GOLOVICH, KAREN J. | 985.70 | WILSON, TIMOTHY J. | 2,749.91 |
| BARNEVELD, RICHELLE L. | 1,252.16 | LAVOIE, RICHARD L. | 2,322.13 |
| EDWARDS, MACKENZIE R. | 1,299.42 | STEVENS, BRANDON C. | 2,624.89 |
| MCGINN, KELLY A. | 2,085.82 | DRAVES, MARTIN J. | 2,254.25 |
| LAVENDER, JOSEPH E. | 1,728.90 | ANDERSON, ELIZABETH A. | 1,209.90 |
| DOAN, GERARD P. | 2,407.55 | KENWABIKISE, DAVID L. | 1,097.59 |
| UMULIS, MATTHEW T. | 1,204.45 | ELLIOTT, PATRICK M. | 2,381.83 |
| HANKINS, SCOTT A. | 1,693.34 | SCHWARTZFISHER, JOSEPH | 1,050.22 |
| ORBAN, BARBARA K. | 1,417.76 | BRADLEY, KELLY R. | 1,645.34 |
| FLICKEMA, ANDREW M. | 1,425.30 | HART II, DELBERT W. | 1,335.10 |
| RILEY, DENISE M. | 450.14 | JONES, ROBERT F. | 1,121.43 |
| MUNK, CHRISTOPHER J. | 1,235.16 | FARRELL, MITCHELL L. | 1,345.29 |
| SCHICK, TIELER R. | 1,356.45 | THORP JR, WILLIAM D. | 1,476.05 |
| MATELSKI, KRISTEN L. | 1,356.19 | LEITNER, RYAN S. | 1,214.41 |
| BINGHAM, LARRY E. | 324.92 | FERGUSON, ROYCE L. | 1,520.68 |
| WURST, RANDALL W. | 1,114.49 | DORAN, JUSTIN J. | 2,107.26 |
| MAYER, SHELLEY L. | 1,463.50 | FREY, DYLAN V. | 589.60 |
| HILLING, NICHOLAS A. | 1,450.77 | HART III, DELBERT W. | 915.49 |

| | | | |
|---|---|---|---|
| SLADEK, RYLYNN S. | 313.45 | SILVA, JESSE L.A. | 1,506.86 |
| LOUISELLE, ELLIE N. | 300.95 | JOHNSON, MELISSA A. | 1,251.77 |
| BEMIS, JACKSON R. | 691.52 | STEPHENS, LYON G. | 1,218.45 |
| FINNERTY, HOLLY E. | 858.01 | TRAVERS, MANUEL J. | 1,400.21 |
| CRANDELL, ZACKARY R. | 325.93 | STEVENS, JEFFREY W. | 533.00 |
| MUELLER, JASON C. | 588.12 | RILEY, CASEY W. | 498.54 |
| KNORR, KENT J. | 1,953.46 | JONES, LARRY M. | 826.74 |
| ANZELL, BETH A. | 1,318.58 | FLORE, ROBERT A. | 714.20 |
| MAY, MEREDITH A. | 130.60 | MATZ, EMILY S. | 843.20 |
| HART, DAVID R. | 221.85 | WHEELER, MICHAEL W. | 1,610.42 |
| MCDONNELL, JENNA N. | 436.07 | MISHLER, MICHAEL. J. | 950.89 |
| GILL, DAVID R. | 787.71 | AZZOPARDI, ANTHONY J. | 1,514.55 |
| MASSON, DONALD J. | 271.18 | DEKORNE, ELIZABETH A. | 292.91 |
| LIVINGSTON, BRIAN D. | 1,708.92 | DIETZ, AMANDA M. | 1,212.29 |
| STANLEY, MARK J. | 55.41 | MOYER, NATHAN I. | 1,294.35 |
| WYMAN, MATTHEW A. | 1,781.56 | SPREEMAN, ASHLEY M. | 453.38 |
| MILLER, WILLIAM S. | 992.33 | FAULKNOR, CHRISTOPHER J. | 1,923.31 |
| DOUGLAS, MARK | 886.47 | WHITLEY, ANDREW T. | 2,486.58 |
| PRIOR, ERIN C. | 1,029.43 | MORRISON, KEVIN P. | 1,102.48 |
| FRATRICK, JOSEPH W. | 525.80 | **TOTAL** | **110,328.99** |
| MCMULLEN, DONALD R. | 2,407.17 | | |

**Payroll Transmittal – 05/29/2020**

| | | | |
|---|---|---|---|
| 4FRONT CREDIT UNION | 1,002.01 | COMMUNICATION WORKERS OF AMER | 659.38 |
| AMERICAN FAMILY LIFE | 608.28 | MI STATE DISBURSEMENT UNIT | 209.65 |
| CHAR EM UNITED WAY | 90.00 | MONY LIFE INSURANCE | 350.85 |
| CHARLEVOIX STATE BANK | 967.00 | PRIORITY HEALTH | 1,449.89 |
| CHEMICAL BANK | 25.00 | **TOTAL** | **5,362.06** |

**Tax Disbursement – 06/02/2020**

| | | | |
|---|---|---|---|
| CHARLEVOIX COUNTY TREASURER | 873.24 | RECREATIONAL AUTHORITY | 49.85 |
| CHARLEVOIX DISTRICT LIBRARY | 256.42 | **TOTAL** | **1,340.36** |
| CITY OF CHARLEVOIX - TAXES DUE | 160.85 | | |

DRAFT

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** Accounts Payable and Payroll Check Registers

**DATE:** June 15, 2020

**ATTACHMENTS:**

- Accounts Payable and Payroll Check Registers

| Check Number | Payee | Amount |
|---|---|---|
| **05/28/2020** | | |
| 130369 | WHARFSIDE ENT. LTD. | 1,750.00 |
| Total 05/28/2020: | | 1,750.00 |
| Grand Totals: | | 1,750.00 |

## Summary of Check Registers & ACH Payments

**HUNTINGTON NATIONAL BANK - CHECKS ISSUED**

| | | | |
|---|---|---|---|
| 05/28/20 | Special Accounts Payable Run | $ | 1,750.00 |
| 06/12/20 | Payroll (net pay) | $ | 125,395.08 |
| 06/12/20 | Payroll Transmittal Checks | $ | 5,591.93 |
| 06/16/20 | Regular Accounts Payable | $ | 1,347,044.99 |
| | **Checks Sub-Total:** | $ | 1,479,782.00 |

**HUNTINGTON NATIONAL BANK - ACH/WIRE PAYMENTS**

| | | | |
|---|---|---|---|
| 06/01/20 | MI Public Power Agency | $ | 20,530.34 |
| 06/02/20 | Proximity Space Inc (The Vault) | $ | 101.60 |
| 06/04/20 | Payment Service Network, Inc. | $ | 241.70 |
| 06/05/20 | State of MI (Sales Tax) | $ | 19,031.13 |
| 06/08/20 | MI Public Power Agency | $ | 18,849.21 |
| 06/09/20 | DTE Energy | $ | 4,347.11 |
| 06/12/20 | IRS (Payroll Tax Deposit) | $ | 46,353.23 |
| 06/12/20 | Alerus Financial (HCSP) | $ | 350.00 |
| 06/12/20 | State of MI (Withholding Tax) | $ | 6,739.00 |
| 06/12/20 | Vantagepoint (401 ICMA Plan) | $ | 858.02 |
| 06/12/20 | Vantagepoint (457 ICMA Plan) | $ | 20,363.18 |
| 06/12/20 | Vantagepoint (Roth IRA) | $ | 1,186.52 |
| | **ACH Sub-Total:** | $ | 138,951.04 |
| | **Huntington National Bank Total:** | $ | 1,618,733.04 |

**CHARLEVOIX STATE BANK - CHECKS ISSUED**

(PROPERTY TAX DISBURSEMENT TO VARIOUS TAXING AUTHORITIES)

| | | |
|---|---|---|
| Tax Disbursement | $ | - |
| **Charlevoix State Bank Total:** | $ | - |
| **Grand Total:** | $ | 1,618,733.04 |

APPROVED: CITY MANAGER | CITY TREASURER | CITY CLERK

| Pay Period Date | Journal Code | Check Issue Date | Check Number | Payee | Emp ID | Description | Amount |
|---|---|---|---|---|---|---|---|
| 06/06/2020 | PC | 06/12/2020 | 30830 | HEYDLAUFF, MARK L. | 102 | | 3,012.48 |
| 06/06/2020 | PC | 06/12/2020 | 30831 | GOLDING, JOYCE M. | 106 | | 2,085.86 |
| 06/06/2020 | PC | 06/12/2020 | 30832 | DEROSIA, PATRICIA E. | 107 | | 1,094.36 |
| 06/06/2020 | PC | 06/12/2020 | 30833 | DOTSON, LINDSEY J. | 109 | | 1,422.46 |
| 06/06/2020 | PC | 06/12/2020 | 30834 | KLOOSTER, ALIDA K. | 121 | | 2,129.16 |
| 06/06/2020 | PC | 06/12/2020 | 30835 | GOLOVICH, KAREN J. | 122 | | 985.70 |
| 06/06/2020 | PC | 06/12/2020 | 30836 | BARNEVELD, RICHELLE | 123 | | 1,151.92 |
| 06/06/2020 | PC | 06/12/2020 | 30837 | EDWARDS, MACKENZIE | 124 | | 1,685.53 |
| 06/06/2020 | PC | 06/12/2020 | 30838 | MILLER, FAITH G. | 142 | | 82.35 |
| 06/06/2020 | PC | 06/12/2020 | 30839 | MCGINN, KELLY A. | 146 | | 2,518.08 |
| 06/06/2020 | PC | 06/12/2020 | 30840 | LAVENDER, JOSEPH E. | 153 | | 1,728.90 |
| 06/06/2020 | PC | 06/12/2020 | 30841 | DOAN, GERARD P. | 201 | | 2,407.54 |
| 06/06/2020 | PC | 06/12/2020 | 30842 | UMULIS, MATTHEW T. | 205 | | 1,344.13 |
| 06/06/2020 | PC | 06/12/2020 | 30843 | HANKINS, SCOTT A. | 208 | | 1,953.28 |
| 06/06/2020 | PC | 06/12/2020 | 30844 | ORBAN, BARBARA K. | 209 | | 1,490.70 |
| 06/06/2020 | PC | 06/12/2020 | 30845 | FLICKEMA, ANDREW M. | 211 | | 2,231.70 |
| 06/06/2020 | PC | 06/12/2020 | 30846 | RILEY, DENISE M. | 213 | | 447.87 |
| 06/06/2020 | PC | 06/12/2020 | 30847 | MUNK, CHRISTOPHER J. | 215 | | 1,827.45 |
| 06/06/2020 | PC | 06/12/2020 | 30848 | SCHICK, TIELER R. | 216 | | 1,693.68 |
| 06/06/2020 | PC | 06/12/2020 | 30849 | MATELSKI, KRISTEN L. | 230 | | 1,356.19 |
| 06/06/2020 | PC | 06/12/2020 | 30850 | BINGHAM, LARRY E. | 240 | | 1,006.88 |
| 06/06/2020 | PC | 06/12/2020 | 30851 | MACGILLIVRAY, ROGER | 244 | | 332.97 |
| 06/06/2020 | PC | 06/12/2020 | 30852 | WURST, RANDALL W. | 411 | | 1,781.72 |
| 06/06/2020 | PC | 06/12/2020 | 30853 | MAYER, SHELLEY L. | 412 | | 2,100.05 |
| 06/06/2020 | PC | 06/12/2020 | 30854 | HILLING, NICHOLAS A. | 413 | | 1,556.77 |
| 06/06/2020 | PC | 06/12/2020 | 30855 | MEIER III, CHARLES A. | 421 | | 1,172.61 |
| 06/06/2020 | PC | 06/12/2020 | 30856 | ZACHARIAS, STEVEN B. | 422 | | 1,305.58 |
| 06/06/2020 | PC | 06/12/2020 | 30857 | NEWMAN, MARK J. | 424 | | 1,084.25 |
| 06/06/2020 | PC | 06/12/2020 | 30858 | SWEM, DONALD L. | 512 | | 2,478.25 |
| 06/06/2020 | PC | 06/12/2020 | 30859 | EATON, BRAD A. | 515 | | 2,362.94 |
| 06/06/2020 | PC | 06/12/2020 | 30860 | WILSON, TIMOTHY J. | 516 | | 3,159.36 |
| 06/06/2020 | PC | 06/12/2020 | 30861 | LAVOIE, RICHARD L. | 519 | | 2,233.91 |
| 06/06/2020 | PC | 06/12/2020 | 30862 | STEVENS, BRANDON C. | 521 | | 2,759.02 |
| 06/06/2020 | PC | 06/12/2020 | 30863 | DRAVES, MARTIN J. | 523 | | 2,442.60 |
| 06/06/2020 | PC | 06/12/2020 | 30864 | ANDERSON, ELIZABETH | 526 | | 1,209.90 |
| 06/06/2020 | PC | 06/12/2020 | 30865 | KENWABIKISE, DAVID L. | 528 | | 1,097.59 |
| 06/06/2020 | PC | 06/12/2020 | 30866 | ELLIOTT, PATRICK M. | 600 | | 2,381.82 |
| 06/06/2020 | PC | 06/12/2020 | 30867 | SCHWARTZFISHER, JOS | 603 | | 988.26 |
| 06/06/2020 | PC | 06/12/2020 | 30868 | BRADLEY, KELLY R. | 614 | | 1,330.92 |
| 06/06/2020 | PC | 06/12/2020 | 30869 | HART II, DELBERT W. | 616 | | 1,527.86 |
| 06/06/2020 | PC | 06/12/2020 | 30870 | JONES, ROBERT F. | 618 | | 1,255.59 |
| 06/06/2020 | PC | 06/12/2020 | 30871 | FARRELL, MITCHELL L. | 622 | | 1,709.10 |
| 06/06/2020 | PC | 06/12/2020 | 30872 | THORP JR, WILLIAM D. | 623 | | 1,563.17 |
| 06/06/2020 | PC | 06/12/2020 | 30873 | LEITNER, RYAN S. | 624 | | 1,421.72 |
| 06/06/2020 | PC | 06/12/2020 | 30874 | FERGUSON, ROYCE L. | 625 | | 1,739.85 |
| 06/06/2020 | PC | 06/12/2020 | 30875 | DORAN, JUSTIN J. | 634 | | 2,107.26 |
| 06/06/2020 | PC | 06/12/2020 | 30876 | MANKER SR, DAVID W. | 639 | | 181.01 |
| 06/06/2020 | PC | 06/12/2020 | 30877 | NEDWICK, DAVID J. | 642 | | 766.99 |
| 06/06/2020 | PC | 06/12/2020 | 30878 | FREY, DYLAN V. | 643 | | 507.80 |
| 06/06/2020 | PC | 06/12/2020 | 30879 | HART III, DELBERT W. | 657 | | 812.76 |
| 06/06/2020 | PC | 06/12/2020 | 30880 | SLADEK, RYLYNN S. | 660 | | 655.00 |
| 06/06/2020 | PC | 06/12/2020 | 30881 | LOUISELLE, ELLIE N. | 664 | | 627.60 |
| 06/06/2020 | PC | 06/12/2020 | 30882 | BEMIS, JACKSON R. | 667 | | 599.64 |
| 06/06/2020 | PC | 06/12/2020 | 30883 | FINNERTY, HOLLY E. | 669 | | 776.79 |
| 06/06/2020 | PC | 06/12/2020 | 30884 | CRANDELL, ZACKARY R. | 691 | | 589.83 |
| 06/06/2020 | PC | 06/12/2020 | 30885 | MUELLER, JASON C. | 694 | | 705.22 |
| 06/06/2020 | PC | 06/12/2020 | 30886 | KNORR, KENT J. | 700 | | 1,953.46 |

| Pay Period Date | Journal Code | Check Issue Date | Check Number | Payee | Emp ID | Description | Amount |
|---|---|---|---|---|---|---|---|
| 06/06/2020 | PC | 06/12/2020 | 30887 | ANZELL, BETH A. | 702 | | 1,318.58 |
| 06/06/2020 | PC | 06/12/2020 | 30888 | STEBE, LAURA A. | 703 | | 116.36 |
| 06/06/2020 | PC | 06/12/2020 | 30889 | KLOOSTER, PATRICK H. | 743 | | 1,655.71 |
| 06/06/2020 | PC | 06/12/2020 | 30890 | EVANS JR, HALBERT K. | 744 | | 254.57 |
| 06/06/2020 | PC | 06/12/2020 | 30891 | DAVIS, LEAH R. | 748 | | 161.44 |
| 06/06/2020 | PC | 06/12/2020 | 30892 | TELGENHOF, WILL G. | 749 | | 161.44 |
| 06/06/2020 | PC | 06/12/2020 | 30893 | WHITE III, MARCUS W. | 754 | | 158.32 |
| 06/06/2020 | PC | 06/12/2020 | 30894 | GREYERBIEHL, KELLY M. | 757 | | 183.32 |
| 06/06/2020 | PC | 06/12/2020 | 30895 | CUNNINGHAM, ABIGAIL A | 759 | | 77.57 |
| 06/06/2020 | PC | 06/12/2020 | 30896 | MAY, MEREDITH A. | 771 | | 267.66 |
| 06/06/2020 | PC | 06/12/2020 | 30897 | HART, DAVID R. | 836 | | 471.99 |
| 06/06/2020 | PC | 06/12/2020 | 30898 | MCDONNELL, JENNA N. | 839 | | 652.96 |
| 06/06/2020 | PC | 06/12/2020 | 30899 | GILL, DAVID R. | 856 | | 928.69 |
| 06/06/2020 | PC | 06/12/2020 | 30900 | MASSON, DONALD J. | 861 | | 528.41 |
| 06/06/2020 | PC | 06/12/2020 | 30901 | KUSINA, DENNIS W. | 862 | | 146.90 |
| 06/06/2020 | PC | 06/12/2020 | 30902 | LABLANCE, MAUREEN J. | 863 | | 122.13 |
| 06/06/2020 | PC | 06/12/2020 | 30903 | LIVINGSTON, BRIAN D. | 866 | | 1,708.92 |
| 06/06/2020 | PC | 06/12/2020 | 30904 | STANLEY, MARK J. | 867 | | 58.18 |
| 06/06/2020 | PC | 06/12/2020 | 30905 | WYMAN, MATTHEW A. | 927 | | 1,648.40 |
| 06/06/2020 | PC | 06/12/2020 | 30906 | MILLER, WILLIAM S. | 933 | | 1,357.99 |
| 06/06/2020 | PC | 06/12/2020 | 30907 | DOUGLAS, MARK | 935 | | 1,075.61 |
| 06/06/2020 | PC | 06/12/2020 | 30908 | PRIOR, ERIN C. | 938 | | 1,076.90 |
| 06/06/2020 | PC | 06/12/2020 | 30909 | FRATRICK, JOSEPH W. | 940 | | 504.84 |
| 06/06/2020 | PC | 06/12/2020 | 30910 | MCMULLEN, DONALD R. | 1000 | | 2,098.14 |
| 06/06/2020 | PC | 06/12/2020 | 30911 | SILVA, JESSE L.A. | 1001 | | 2,014.60 |
| 06/06/2020 | PC | 06/12/2020 | 30912 | JOHNSON, MELISSA A. | 1004 | | 1,675.23 |
| 06/06/2020 | PC | 06/12/2020 | 30913 | STEPHENS, LYON G. | 1005 | | 1,112.05 |
| 06/06/2020 | PC | 06/12/2020 | 30914 | TRAVERS, MANUEL J. | 1006 | | 2,102.65 |
| 06/06/2020 | PC | 06/12/2020 | 30915 | STEVENS, JEFFREY W. | 1028 | | 158.85 |
| 06/06/2020 | PC | 06/12/2020 | 30916 | RILEY, CASEY W. | 1052 | | 493.08 |
| 06/06/2020 | PC | 06/12/2020 | 30917 | JONES, LARRY M. | 1057 | | 935.95 |
| 06/06/2020 | PC | 06/12/2020 | 30918 | FLORE, ROBERT A. | 1058 | | 953.15 |
| 06/06/2020 | PC | 06/12/2020 | 30919 | MATZ, EMILY S. | 1059 | | 1,035.55 |
| 06/06/2020 | PC | 06/12/2020 | 30920 | WHEELER, MICHAEL W. | 1103 | | 1,212.11 |
| 06/06/2020 | PC | 06/12/2020 | 30921 | MISHLER, MICHAEL. J. | 1107 | | 1,800.97 |
| 06/06/2020 | PC | 06/12/2020 | 30922 | AZZOPARDI, ANTHONY J. | 1108 | | 1,532.29 |
| 06/06/2020 | PC | 06/12/2020 | 30923 | DEKORNE, ELIZABETH A. | 1109 | | 113.65 |
| 06/06/2020 | PC | 06/12/2020 | 30924 | DIETZ, AMANDA M. | 1115 | | 1,026.79 |
| 06/06/2020 | PC | 06/12/2020 | 30925 | MOYER, NATHAN I. | 1118 | | 853.55 |
| 06/06/2020 | PC | 06/12/2020 | 30926 | MARIHUGH, ANDREW J. | 1119 | | 93.60 |
| 06/06/2020 | PC | 06/12/2020 | 30927 | SPREEMAN, ASHLEY M. | 1120 | | 539.95 |
| 06/06/2020 | PC | 06/12/2020 | 30928 | FAULKNOR, CHRISTOPH | 1122 | | 2,225.64 |
| 06/06/2020 | PC | 06/12/2020 | 130373 | WHITLEY, ANDREW T. | 522 | | 1,942.01 |
| 06/06/2020 | PC | 06/12/2020 | 130374 | MORRISON, KEVIN P. | 601 | | 1,451.10 |
| 06/06/2020 | PC | 06/12/2020 | 130375 | BISHAW, JAMES H. | 633 | | 451.89 |
| Grand Totals: | | | 102 | | | | 125,395.08 |

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| Pay Period Date | Check Issue Date | Check Number | Payee | Emp ID | Description | Amount |
|---|---|---|---|---|---|---|
| 06/06/2020 | 06/12/2020 | 130376 | 4FRONT CREDIT UNION | 9024 | HSA-EMPLOYEE CONTRIB-4FR | 1,002.01 |
| 06/06/2020 | 06/12/2020 | 130377 | AMERICAN FAMILY LIFE | 9011 | AMERICAN FAMILY LIFE-POST T | 127.28 |
| 06/06/2020 | 06/12/2020 | 130377 | AMERICAN FAMILY LIFE | 9011 | AMERICAN FAMILY LIFE-PRETA | 481.00 |
| 06/06/2020 | 06/12/2020 | 130378 | CHAR EM UNITED WAY | 9009 | UNITED WAY Pay Period: 6/6/20 | 90.00 |
| 06/06/2020 | 06/12/2020 | 130379 | CHARLEVOIX STATE BAN | 9017 | HSA - EMPLOYEE CONTRIB - C | 967.00 |
| 06/06/2020 | 06/12/2020 | 130380 | CHEMICAL BANK | 9018 | HSA - EMPLOYEE CONTRIB - C | 25.00 |
| 06/06/2020 | 06/12/2020 | 130381 | COMMUNICATION WORK | 9004 | CWA UNION DUES Pay Period: | 659.38 |
| 06/06/2020 | 06/12/2020 | 130382 | MI STATE DISBURSEMEN | 9012 | FRIEND OF THE COURT Pay Pe | 209.65 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | LIFE - VOLUNTARY Pay Period: | 238.14 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | SPOUSE LIFE Pay Period: 6/6/2 | 47.12 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | CHILD LIFE Pay Period: 6/6/202 | 4.00 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | AD&D - VOLUNTARY Pay Period | 40.13 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | SPOUSE AD&D Pay Period: 6/6/ | 6.79 |
| 06/06/2020 | 06/12/2020 | 130383 | MONY LIFE INSURANCE | 9008 | CHILD AD&D Pay Period: 6/6/20 | 2.59 |
| 06/06/2020 | 06/12/2020 | 130384 | POLICE OFFICERS LABO | 9003 | POL UNION DUES Pay Period: 6 | 251.25 |
| 06/06/2020 | 06/12/2020 | 130385 | PRIORITY HEALTH | 392358 | PRIORITY HEALTH Pay Period: | 1,440.59 |
| Grand Totals: | | 16 | | | | 5,591.93 |

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| Check Number | Payee | Amount |
|---|---|---|
| **06/16/2020** | | |
| 130470 | ACCUMED GROUP, THE | 3,457.19 |
| 130471 | ACE HARDWARE | 3,260.96 |
| 130472 | ALLEN SUPPLY | 508.00 |
| 130473 | ALL-PHASE ELECTRIC | 395.21 |
| 130474 | ALTEC INDUSTRIES INC | 6,092.46 |
| 130475 | APOLLO FIRE EQUIPMENT | 765.16 |
| 130476 | ASPEN WIRELESS | 352.00 |
| 130477 | AT YOUR SERVICE PLUS INC | 407.41 |
| 130478 | AT&T MOBILITY | 577.08 |
| 130479 | AUTO VALUE | 431.44 |
| 130480 | AVFUEL CORPORATION | 18,126.41 |
| 130481 | BELL EQUIPMENT COMPANY | 1,160.14 |
| 130482 | BEMIS, JACKSON | 98.50 |
| 130483 | BOUND TREE MEDICAL LLC | 68.21 |
| 130484 | CARQUEST OF CHARLEVOIX | 2,032.80 |
| 130485 | CDW GOVERNMENT INC. | 1,221.13 |
| 130486 | CERTIFIED LABORATORIES | 1,202.39 |
| 130487 | CHARLEVOIX AREA CHAMBER OF CO | 7,588.00 |
| 130488 | CHARLEVOIX PEST CONTROL LLC | 50.00 |
| 130489 | CHARLEVOIX SCREEN MASTERS INC | 35.00 |
| 130490 | CHARLEVOIX TOWNSHIP | 33,157.12 |
| 130491 | CINTAS | 32.74 |
| 130492 | CINTAS CORPORATION | 108.01 |
| 130493 | CITY OF CHARLEVOIX - PETTY CASH | 950.00 |
| 130494 | CITY OF CHARLEVOIX - UTILITIES | 31,814.93 |
| 130495 | CONWAY PROFESSIONAL SERVICES | 1,911.00 |
| 130496 | D & D ELECTRONICS | 150.00 |
| 130497 | ELECTIONSOURCE | 194.99 |
| 130498 | ELZINGA, RICHARD & PAMELA | 29.33 |
| 130499 | EMERGENCY MEDICAL PRODUCTS IN | 183.27 |
| 130500 | ETNA SUPPLY | 248.00 |
| 130501 | F.H. BLACK & COMPANY | 1,845.00 |
| 130502 | FARMER WHITE'S | 46.00 |
| 130503 | FASTENAL COMPANY | 134.20 |
| 130504 | FREEDOM MAILING SERVICES INC. | 2,299.73 |
| 130505 | GEMINI GROUP LLC | 2,857.00 |
| 130506 | GOVERNMENTAL PRODUCTS INC. | 391.60 |
| 130507 | GRIFFIN BEVERAGE CO | 190.00 |
| 130508 | GUNTZVILLER, RHONDA | 151.00 |
| 130509 | HARBOR FENCE COMPANY | 319.27 |
| 130510 | HARRELL'S | 1,211.40 |
| 130511 | HERITAGE-CRYSTAL CLEAN LLC | 120.00 |
| 130512 | HYDRO CORP | 539.50 |
| 130513 | JACK DOHENY COMPANIES | 866.89 |
| 130514 | JOHN E. GREEN COMPANY | 488.90 |
| 130515 | JONES & JONES GARAGE DOOR SVC | 690.00 |
| 130516 | KLOIBER, JEFF | 260.00 |
| 130517 | KSS ENTERPRISES | 933.45 |

| Check Number | Payee | Amount |
|---|---|---|
| 130518 | LEMANSKI, AMANDA | 14.34 |
| 130519 | LOTTIE'S BAGELS | 161.00 |
| 130520 | MACGREGOR PLUMBING & HEATING | 1,033.00 |
| 130521 | MICHIGAN OFFICEWAYS INC | 742.61 |
| 130522 | MINERAL MASTERS | 1,935.00 |
| 130523 | MUSTAFA, KIM | 155.00 |
| 130524 | NAVIA BENEFIT SOLUTIONS | 50.00 |
| 130525 | NOIROT, BRYAN | 462.00 |
| 130526 | NORTHERN LAKES | 3,500.00 |
| 130527 | NORTHERN MICHIGAN REVIEW INC. | 279.13 |
| 130528 | NORTHERN PUMP SERVICE INC. | 1,400.00 |
| 130529 | OLESON'S FOOD STORES | 47.86 |
| 130530 | PERFORMANCE ENGINEERS INC | 26,132.70 |
| 130531 | PREIN & NEWHOF | 3,646.10 |
| 130532 | R & R PRODUCTS INC | 30.00 |
| 130533 | RCL CONSTRUCTION CO INC | 1,161,965.26 |
| 130534 | RICHMAN, LISA | 80.00 |
| 130535 | ROTARY CLUB OF CHARLEVOIX | 37.50 |
| 130536 | SAUL, GINNIE | 200.00 |
| 130537 | SPARTAN DISTRIBUTORS INC | 430.98 |
| 130538 | SPARTAN STORES LLC | 29.95 |
| 130539 | STATE AND MASON LLC | 1,000.00 |
| 130540 | STATE OF MICHIGAN | 257.03 |
| 130541 | STATE OF MICHIGAN | 95.00 |
| 130542 | STOLT, GLEN | 50.00 |
| 130543 | STRICKER'S OUTDOOR POWER EQUI | 920.85 |
| 130544 | TAYLOR 12501 LLC | 4,417.50 |
| 130545 | TAYLOR, LAURA | 80.00 |
| 130546 | UNIFIRST CORPORATION | 1,298.94 |
| 130547 | UNIVERSAL CLEANERS LLC | 3,875.00 |
| 130548 | USA BLUE BOOK | 1,548.78 |
| 130549 | VALENTINE, MISTY | 32.52 |
| 130550 | VANDERHOOF, ASHLEE | 35.96 |
| 130551 | VILLAGE GRAPHICS INC. | 945.32 |
| 130552 | WINNIE'S ORIGINAL LLC | 34.00 |
| 130553 | XEROX FINANCIAL SERVICES | 168.84 |
| Total 06/16/2020: | | 1,347,044.99 |
| Grand Totals: | | 1,347,044.99 |

| Check Number | Payee | Amount |
|---|---|---|
| **06/01/2020** | | |
| 60120001 | MICHIGAN PUBLIC POWER AGENCY | 20,530.34 |
| Total 06/01/2020: | | 20,530.34 |
| Grand Totals: | | 20,530.34 |

M = Manual Check, V = Void Check

| Check Number | Payee | Amount |
|---|---|---|
| **06/02/2020** | | |
| 60220001 | PROXIMITY SPACE INC. | 101.60 |
| Total 06/02/2020: | | 101.60 |
| Grand Totals: | | 101.60 |

M = Manual Check, V = Void Check

| Check Number | Payee | Amount |
|---|---|---|
| **06/04/2020** | | |
| 60420001 | PAYMENT SERVICE NETWORK INC. | 241.70 |
| Total 06/04/2020: | | 241.70 |
| Grand Totals: | | 241.70 |

M = Manual Check, V = Void Check

| Check Number | Payee | Amount |
|---|---|---|
| **06/05/2020** | | |
| 60520001 | STATE OF MICHIGAN | 19,031.13 |
| Total 06/05/2020: | | 19,031.13 |
| Grand Totals: | | 19,031.13 |

M = Manual Check, V = Void Check

| Check Number | Payee | Amount |
|---|---|---|
| **06/08/2020** | | |
| 60820001 | MICHIGAN PUBLIC POWER AGENCY | 18,849.21 |
| Total 06/08/2020: | | 18,849.21 |
| Grand Totals: | | 18,849.21 |

M = Manual Check, V = Void Check

| Check Number | Payee | Amount |
|---|---|---|
| **06/09/2020** | | |
| 60920001 | DTE ENERGY | 4,347.11 |
| Total 06/09/2020: | | 4,347.11 |
| Grand Totals: | | 4,347.11 |

M = Manual Check, V = Void Check

| Check Issue Date | Check Number | Payee | Amount |
|---|---|---|---|
| **61220001** | | | |
| 06/12/2020 | 61220001 | **EFTPS* Payroll Taxes | 11,793.90 |
| 06/12/2020 | 61220001 | **EFTPS* Payroll Taxes | 11,793.90 |
| 06/12/2020 | 61220001 | **EFTPS* Payroll Taxes | 2,758.22 |
| 06/12/2020 | 61220001 | **EFTPS* Payroll Taxes | 2,758.22 |
| 06/12/2020 | 61220001 | **EFTPS* Payroll Taxes | 17,248.99 |
| Total 61220001: | 5 | | 46,353.23 |
| **61220002** | | | |
| 06/12/2020 | 61220002 | Alerus Financial | 350.00 |
| Total 61220002: | 1 | | 350.00 |
| **61220003** | | | |
| 06/12/2020 | 61220003 | STATE OF MICHIGAN | 6,739.00 |
| Total 61220003: | 1 | | 6,739.00 |
| **61220004** | | | |
| 06/12/2020 | 61220004 | Vantagepoint - 401 Plan 109153 | 858.02 |
| Total 61220004: | 1 | | 858.02 |
| **61220005** | | | |
| 06/12/2020 | 61220005 | Vantagepoint - 457 Plan 300959 | 5,362.92 |
| 06/12/2020 | 61220005 | Vantagepoint - 457 Plan 300959 | 2,246.76 |
| 06/12/2020 | 61220005 | Vantagepoint - 457 Plan 300959 | 4,312.33 |
| 06/12/2020 | 61220005 | Vantagepoint - 457 Plan 300959 | 8,441.17 |
| Total 61220005: | 4 | | 20,363.18 |
| **61220006** | | | |
| 06/12/2020 | 61220006 | Vantagepoint - Roth IRA 706117 | 1,186.52 |
| Total 61220006: | 1 | | 1,186.52 |
| Grand Totals: | 13 | | 75,849.95 |

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# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** Electric Department Safety Meeting Contract Extension

**DATE:** June 15, 2020

**PRESENTED BY:** Don Swem, Electric Department

**BACKGROUND:**

For the last nine years the Charlevoix Electric Department has been having safety meetings presented by the Michigan Electric Cooperative Association (MECA) under an agreement approved by Council in late 2011. The original agreement was for three years and it has been extended six more years in the time since then. It is now about to expire again.

The MECA Safety Training has been very successful, keeping the Department up to date with OSHA and other safety standards. Without this training we could very easily be in violation of safety codes and subject to fines, besides the fact that we would be less safe on the job.

For the first three years of this Agreement we paid $15,000 each year. For the second three years they raised it to $15,610, and the last three years it has been $17,143 per year. MECA has now sent a notice (attached) that to extend the Agreement for the next three years they are asking $17,900 for the first year, with an increase not to exceed 5% annually for the balance of the three years. That is an increase of only 4.4% after three years which seems very reasonable.

We have been very satisfied with the MECA Training and feel that there are no comparable training programs available in northern Michigan that would work for us under the same circumstances (holding safety meetings at our shop and hosting major workshops for specialized training). For these reasons we do not wish to change vendors.

**RECOMMENDATION:**

Motion to approve the extension of the MECA Safety Program Agreement for the years 2021 through 2023 at a cost of $17,900 for the first year with an increase not to exceed 5% per year for the balance of the term.

**ATTACHMENTS:**

- Contract

MICHIGAN ELECTRIC COOPERATIVE
ASSOCIATION

April 6, 2020

Don Swem
City of Charlevoix
401 W. Carpenter
Charlevoix, MI 49720

Re: **Notice of 2021-2023 Safety Program Pricing**

Dear Don:

Thank you for your commitment to workplace safety, and your continued participation in the Michigan Electric Cooperative Association (MECA) safety training program. Consistent with the Safety Program Agreement between our two organizations, we are writing to inform you of a pricing change for the 2021-2023 programs. The annual fee for City of Charlevoix will be $17,900 for the first year (2021) of the 3-year term, with future price adjustments not to exceed 5% annually for the balance of the 3-year term. Your investment provides for 6 traditional safety meetings, plus safety workshops, mutual aid support, accident investigation and other safety support (see Exhibit A, attached). This amount will continue to be payable in advance to MECA by Dec. 1 of each proceeding program year. Changes to the 2021 pricing formula are:

- Standard (8-meeting) site fee increases from $14,000 to $14,600. All utilities receiving services as part of a group share the site fee equally (e.g. if there are three utilities sharing a site, each pays $4,867, one third of the $14,600 site fee).
- Individual utility fees increase from $14,235 to $14,600 (large utility) and from $6,643 to $6,950 (small utility).

This notice of pricing change is being made in accordance with Section 2 of our signed safety program agreement (attached). No action needs to be taken to continue participation in the MECA safety program for the 2021-2023 term. If you have any questions, please direct them to Joe McElroy, MECA Director of Safety & Loss Control, at jmcelroy@meca.coop or 517-331-4459.

The success of our safety program is based on a foundation of partnership between our electric cooperative members and municipal/private utility partners. We look forward to continuing this strategic partnership. Thank you for your participation in the MECA safety program.

Sincerely,

Craig A. Borr
President/CEO

Joe McElroy
Director of Safety & Loss Control

EXHIBIT "A"

# Description of Employee Safety Program Services

## SEGMENT PARTICIPANTS:

**Charlevoix Electric Dept.**
Annual Program Investment: **$17,900**

## Proposed Host Location:

**Charlevoix, MI**

## Term:

**2021-2023**

## INCLUDED PROGRAM DELIVERABLES:

- **Six (6) Traditional Safety Meetings**
  All safety meetings to be delivered at designated host location, topics to be selected from an approved list of available programs. Up to two (2) meetings can be substituted for equal number of Block Training or Crew Observation a la carte items.
- **Safety Workshops**
  Attendance for up to two (2) utility employees per workshop per year. Pricing for additional participants to be determined. To be held jointly with other safety program participants.
- **Continued Participant Advantages**
  - **Mutual Aid Support**
  - **Accident Investigation**
  - **Accident and Near-Miss Review and Discussion**
- **Reliable Public Power Provider (RP3) and/or Rural Electric Safety Achievement Program (RESAP) Support and Assistance**

## A LA CARTE OPTIONS:

Annual safety investment amount DOES NOT include the following a la carte items, available upon request:

- **Block Training**
  Hourly Rate: **(TBD)**
- **Crew Observations**
  Hourly Rate: **(TBD)**
- **Additional Workshop Participants**
  Cost Per Additional Participant: **(TBD)**

Program pricing calculated as follows: **$14,600** site location fee divided equally among all segment participants, plus a utility fee of **$14,900** (large utility) or **$6,950** (small utility).

# Michigan Electric Cooperative Association

## SAFETY PROGRAM AGREEMENT

The undersigned municipal utility ("Utility") hereby subscribes to participate in the Employee Safety Program described below (the "Program") and provided by the Michigan Electric Cooperative Association ("MECA").

The Utility and MECA hereby agree as follows:

**1. The Program.**

MECA shall provide the Program services to the Utility as more particularly set forth on Exhibit "A" attached to this Agreement and incorporated herein by reference.

The Program will be provided at a time scheduled by MECA in a single location within the Utility's service territory or in reasonably close proximity. MECA provides the Program services to multiple utilities and, for efficiency, reserves the right to combine the Utility's Program services with other utilities' participation at a more central location.

**2. Term.**

The initial term of this Agreement is three (3) years beginning January 1, 2012. The Agreement shall thereafter automatically renew for successive three (3) year renewal terms unless either party provides written notice of non-renewal to the other party not less than six (6) months prior to the expiration of the initial term or any renewal term. MECA may change the fees for the Program services for any subsequent renewal term by providing written notice to the Utility not less than eight (8) months prior to the expiration of the then-current term of this Agreement.

The Agreement may be earlier terminated by either party at any time (i) upon a default of the other party after written notice of the default and failure to cure the default within 30 days after receipt of the notice; or (ii) MECA ceasing to provide the Program services.

Upon an early termination based upon MECA ceasing to provide the Program, all pre-paid Program services shall be provided or the annual payment shall be refunded to the Utility.

**3. Fees.**

The annual fee for the Program shall be $15,000, payable in advance to MECA by December 1 of each preceding calendar year during the term of this Agreement. The annual fee is subject to change for each renewal term by written notice to the Utility as provided in Section 2.

**4. Liability.**

The Utility remains responsible for its compliance with all applicable safety requirements and recommendations. Nothing in this Agreement or in the provision of the Program services to the Utility and its employees shall cause MECA to assume any responsibility or any liability to any third party or to the Utility or its employees for the Utility's compliance with any applicable federal, state, local or industry standards or requirements.

The Utility hereby agrees to indemnify and hold MECA, and its directors, members, employees, contractors and agents, harmless from and against any claims made against MECA for any injury, death or damages, including all costs of defense against any such claim, arising out of or made in connection with the Utility's or its employees' failure to properly comply with any applicable safety standard or requirement.

Neither party shall be liable to the other party for any indirect, incidental or consequential damages related to either party's performance or non-performance of their obligations under this Agreement.

**5. Assignment.**

This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns; provided, however, that this Agreement may not be assigned by the Utility to any unaffiliated person without the prior written consent of MECA.

6. **Notices.**

Any notice required or permitted to be given under this Agreement shall be in writing and shall be sent by first class mail, postage prepaid, to the addresses set forth below. Notice shall be deemed to be given upon mailing.

7. **No Agency.**

By entering into this Agreement and performing its obligations hereunder, MECA is acting solely as an independent contractor and shall not be, and shall not be deemed to be, an agent of the Utility for any purpose.

8. **Entire Agreement.**

This Agreement contains the entire agreement of the parties with respect to the provision of the Program services and supersedes all prior correspondence, conversations and negotiations with respect thereto. Except as otherwise provided herein, this Agreement may be changed or otherwise modified only in writing and signed by both parties hereto.

9. **Governing Law.**

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.

The undersigned parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the date accepted and executed by MECA below.

**CITY OF CHARLEVOIX**

By: ______________________
Norman Carlson Jr.
Its: Mayor

Address: City of Charleviox
210 State St
Charlevoix, MI 49720

Attest:
Carol Ochs
Its: City Clerk

Accepted 1/11/2012, 2011

**MICHIGAN ELECTRIC COOPERATIVE ASSOCIATION**

By: ______________________
Craig Borr, President and CEO

Address: 2859 W. Jolly Road
Okemos, MI 48864

**LAN01\236627.4**
**ID\WJP - 025166/0999**

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** CARES Act Grant Agreement

**DATE:** June 15, 2020

**BACKGROUND:**

The Michigan Department of Transportation, acting as a Federal Aviation Administration (FAA) Block Grant Program Participant, has executed FAA CARES Act Grant Number 3-26-SBGP-117-2020. Under this Block Grant, the City of Charlevoix Municipal Airport will be receiving $30,000.00. The grant money is to cover operational costs that the airport incurred on or after January 20th, 2020. The CARES Act agreement outlines specific requirements, terms, conditions, and assurances required of the Michigan Department of Transportation and any subordinate grant recipients.

**RECOMMENDATION:**

Motion to approve Resolution 2020-06-02 CARES Act Grant Agreement.

**ATTACHMENTS:**

- CARES Act Agreement
- Resolution

# 2020 CARES Act Agreement

SubGrant # ___________________

The Michigan Department of Transportation, acting as a Federal Aviation Administration (FAA) Block Grant Program Participant, has executed FAA CARES Act Grant Number 3-26-SBGP-117-2020. This Block Grant outlines specific requirements, terms, conditions, and assurances required of the Michigan Department of Transportation and any subordinate grant recipients.

This CARES ACT Agreement shall convey the specific requirements, terms, conditions, and assurances contained in FAA CARES Act Grant Number 3-26-SBGP-117-2020 to

_________________________________________________________________

hereafter referred to as "the SPONSOR" as a subgrant recipient of funds. FAA CARES Act Grant Number 3-26-SBGP-117-2020 is attached to this CARES Act Agreement.

The maximum obligation payable to the SPONSOR is $__________________. The SPONSOR shall use these funds for any purpose for which airport revenues may be lawfully used. CARES Act Grant subgrant recipients shall follow the FAA's Policy and Procedures Concerning the Use of Airport Revenues ("Revenue Use Policy"), 64 Federal Register 7696 (64 FR 7696), as amended by 78 Federal Register 55330 (78 FR 55330). The Revenue Use Policy defines permitted uses of airport revenue. In addition to the detailed guidance in the Revenue Use Policy, the funds received under 3-26-SBGP-117-2020 or any associated subgrants may not be used for any purpose not related to the airport.



The SPONSOR shall upload each payment request to MDOT's ProjectWise software. Each request shall include the following information:

a) 2020 CARES Act Operational Funding Reimbursement Request Form
b) Summary Sheet (if multiple items are included)
c) Supporting documentation

Once completed payment requests are received, MDOT will review, process, and submit the request to FAA via the Delphi Invoicing System.

**In addition to all specific requirements, terms, conditions, and assurances contained in FAA CARES Act Grant Number 3-26-SBGP-117-2020, the Sponsor shall ensure strict adherence to the following audit requirements:**

1. The SPONSOR will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Agreement (RECORDS). Separate accounts will be established and maintained for all costs incurred under this Agreement.

2. The SPONSOR will maintain the RECORDS for at least six (6) years from the date of final payment made by MDOT under this Agreement. In the event of a dispute with regard to allowable expenses or any other issue under this Agreement, the SPONSOR will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

3. MDOT or its representative may inspect, copy, scan, or audit the RECORDS at any reasonable time after giving reasonable notice.

4. If any part of the work is subcontracted, the SPONSOR will assure compliance with sections (1), (2), and (3) above for all subcontracted work.

5. The SPONSOR agrees that the costs reported to MDOT for this Agreement will represent only those items that are properly chargeable in accordance with this Agreement. The SPONSOR also certifies that it has read the Agreement terms and has made itself aware of the applicable laws, regulations, and terms of this Agreement that apply to the reporting of costs incurred under the terms of this Agreement.

6. In the event that an audit performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Agreement or questions the allowability of an item of expense, MDOT will promptly submit to the SPONSOR a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the SPONSOR at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the SPONSOR will (a) respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to MDOT a written explanation as to any questioned or no opinion expressed item of expense (RESPONSE). The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the SPONSOR may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Agreement. The SPONSOR agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to finally disallow any items of questioned or no opinion expressed cost.

MDOT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If MDOT determines that an overpayment has been made to the SPONSOR, the SPONSOR will repay that amount to MDOT or reach agreement with MDOT on a repayment schedule within thirty (30) days after the date of an invoice from MDOT. If the SPONSOR fails to repay the overpayment or reach agreement with MDOT on a repayment schedule within the thirty (30) day period, the

SPONSOR agrees that MDOT will deduct all or a portion of the overpayment from any funds then or thereafter payable by MDOT to the SPONSOR under this Agreement or any other agreement or payable to the SPONSOR under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by MDOT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The SPONSOR expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MDOT's decision only as to any item of expense the disallowance of which was disputed by the SPONSOR in a timely filed RESPONSE.

The Sponsor agrees to comply with all portions of this grant Agreement.

Sponsor: ______________________________________________________

Authorized Sponsor Signatory: ___________________________________

Authorized Sponsor Signatory (Printed): __________________________

Date:_________________________________________________________



MDOT Signatory: _______________________________________________

MDOT Signatory Printed: _________________________________________

Date: _________________________________________________________

**CITY OF CHARLEVOIX**
**RESOLUTION NO. 2020-06-02**
EXECUTION OF CARES ACT AGREEMENT WITH MDOT FAA CARES ACT GRANT NO. 3-26-SBGP-117-2020
MDOT SUB GRANT NO. CVX-11720 CARES

**WHEREAS**, a grant has been received from the Michigan Department of Transportation to reimburse the Airport operational costs incurred on or after January 20th 2020; and

**WHEREAS**, the City of Charlevoix will be receiving thirty thousand dollars ($30,000.00) from the State of Michigan through the State Block Grant Program.

**NOW THEREFORE BE IT RESOLVED**, that the City of Charlevoix City Council hereby authorizes the City Manager to execute the CARES Act Grant Agreement CVX-11720 CARES, after review by City Staff and the City Attorney.

**RESOLVED** this 15th day of June, 2020 A.D.

Resolution was adopted by the following yea and nay vote:
Yeas:
Nays:

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** Resolution to Set Alternate Board of Review Dates

**DATE:** June 15, 2020

**BACKGROUND:**

The Governor signed Executive Order 2020-87 that requires the July Board of Review (BOR) to hear assessment appeals. The order allows the hearing of assessment appeals at the July meeting for those residents that may have not had the opportunity to attend the March BOR due to COVID-19 complications. Staff recommends that Council pass the attached resolution allowing flexibility in setting the date for the July BOR so that the Assessor is able to attend all municipal BORs that he is responsible for. Normal business of qualified errors, PREs, and veterans or poverty exemptions will still take place at the July meeting.

**RECOMMENDATION:**

Motion to approve Resolution 2020-06-03.

**ATTACHMENTS:**

- Resolution

**CITY OF CHARLEVOIX**
**RESOLUTION NO. 2020-06-03**
RESOLUTION TO SET AN ALTERNATE DATE FOR THE JULY OR DECEMBER BOARD OF REVIEW

**WHEREAS**, Section 53b of the General Property Tax Act, MCL 211.53b, requires a Board of Review that meets in July to meet on Tuesday following the third Monday in July, and a Board of Review that meets in December to meet on the Tuesday following the second Monday in December; and

**WHEREAS**, assessors who work for multiple jurisdictions are not always able to attend the Board of Review meeting for each township when they meet on the same day; and

**WHEREAS**, Public Act 122 of 2008, effective May 9, 2008, allows an alternate July Board of Review meeting date during the week of the third Monday in July; and an alternate December Board of Review meeting date during the week of the second Monday of December; and

**WHEREAS**, the Governor issued Executive Order 2020-87 that included provisions for the July Board of Review in 2020 to expand authority; and

**WHEREAS**, it will benefit the residents of the City of Charlevoix to have the assessor available to assist the Board of Review and taxpayers in processing tax appeals and poverty exemptions.

**NOW THEREFORE BE IT RESOLVED**, that the City of Charlevoix authorizes an alternate day may be selected during the week of the third Monday of July and an alternate day may be selected during the week of the second Monday of December for the purpose of conducting Board of Review (MCL 211.53b).

**RESOLVED** this 15th day of June, 2020 A.D.

Resolution was adopted by the following yea and nay vote:
Yeas:
Nays:

# CHARLEVOIX CITY COUNCIL

**Consent Agenda**

**TITLE:** Approve Annual Art & Craft Show

**DATE:** June 15, 2020

**BACKGROUND:**

Our 52nd Annual Art & Craft Show is scheduled for July 11 & 12, 2020. Being an approved major event in East Park per the City Event Policy upon review and approval by City Council, please accept our summary below as our request for approval:

The COVID-19 Pandemic has brought unprecedented hardships across our economy. With the known health risks, large events and gatherings have been cancelled across the region, rightfully so in the interest of safety, but furthering the economic impact to our businesses. These events bring diners and shoppers to town, fill hotels and vacation rentals, and enhance spending at gas stations, grocery stores, pharmacies, etc. It has become increasingly clear from the numerous event cancellations how important these events are not only to the economic success of the season, but also to community identity and place-making.

The Charlevoix Area Chamber of Commerce is prepared to adjust and adapt our event planning to balance the economic impact with the health and safety of our area. We plan to transform the Art & Craft Show into the Petite Art & Craft Stroll, scaling the show down significantly so that the recommended and required safety measures can be put in place (mirroring those required of retail and in-person establishments), while allowing for a positive summer event to take place for our residents, visitors, and businesses to enjoy.

To name a few planned adjustments from our traditional Art & Craft Show to create the Petite Art & Craft Stroll: booths will be spaced 10' apart (meaning a reduction in booth count by about two-thirds), aisle ways in the park will be designated one-way for pedestrian traffic, exhibitors and guests will be required to wear face masks, and booths will be required to abide by shopper capacity limits.

Our goal is to provide the positive community experience these events bring while promoting the safe practices required to be able to enjoy these activities. We feel confident we can maintain a healthy balance during this event, and will work with City staff for any further adjustments needed. We look forward to adapting our original event so that our community can remain safe while benefiting economically.

**RECOMMENDATION:**

Authorize, pursuant to the Charlevoix Special Event Policy, the Chamber of Commerce to hold their Art and Craft Show on July 11 and 12, 2020.

# CHARLEVOIX CITY COUNCIL

**Public Hearings and Actions Requiring Public Hearings**

**TITLE:** Public Hearing: Ordinance 821 Outdoor Sales
**DATE:** June 15, 2020

**PRESENTED BY:** Mark L. Heydlauff, City Manager

**BACKGROUND:**

At the last Council meeting, Council set a public hearing to consider an ordinance change allowing Council to adopt a resolution to permit merchandise be sold on the sidewalk at times beyond the annual sidewalk sales. Currently, sidewalk sales are the only time merchandise can be offered on the sidewalk. The ordinance you requested is included.

**RECOMMENDATION:**

Motion to approve ordinance 821.

OR

Council discussion and direction.

**ATTACHMENTS:**

- Ordinance

**CITY OF CHARLEVOIX**
**ORDINANCE NO. 821 of 2020**
AN ORDINANCE TO AMEND TITLE XV, CHAPTER 153, SECTION 153.101(E) OF THE CHARLEVOIX CITY CODE

**THE CITY OF CHARLEVOIX ORDAINS:**

**SECTION 1. Title XV, Chapter 153, Section 153.101(E) of the City of Charlevoix Code is hereby amended to read as follows:**

(E) Outdoor displays and merchandise. Merchandise or similar goods, and associated displays shall not be permitted on the exterior buildings, entryways or sidewalks, except during sidewalk sales or other event(s) unless approved by city council by resolution.

**SECTION 2. Severability.**

No other portion, paragraph or phase of the Code of the City of Charlevoix, Michigan shall be affected by this Ordinance except as to the above sections, and in the event any portion, section or subsection of this Ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this Ordinance or of the Code of the City of Charlevoix, Michigan.

**SECTION 3. Effective Date.**

This Ordinance shall become effective thirty (30) days after its enactment pursuant to the City Charter.

Ordinance No. 821 was adopted on the 15th day of June, 2020 A.D., by the Charlevoix City Council as follows:
Motion by:
Seconded by:
Yeas:
Nays:
Absent:

State of Michigan
City of Charlevoix } §

| | | | |
|---|---|---|---|
| Joyce M. Golding | Clerk | Luther Kurtz | Mayor |

# CHARLEVOIX CITY COUNCIL

**All Other Actions and Requests**

**TITLE:** Power Supply Risk Management Policies

**DATE:** June 15, 2020

**PRESENTED BY:** Don Swem, Electric Department Superintendent

**BACKGROUND:**

In 2011 City Council approved a resolution establishing the following:

1. MPPA Energy Risk Management Policy
2. MPPA Hedge Policy
3. Charlevoix Energy Risk Management Policy dated April, 2011, including the following:
   a. Objective – Maintain stable and predictable rates
   b. Objective – Meet the wholesale energy cost budget
   c. Objective – Maintain rate swings similar to neighboring utilities
   d. Approve the adoption of the Stability Plan as the City's energy hedge plan option with MPPA.
   e. Approve the Electric and Water Department Superintendent be appointed as the Authorized Representative for the Risk Management Policy, and a such be authorized to approve energy, capacity, transmission and related transactions that have a length of up to one year.

Council went through several options and chose to be conservative and get as much future price stability as practical. The staff at MPPA are constantly obtaining the best future prices they can get through as many diverse sources as possible to reduce overall risk in accordance with our directions.

Over the years there have been several minor changes to the MPPA documents that were not considered to materially affect the intent of the policies so were not brought to Council. At this time the staff and Risk Management Committee at MPPA have combined the first two documents above into the Power Supply Risk Management Policy, which is attached. There are some changes included with this re-write that need Council approval.

Up to now if a purchase was proposed with a term of less than or equal to one year the policy allowed me to approve it as the Authorized Representative. Anything for longer than one year requires prior Council approval.

Because of the changes in the markets over the years MPPA staff is finding it difficult to do business while having to wait for each participant to give written approval before finalizing a one year or less transaction. MPPA is proposing that they be allowed to complete the transaction without the Authorized Representative's prior approval as long as the transaction is for a term of less than or equal to one year and is for less than 15% of our annual load forecast. If the transaction is for more than 15% then prior approval of the Authorized Representative would still be required. Anything longer than a year still requires prior Council approval.

In 2011 the City also established the City of Charlevoix Energy Risk Management Policy to document our positions on what levels of risk we are willing to accept. The policy establishes our positions as far as our primary and secondary objectives under the policy and our desired hedge plan. The City has chosen the Stability Hedge Plan and has chosen maintaining stable and predictable rates as a primary objective. A revised Policy is being presented for approval. The changes to the policy are to bring it up to date with the other policy changes while the intent is staying the same. None of the objectives are changing, and the hedge plan is staying the same.

The original policies were approved by resolution so a new resolution has been developed to establish the new replacement policies and affirm the Electric Department Superintendent as the Authorized Representative under the policies.

**RECOMMENDATION:**

Motion to approve Resolution 2020-06-04 approving the Power Supply Risk Management Policy, the City of Charlevoix Power Supply Risk Management Policy and appointment of the Authorized Representative.

**ATTACHMENTS:**

- POWER SUPPLY RISK MANAGEMENT POLICY
- CITY OF CHARLEVOIX POWER SUPPLY RISK MANAGEMENT POLICY
- Resolution

# POWER SUPPLY RISK MANAGEMENT POLICY

## 1. Policy Purpose

The purpose of this Policy is to formalize the policies of Michigan Public Power Agency (MPPA) regarding managing power supply risks on behalf of its members. Accordingly, this policy will set forth MPPA's:

- risk management objectives
- risk governance structure and responsibilities
- scope of business activities governed by this policy
- transaction authority delegations
- credit management practices and requirements (specific requirements in Credit Risk Policy (Exhibit B))

MPPA intends that this Policy will support the advancement of its strategic plan, conform to its existing by-laws, governance policies and contracts, and will properly manage its business and financial risks through:

- prudent oversight
- adequate mitigation of risks consistent with each member's risk tolerance
- internal controls and procedures

Managing the power supply risks of MPPA's business entails the coordination of resources and activities among multiple departments within the Agency.

## 2. Risk Management Objectives

MPPA exists to create opportunities for Michigan's public power utilities to participate in energy projects or services jointly that deliver reliable, cost effective and environmentally responsible power supply and related services.

Managing power supply risk on behalf of the membership is consistent with the purpose and mission of MPPA, is required by MPPA Board Policy DM 1-12, and serves the following objectives:

- assist members with implementing & maintaining power supply risk parameters for a defined period into the future
- mitigate power supply price volatility to the members consistent with their direction
- enhance the value of members' power supply resources
- execute power supply hedge transactions in energy commodity markets
- establish and manage credit risk management policies & practices, define the authority granted by the MPPA Board and its members to the MPPA General Manager (GM) to execute and delegate authority to execute power supply transaction products such as energy, capacity, renewable energy credits and natural gas
- promote a risk management culture and set appropriate risk mitigation measures

- ensure all members have a voice in the decision-making process as the Agency considers market transactions on behalf of projects, groups of members, or individual members
- provide for adequate MPPA Board oversight of power supply transactions

It is not the objective of this policy to limit transactions for power supply, transmission, and/or related services that may be negotiated or entered into by members independent of MPPA as may be allowed under MPPA's various contracts and project agreements.

## 3. Scope of Business Activities Governed by this Policy

This Policy is designed to address the management of power supply risks associated with transactions made by MPPA on behalf of its members, including but not limited to:

- power supply commodity (energy, capacity, natural gas, Renewable Energy Credits (RECS))
- commercial operational risk
- price risk
- volumetric risk
- operations risk
- power delivery and congestion risk
- counterparty contract and credit risk

Definitions of these risks along with a more complete list of the risks that MPPA assists it members in managing are included in Appendix A.

## 4. Risk Governance Structure and Responsibilities

Risk governance will follow a member driven approach whereby the Member's Governing Body identifies and communicates their risk management objectives to MPPA through a process outlined herein and in conjunction with the MPPA Hedge Policy (Exhibit A). The MPPA Internal Risk Management Committee shall be responsible for the oversight of this Policy and included Hedge Policy.

Supporting controls, policies and procedures will be implemented and aligned throughout the risk governance structure with distinct roles and responsibilities that result in a comprehensive risk control environment. Governance and controls are established through organizational structure, approval authority, delegation policies, risk measurement and reporting requirements.

The governance structure includes the following elements:

### a. Member Governing Bodies (Utility Board or Commission and/or City Council) – Responsibilities and Duties:

- possess a basic understanding of MPPA's power supply risk management procedures and practices

- designate the electric utility's **Member Authorized Representative** (i.e. MPPA Commissioner or Alternate, Utility CEO, General Manager, Director, or City Manager as determined appropriate) that is capable and responsible for legally binding the member utility in power supply transactions
- determine authority limits of the Member Authorized Representative to approve power supply transactions or to delegate such authority to MPPA
- affirm the power supply hedge strategies and services provided by MPPA as outlined in the MPPA Hedge Policy attached herein through oversight of its Member Authorized Representative.

**b. <u>Member Authorized Representatives</u> – Responsibilities and Duties**

- provide appropriate risk management information to their Governing Body
- gain appropriate approvals from their Governing Body to comply with MPPA's Power Supply Risk Management Policy, Hedge Policy, Credit Policy and the selection of the Hedge Plan to be utilized by the member
- gain appropriate approvals from their Governing Body for execution strategies and transaction authority delegations as they relate to MPPA entering into market transactions on their behalf
- approve participation in specific commodity markets and the use of any power supply transaction products by MPPA on the member's behalf (if such transactions are allowed by MPPA's Board and each member's Governing Body as appropriate)
- review and understand reports by the Internal Risk Management Committee, as defined herein, on compliance with member's Hedge Plan selection

**c. <u>MPPA General Manager</u> – Responsibilities and Duties**

- assign staff to serve on the Internal Risk Management Committee
- possess authority to approve transactions within the limits identified in the Transaction Authority Matrix after receiving any necessary approvals specified therein
- determine proper internal control procedures to effectively implement and manage this Policy
- ensure that the identification and quantification of risks and related risk mitigation strategies are integrated into the internal control procedures
- ensure that the quantification of risk is properly reported to executive staff, the Internal Risk Management Committee and the Board of Commissioners

**d. <u>Internal Risk Management Committee (IRMC)</u>– Responsibilities and Duties**

Membership shall be comprised of the following voting committee members:

1. CEO & General Manager
2. Chief Financial Officer
3. Two (or more) member representatives as appointed by the Board
4. Director, Energy Supply & Market Operations (nonvoting, ex-officio member of IRMC)

The CFO shall serve as the IRMC Chairperson. The Chairperson shall be responsible for keeping, or causing to be kept, a record of the Committee's proceedings. Other non-voting participants shall participate in the meetings as determined by the voting committee members.

The IRMC establishes a forum for discussion of MPPA's significant risks and must develop guidelines required to implement an appropriate risk management control infrastructure; this includes implementation and monitoring of compliance with this Policy and the Hedge Policy

The IRMC shall:

- establish and approve this policy and all addendums, exhibits and attachments.
- review this Policy related policies and oversee enforcement of its rules and procedures
- ensure that risk management objectives, risk tolerance guidelines, and authority limits are employed throughout MPPA
- recommend to the GM the organizational structure, authority limits, delegation requirements and proper functional separation to effectively manage internal control of risk management activities
- periodically review this Policy and related policies (a detailed review at least once a year) to properly align its content and requirements with modern organizational needs and market requirements
- formulate risk management strategy, policy or procedures necessary for new product or market implementation
- periodically direct an independent review (internal and/or external) of risk control policies and procedures
- hold formal IRMC meetings at least quarterly. Standing agenda items should include, but not be limited to, current commodity market strategies, power cost uncertainty, level of exposure to non-member transactions, generation production strategies and exposures, environmental strategies and exposures, control requirements/enhancements, counterparty contract and credit exposure, and policy and procedural violations
- discuss MPPA's major power supply risk exposures and the steps management has taken or will take to mitigate, control, and monitor such exposures
- for market transactions executed by MPPA, perform an annual review of transaction compliance with policies and procedures
- review the infrastructure supporting risk management and ensure that it meets the requirements for risk oversight and compliance

**e. <u>Independent Risk Management Function</u> – Responsibilities and Duties**

This function shall be the responsibility of the Chief Financial Officer, who is organizationally independent of those who initiate or directly participate in managing most of the power supply risks via the authority granted in the Hedge Policy and transaction authority section of this policy. Various departments may be required to assist in providing this function with reports or information required for risk assessment and analysis on a regular or periodic basis.

Responsibilities of the Independent Risk Management Function include:

- organize and chair the IRMC meetings
- engage the IRMC in discussions regarding events or developments that could expose MPPA to potential losses
- develop, recommend, and administer risk management processes and procedures; provide input to tools to assist in risk management
- provide for risk management education/training to Board, staff and management review risk management activities, risk controls, and recommend modifications of controls to meet changing business needs
- perform periodic internal reviews of risk control policies and procedures to ensure that MPPA complies with its risk policies
- report any violation of MPPA's risk policies to the Board and appropriate Committees
- review and recommend changes to the risk management policies and procedures, as appropriate
- report to MPPA Board on MPPA's compliance with its risk policies and risk management in accordance with the policies

## 5. Transaction Authority Requirements

The purpose of this section is to define the authority granted by the MPPA Board of Commissioners and member Governing Bodies (as directed by their Member Authorized Representatives) to the General Manager to execute, and delegate authority to execute, power supply transactions. Furthermore, it sets forth clarity and empowerment among those with transaction authority and is designed to encourage communication among individuals with transaction authority and the MPPA Board of Commissioners. Changes to the Authority Matrix must be approved by the Internal Risk Management Committee using the Matrix to delegate transaction authority as it may relate to MPPA entering into power supply transactions on the Member's behalf.

### a. Objectives

The objectives of the MPPA Transaction Authority Requirements are to define:

- who has authority to execute transactions and any limits placed on such authority
- the commodities and products that can be transacted
- counterparty contract and credit requirements
- the process for approving new commodities, products or locations
- MPPA's intentions regarding hedging and speculating
- other relevant factors associated with due diligence in authorizing transactions to be executed

### b. Procedural Requirements

The following define procedural requirements that apply to all commodities and products transacted under this document.

**Execution Authority**

Execution Authority is outlined by commodity though the Transaction Authority Matrix (Appendix B).

The Authority Matrix identifies Board authorized transactions for the GM and explicitly provides for delegation of the GM's authority to MPPA staff. The GM can modify this delegated authority at his sole discretion if the delegated authority does not exceed his own authority per this policy.

**Contract Requirements**

Transactions with counterparties shall only be permitted if MPPA has:

- an active, valid, and executed agreement enabling such transaction activity with that counterparty such as a "standard" EEI or ISDA ("enabling agreement") as may be amended and approved as appropriate
- a long-form confirmation (used in lieu of an enabling agreement, when necessary, only if approved by the CFO)
- the necessary credit approvals in place to transact with the counterparty

**Credit Sleeving**

No sleeving transactions for credit purposes shall be executed. (Note: Sleeving is an arrangement where a more financially reputable entity acts as middleman for a smaller, undercapitalized entity in the purchase or sale of energy.)

**Record of Transactions**

All transactions must be executed via a recorded communication method. Examples include a voice recorded communication line, instant messaging or an on-line broker account. Recorded communications must be maintained and controlled by MPPA's Information Technology staff. Transacting on cellular phones or off premises telephones is prohibited.

**Deal Capture**

All transactions executed by an MPPA employee must be promptly captured in a trade capture system after deal execution.

**Speculation**

No speculative transaction activities shall be permitted, and no speculative transaction positions shall be initiated. Transacting will be permitted only for purposes of hedging and portfolio optimization.

**Non-Standard Products Requiring Board Approval**

The MPPA Board must approve any transaction that involves commodities or products that are not covered by an approved Authority Matrix

The purpose of defining a process for such transactions as noted above is to ensure that the exposures associated with them are thoroughly reviewed and understood by the Board and appropriate transaction controls are in place. The Board must approve the use of such transactions prior to execution using the process defined below:

- Transaction Proposal - The proposal is the responsibility of the person or business group proposing the transaction. The proposal should address the business need, risks, transaction controls, valuation methodology, accounting methodology, operations workflow/methodology, and assessment of legal and regulatory issues.

- Internal Risk Management Committee Review - The Committee will perform a review on behalf of, and make a recommendation to, the Board on the benefits and risks of the proposed transaction. The Board will assess the proposed transaction and decide whether to add the proposed transaction to the approved list.
- Pilot Program or "One-off" Transaction – The Board may approve limited use of a proposed transaction under a pilot program or trial basis to ensure that proper controls are in place to monitor the activity before broader use is allowed. The Board may also approve a proposed transaction (without instituting a Pilot Program or further use) if the proposed transaction is going to be used only once (one-off).

## 6. Credit Management Requirements

All transactions must meet the requirements outlined in the Credit Policy.

## 7. Counterparty Concentration Risk Mitigation

MPPA shall always maintain enabling agreements and credit capability with at least three (3) counterparties that are actively offering power supply products (approved for use by MPPA) in the markets within MISO and PJM where MPPA has members Please refer to credit policy for concentration risk matrix for supply.

## 8. Written Agreements Covering Transactions

MPPA shall not enter into a Power Purchase Commitment or "PPC," on behalf of a participating member, unless: (i) the PPC is covered by the Energy Services Agreement with the participating member, the form of which has been approved by both the MPPA Board and the participating member's governing body and executed by MPPA and the participating member, and the participating member has delivered an opinion of local counsel, to the effect that the Energy Services Agreement has been approved by the participating member's governing body and is a valid and binding agreement of the participating member, enforceable against it in accordance with its terms; or (ii) the PPC is covered by a written agreement with the participating member, the form of which has been approved by the MPPA Board and the participating member's governing body and executed by MPPA and the participating member, and the participating member has delivered an opinion of local counsel, to the effect that the written agreement has been approved by the participating member's governing body and is a valid and binding agreement of the participating member, enforceable against it in accordance with its terms.

## 9. Forward Curve Development & Use

A forward curve is a series of sequential prices for future delivery of an asset (e.g. power, natural gas) or the expected future settlement of an index of the asset. The development of forward curves is essential in establishing value of physical and contractual assets of the Agency. That value is used to make business decisions related to power supply purchases & sales, financial projections, the development of budgets and rates, managing credit capital and the measurement of risk.

MPPA builds forward curves for settlement locations of its electric load & supply assets. These curves are internally developed through synthesizing and interpolating data from a wide range of resources such as direct supplier quotes, broker quotes & statements, third-party data publishers, regulated exchange information, cost data, cross commodity conversion, locational relationships, liquidity and market insights.

MPPA prepares forward curves daily.

**10. Working Capital Requirements**

The MPPA Board shall require, within its transaction approval process, transaction participants to maintain an adequate level of working capital on account with MPPA during the duration of a transaction that has been executed by MPPA on a member's behalf.

**11. Policy Effective**

This Power Supply Risk Management Policy is in effect upon adoption by the IRMC and shall remain in effect until a replacement Policy or revision has been approved by the IRMC superseding this Policy. To avoid any doubt, this Policy supersedes the prior version of Exhibit 2 of the Energy Services Agreement between MPPA and Energy Services Project Participants (entitled Energy Services Risk Management Policy).

**12. Responsibility**

It shall be the responsibility of the IRMC, through its supervision and oversight of MPPA's GM, to ensure compliance with this policy.

| Revision Date | Revision Description | Submitted by |
|---|---|---|
| **5/13/2020** | Incorporate Credit and Hedge Policy | |
| | | |
| | | |
| | | |
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## Appendix A

## Definition of Risks

**Commercial operational risk** is the risk of loss from inadequate or failed internal processes, people, and systems.

**Commodity market price risk** is the risk of loss due to potential fluctuations in the prices of an underlying energy commodity. In the wholesale power market, MPPA has risk that commodity prices rise, spike or are generally high when it is short of meeting its firm supply obligations. MPPA has risk that prices fall or are generally low when it has excess capacity, energy or RECS compared to its firm supply obligations.

Due to heavy reliance on coal generation units, MPPA has a natural short position in the coal that it needs to supply fuel to its generating resources.

Commodity market price risk occurs across all tenors, from the hourly market to the long-term forward market (5 years +). MPPA is exposed to commodity price risk for energy, capacity, RECS, coal, natural gas, emission allowance ($SO_2$ and NOX), fuel oil and various bulk materials (e.g. ammonium, limestone) that exhibit price volatility.

**Contract risk or Counterparty performance risk** is the risk of a potential adverse occurrence of a counterparty's ability to operationally perform on an agreement or due to contractual provisions that leave MPPA with no recourse under an event of default.

**Concentration risk** is the risk of having large exposures to individual sources of risk. Concentration risk can be found with suppliers (contract and credit risk), generation units (outage risk), unit technology (environmental)or native load customers (smelters).

**Credit risk** is the risk of a counterparty's inability to pay its obligations (debts) to MPPA or a supplier's abrogation (due to bankruptcy or other event) of a supply contract that must be replaced during a time of higher commodity market prices.

**Delivery risk** is the risk that MPPA cannot meet a firm supply obligation due to a transmission constraint. Delivery risk is natural to MPPA in meeting its firm supply obligations and reliability of service. MPPA can also be exposed to delivery risk in the transportation of its fuel supply.

**Cash margin risk** is the risk associated with inadequate cash flow resulting from margin requirements of a contractual agreement. For example, the EEI Master Agreement provides that counterparties may margin each other when they are overexposed above credit thresholds that were negotiated between the parties when the agreement was executed. Credit exposures include replacement cost exposure on a mark-to-market basis when a counterparty's position is out-of- the money.

**Operations risk** is the risk associated with physical assets. This would include failures or outages associated with generation units, fuel delivery systems (weather or mechanical), generation step-up transformers, the transmission system, control systems, or other critical components associated with the production or delivery of electricity.

**Volumetric risk** is the risk that energy commodity volumes will vary from expected and result in a potential loss due to changing commodity market prices. The primary volumetric risks that MPPA is exposed to are *load forecast/ weather variability risk*, *forced outage/ de-rate risk, loss of load risk (smelter load concentration),* and *transmission congestion risk.*

**Load forecast/weather variability risk** is the risk that actual loads differ from forecasted loads due to the error in weather forecasts and load forecasts. This risk is natural to MPPA's portfolio since it serves load serving entities. Since this risk will result in MPPA being unintentionally long or short in the spot market, it naturally results in hourly market price risk.

**Forced outage and de-rate risk** is the risk that a generating unit does not perform when it is expected to be available, or when it performs below expected capability. This risk is natural to MPPA's portfolio since it owns and operates generation units to meet its load requirements. Since this risk will result in MPPA being unintentionally short in the market, it also naturally results in market price risk.

**Loss of load risk** is the risk that MPPA loses a significant portion of one of its members' load, for example an aluminum smelter, and that the market price for electricity coincidentally falls below the sales price of the lost load and thereby creates a financial strain on MPPA. However, if market prices for electricity remain above the sales price of a potential lost load it would create a financial benefit to MPPA.

**Transmission congestion risk** is the risk of price differentials between the locations of a power source and the associated sink. If MPPA needs to buy electricity and the transmission system is congested, it may pay a premium to secure the needed electricity. If MPPA has excess electricity to sell and the transmission system is congested, then it may have to sell at a discounted price. Congestion risk manifests itself in power commodity market price risk.

## Appendix B

### Energy, Capacity. RECs and Transmission Transaction Authority Matrix

The following outlines transaction limits, definitions, and procedural requirements for power and power transmission transactions including capacity.

| Authority | Term | Special Requirements |
|---|---|---|
| MPPA GM or delegate | > 5 years | MPPA Board of Directors Approval and Member Authorization |
| MPPA GM or delegate | > 1 year < = 5 years | MPPA Board of Directors Approval and Member Authorization |
| Director of Power Supply | < = 1 year | If more than 15% of Member Load Forecast Member Authorization Required |

**Power Supply and Transmission Transaction Trading Authority Matrix Explanations**

- Authorized products include energy, transmission and RECS as well as bilateral ancillary services and capacity. MISO Module E Capacity, as well as capacity transacted via the MISO and PJM capacity auctions, are specifically authorized hereunder.
- MISO and/or PJM authorized products are Generation and Demand Awards, Import/Export Transactions, Ancillary Service Awards, and Financial Transmission Rights. All such products must follow all applicable Regional Transmission Organization (RTO) requirements.
- The transaction approval requirements apply to both purchases and sales.

**Delivery Locations**

Transacting at delivery locations outside the eastern interconnection is not permitted. Transacting at delivery locations that are normal to the daily course of business for MPPA, to the extent transmission is available, is authorized as follows:

**Unrestricted Delivery Locations** (unless otherwise specified, for Members in that RTO)

- MISO - Michigan Hub

- MISO - Member Load Commercial Pricing (CP) node or any other CP Node within Michigan
- MISO - Indiana Hub
- MISO - Minnesota Hub (for Marquette BLP only)
- PJM - AEP/Dayton (AD) Hub
- PJM – AEP Zone
- PJM - AEPIM_RESID_AGG zone
- PJM - ATSI Zone
- PJM – PJM pricing point with physical resource managed by MPPA

Transacting at any other delivery locations within the eastern interconnection must be approved consistent with the Authority Matrix above.

**Firmness of Power**

The product firmness of all transactions must be provided for in an executed agreement between MPPA and the appropriate counterparty.

**Transmission Firmness and Volume**

Transmission purchases need to be of equal firmness and volume to the energy component that such transmission purchase is associated with, unless approved otherwise consistent with the Authority Matrix above.

**Responsibility**

It shall be the responsibility of the IRMC and the MPPA General Manager to ensure compliance with this Authority Matrix.

## Appendix C

## Natural Gas Credit Risk Mitigation

### Credit Management Requirements

Each counterparty with which MPPA is to execute a NAESB agreement must undergo a credit analysis by MPPA. Each NAESB agreement will conform to a standard form approved by qualified counsel and the Internal Risk Management Committee. MPPA will, prior to execution of a NAESB agreement, obtain approval for the NAESB agreement by the Board of Commissioners and authorization by the Internal Risk Management Committee to activate the supplier on the "approved counterparty list" as specified in the Credit Policy.

### Counterparty Concentration Risk Mitigation

MPPA shall always maintain relations and NAESB agreements with at least four (4) counterparties that are actively selling natural gas.

Effective Date: 5/13/2020

# Exhibit A

# MPPA Hedge
# Policy

## A. Objective

The Michigan Public Power Agency (MPPA) Hedge Policy outlines the criteria and activities that will guide the disciplined hedging and management of power supply portfolio components for members who select one of the power supply hedge plans described in this Policy. MPPA's long-term (beyond the hedging "horizon" established below) strategic supply and asset evaluations shall continue to be provided separately and are not currently addressed in this Policy. The primary purpose of this Policy is to identify and give members choices in their specific hedge plans and management services, and to provide MPPA clear guidelines and procedures on executing each member's plan.

This Policy provides for each member's selection of one of the following four power supply hedge plans to address near-term (within the hedging horizon) power supply requirements. These plans are the:

- Short-Term Plan – 36-month hedging horizon
- Moderate Plan – 48-month hedging horizon
- Stability Plan – 60-month hedging horizon
- Self-Directed Plan (member shall provide MPPA with hedge orders)

Members will elect their power supply hedge plan by executing and submitting Appendix A hereto. Absent written confirmation through a signed Appendix A, all members are under the Self-Directed Plan.

Power supply hedge plans are designed for MPPA to directly administer the reduction in member wholesale rate volatility consistent with members risk tolerances. Members in the Self-Directed Plan may also be hedging to reduce rate volatility, but such activities are directed by the member, with or without MPPA involvement.

Except for the Self-Directed option, each hedge plan will be implemented by MPPA to protect plan participants from significant market price fluctuations. The strategy also maintains some elements of procurement flexibility. For example, during times of extremely attractive market conditions, this policy allows for increasing the amount of forward energy hedged within a plan above the minimum hedge range. Each of the alternative hedge plans, except the Self-Directed Plan, will be overseen by MPPA staff and member city Authorized Representative or delegate.

Other components of a member's portfolio may be managed by MPPA at their discretion. MPPA outlines disciplined methodologies and processes for each of the following power supply portfolio services:

1. Energy
2. Reliability Transmission Organization (RTO) Capacity (e.g MISO Module E, PJM Reliability Assurance Agreement)
3. Peak Load Resource Planning and Hedging
4. Congestion Management
5. Renewable Energy Compliance Management
6. Intra Month Optimization

While each member's portfolio will be addressed individually, to obtain fair and competitive market prices, MPPA shall attempt to pool the hedging requirements of all its members within the various Plans when executing power supply hedges. Therefore, effective and efficient execution of the overall hedge program will be highly dependent upon each member and the appropriate member providing clear and expedient authority for MPPA to enter into transactions on their behalf.

To carry out the overall MPPA risk management program and the activities set forth in this Policy, MPPA has also adopted an Energy Risk Management Policy that clearly defines governance, decision making process, authority, controls, reporting, and oversight responsibilities. Together, the Energy Risk Management Policy, Credit Policy and the Hedge Policy comprise MPPA's energy risk management policies and procedures.

MPPA has set forth additional policy components for managing the fuel requirements of the 55MW Kalkaska Combustion Turbine "Peaking Facility". Those requirements are detailed in Appendix C.

## B. Member Power Supply Portfolio Risk Management Services

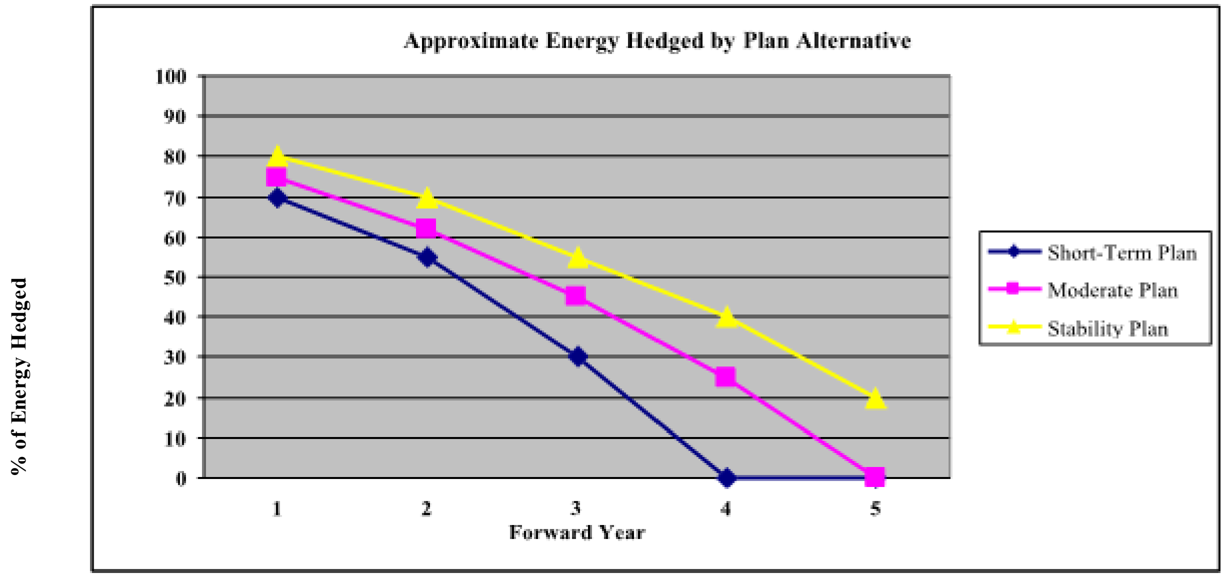
MPPA members may nominate one of four different power supply hedge plan alternatives as summarized in section 2a. Except for the Self-Directed Plan, each plan outlines different power supply hedging goals and ranges on a member-by-member basis.

MPPA also offers other portfolio management services on an à la carte basis as requested by each member and described in the following sections (1 through 6).

Appendix A of this document is a Member Selection Sheet that each member may complete to identify the power supply hedge plan and the à la carte services it desires from MPPA.

### 1. Member Energy Hedge Plan Alternatives

The following graph illustrates the approximate energy hedge levels for the 3 managed plans that will be directly administered by MPPA.




| | Year 1 | | | Year 2 | | | Year 3 | | | Year 4 | | | Year 5 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Min | **Target** | Max | Min | **Target** | Max | Min | **Target** | Max | Min | Target | Max | Min | Target | Max |
| **Short-Term Plan** | 65 | **70** | 80 | 45 | **55** | 60 | 25 | **30** | 35 | | | | | | |
| **Moderate Plan** | 70 | **75** | 85 | 55 | **62** | 65 | 35 | **45** | 50 | 20 | **25** | 30 | | | |
| **Stability Plan** | 75 | **80** | 90 | 65 | **70** | 75 | 50 | **55** | 60 | 30 | **40** | 45 | 15 | **20** | 25 |

**i.** **<u>Short-Term Plan</u>** - 36-month hedging horizon

The Short-Term Plan is designed to offer more up-side market opportunities (if the market heads lower) with the obvious trade-off of containing more down-side risk (if the market goes high). While this plan would be considered aggressive for some members that do not own significant base- load generation, it may be very suitable for those members owning such assets since their asset ownership provides a partial long-term hedge. This plan utilizes a 36-month hedging horizon with high hedge levels for the initial two years, while the hedge level drops significantly after year 2. The target energy hedge range for the first 12 months of the plan is 65-80%, 45-60% for months 13-24, and 25-35% for months 25-36. For the member that owns no base-load generation, this plan translates into a portfolio that has relatively low protection (higher risk) against forward price increases beyond 2 years, however, if market prices decline, members can secure lower cost power as the market drops.

ii. **Moderate Plan** – 48-month hedging horizon
The Moderate Plan offers greater rate and budget stability over the upcoming 24 months with moderate stability over the 25 to 48 month period. The plan employs an energy price averaging structure where energy hedging occurs at approximately 70-85% for the upcoming 12 months and annual hedging ranges decline by approximately 15-20% per year whereby approximately 20-30% of energy needs are procured for the final twelve-month period (37 to 48 months forward).

iii. **Stability Plan – 60-month hedging horizon**
The Stability Plan offers the most rate and budget stability of all the plans. Energy cost stability will be significant for the initial 24-month period with less, but still substantial, stability through 60 months. A price averaging structure shall be employed where energy hedging occurs at approximately 75-90% for the upcoming 12-month period with hedged volumes gradually declining to 15-25% of energy needs for the final 12-month period (49 to 60 months forward).

iv. **Self-Directed Plan**
Members in the Self-Directed Plan shall plan for forward energy transactions (with MPPA's assistance as desired), and then direct MPPA as necessary. The member will submit a transaction request form for transactions it desires MPPA to enter and/or pursue on its behalf. Transaction request forms shall outline the precise terms of the transactions (e.g. maximum price, month of delivery, location, volume, on-peak/off- peak, etc.) and outline the purpose for the hedge (e.g. summer peaking, spring maintenance, 2018 base load). Additionally, requests can be made for MPPA to provide alternative hedge suggestions for very specific purposes or objectives.

2. **RTO Capacity Services**

MPPA shall routinely calculate and communicate member needs and if necessary, procure RTO Capacity resources required by each member on an individual member basis. Pooling of member needs will be pursued where possible to achieve the best transaction prices and resource diversity. The detailed requirements are set forth in Module E of the MISO Tariff and PJM's Reliability Assurance Agreement.

On an annual basis, MPPA, in conjunction with each member, will develop a capacity procurement strategy that will be executed to meet the Resource Adequacy compliance requirements of the State of Michigan and/or an applicable RTO. Each Member Authorized Representative will sign off on any necessary authorizations to implement transactions for the procurement of capacity.

3. **Peak Load Resource Planning and Hedging Services**

Annual or monthly energy hedge plans may not adequately address energy hedge levels during times when price risk is at its highest – during peak conditions during peak seasons. For example, a member could have 75% of its estimated energy hedged for the month of July, but, if actual conditions bring extreme heat, a 75% estimated hedge level may only provide price protection for 50% of the actual on-peak energy needs of the member. Furthermore, peak loads may be adequately covered by RTO capacity if the member possesses the energy rights to its registered RTO capacity. However, RTO capacity procured from the market often does not provide energy rights to the buyer, leaving the buyer exposed to energy price spikes during peak conditions. To adequately plan for price protection during these peak conditions, Peak Load Resource Planning and Hedging Service shall be offered by MPPA.

MPPA shall work with each member to establish targeted peak load resource levels for the next three peak seasonal periods. The determination of an adequate peak load resource level should consider regional reserve margins, generation diversity, unit outage rates, market liquidity and depth, expected future resource transactions or plant construction, and the potential cost impact if the member is short resources during periods of expected price volatility. Plans will be developed to maintain peak resource levels, similar to the approach for energy hedges as illustrated in the table below. MPPA's approach calls for evaluating a target summer (July-August) and winter (January-February) resource level for upcoming peak periods. The target peak resource level will be monitored seasonally, and resources must be secured for the upcoming period 2 months prior to the beginning of the Peak 1 season (i.e. by Oct 31$^{st}$ and April 30$^{th}$). For example, if the sample plans below were being implemented for a member, and the upcoming Peak 1 season is winter (i.e. January – February), resources totaling 100-120% of native peak load requirements will be secured by the end of the prior October. Additionally, resources totaling 90-110% of forecasted native peak load for Peak 2: Summer (July – August) should be procured at this time, and 80-100% of the forecasted native peak load for Peak 3: Winter (next January-February).

| | Peak 1 | Peak 2 | Peak 3 |
|---|---|---|---|
| Target Range | 100-120% | 90-110% | 80-100% |

For purposes of compliance, the following physically delivered hedge products and instruments are approved for meeting member peak load requirements:

- Firm Liquidated Damages Energy Purchases
- Bilateral Capacity Transactions (ZRC's MISO or Unit Specific Bilateral Transactions PJM)
- Physical Plant Capacity Control and/or Ownership
- Structured Power Purchase Agreements

In the future, the MPPA Internal Risk Management Committee may consider approving the use new physical products as well as financial products once internal control procedures are established:

- Heat Rate Call Options
- Fixed Energy Price Call Options
- Unit Contingent Power Contracts
- Financial Swaps
- Financial Futures

On rolling peak season basis, MPPA and each member will establish peak load resource plans similar to the format seen above. The plan will be developed in parallel with RTO resource planning. Each Member's Authorized Representative will sign off on the strategy, which will include an assessment of the associated risk. The Member Authorized Representative will also determine the approvals required for implementation.

4. **Congestion Management Services**

MPPA aggregates and procures Network Integration Transmission Service (NITS) on behalf of certain members. While the NITS Agreement with the RTO will mitigate most of the delivery risk associated with native load energy delivery, it may not mitigate the financial impact of congestion risk. Congestion risk is the possibility of adverse price differentials between the location of the energy sources and the location of native load. As a NITS or long-term firm point-to-point transmission customer, a member has the right each year to participate in the RTO allocation process that results in awarding Auction Revenue Rights (ARRs). ARRs can subsequently be converted to Financial Transmission Rights (FTRs) for the members. FTRs provide a financial hedge against potential adverse financial impacts of congestion risk. Alternatively, ARRs can be "cashed out" at the auction clearing price and that money returned to the members to serve as an "escrow" used to pay for potential congestion charges that may occur throughout the year. It will be MPPA's policy to actively participate in the RTO ARR allocation process according to aggregate NITS eligibility and cash out ARR revenues thereby providing an "escrow" of cash to hedge against potential congestion risk. Cash received on behalf of the NITS aggregate members is allocated back to those members on a load ratio share.

Notwithstanding this MPPA policy, congestion risk can be mitigated through participating in the Financial Transmission Rights (FTR) market, purchasing delivered energy or entering basis swaps with a bilateral counterparty for all members regardless of whether they take NITS. It will be MPPA's policy that congestion risk be reported and discussed regularly with the Board or the appropriate member city and alternative congestion risk hedging tools shall be considered as necessary at a future time as determined by the MPPA Board or the appropriate committee.

**5. <u>Renewable Energy Compliance Management Services</u>**

MPPA Members are required to comply with Michigan's Clean, Renewable, and Efficient Energy Act, 2008 PA295, 2016 PA342, MCL 460.1001 et seq. Each year, MPPA uses the Michigan Renewable Energy Certification System (MIRECS) to demonstrate Renewable Energy (RE) and Energy Waste Reduction (EWR) compliance, and the MPSC uses the system to verify compliance submissions. To ensure each Member complies with the law, MPPA has established the following hedge quantity objectives expressed as a percentage of the state mandated renewable energy percent requirements for each compliance year. Transactions executed to satisfy the hedge objectives can be done with Renewable Energy Credits (RECs) that qualify under State law which are either obtained from a Renewable Energy resource through ownership, Power Purchase Agreement (PPA), or by market purchase.

| | Current Compliance Year | Year 1 | Year 2 | Year 3 |
|---|---|---|---|---|
| Transaction Volume | 100% of open position | 75% of forecasted open position | 50% of forecasted open position | 25% of forecasted open position |

Current Compliance Year represents the year the compliance filing is due. Year 1 represents Current Compliance Year + 1. Year 2 represents Current Compliance Year + 2 and Year 3 represents Current Compliance Year + 3.

The above hedge strategy will be used for all Members who have not provided a Self-Directed Plan to MPPA or have not communicated that they will satisfy renewable energy compliance on their own.

Each Member Authorized Representative will sign off on any necessary authorizations to implement transactions for the procurement of RECs.

Effective Date: 5/13/2020

6. **Intra-Month Optimization Service**
To optimize and manage each Member's power supply portfolio in the current month, MPPA shall perform Day-Ahead Services as defined in Exhibit 1 of the Energy Services Agreement.

Furthermore, for the three managed energy hedge plans administered by MPPA, a minimum planned monthly hedge percentage of 75% shall be in place once the month begins, unless directed otherwise by the respective Member Authorized Representative. This assists in avoiding excessive exposure to spot market and short-term energy price spikes. For example, by November 30, MPPA will have a minimum of 75% of the total projected energy needs for December procured or provided by an owned or contracted resource. Of course, this minimum amount can be hedged well before that date. Additionally, once a specific month begins it is expected that hedges will remain in place that maintain the 75% minimum hedge level. Should situations occur such as unexpected generation outages, jointly-owned-unit allocations falling short of anticipated volumes, or native load being higher than projected, then hedged volumes for the current month may in fact fall short of the 75% minimum hedge requirement. If this occurs, then it will be reported to the affected member immediately and a strategy to address the shortfall will be appropriately discussed and implemented if possible.

## C. Energy Hedge Plan Methodologies and Criteria

The methodology and energy hedge ranges of the three energy hedge plans administered by MPPA are further discussed in this section.

1. **Energy Hedging Methodology**
Each energy hedge plan employs a total energy hedging methodology whereby the MWh equivalent of all energy hedges are compared to the expected native load of the member on a monthly basis. Total energy hedged is the MWh equivalent of the sum of fuel purchases and electricity purchases. A total energy hedge methodology will be employed whereby generation units will not be considered an energy hedge towards native load needs until the respective fuel requirements to determine the cost to generate power are hedged with a fixed price physical purchase. The MWh equivalent hedge from fuel purchases will be the volume of fuel procured (in MMBTUs) for the unit or contract divided by the expected average heat rate of the generation unit or contract divided by 1,000.

2. **Hedge Ranges**
A key criterion of this Policy is to have energy prices hedged within defined volumetric ranges during specified timeframes as illustrated in the table contained in Section 2a. Ranges identify the percentage of projected energy requirements that will be procured over a given time period. For use within this Policy, energy needs are considered price hedged or procured to the extent that the projected need is met by:

i. fixed price physical power transactions
ii. generation ownership (member or jointly owned) or heat rate transactions

combined with corresponding physical fixed price fuel transactions (by unit or transaction for the actual fuel exposure)

Since MPPA has no responsibility or authority for hedging or procuring fuel for member owned or jointly owned generation units, MPPA must develop assumptions based on best available information for fuel hedged for these base-load units. MPPA will do its best to model these assumptions from all available information. Since price hedges for fuel used for natural gas and oil peaking units are generally not hedged in advance it shall be assumed that the expected output of these units is hedged at 0% for energy hedging purposes. Should MPPA fuel hedging responsibilities change in the future then these assumptions and methods shall be modified accordingly.

## D. Execution Strategies and Reporting

MPPA shall develop execution strategies and compliance reporting for the three hedge plans it administers and the à la carte services selected by each member. The following outlines these activities.

### 1. Execution Strategies

Execution strategies will be regularly developed in support of the services outlined in this Hedge Policy. Hedges will be entered based on disciplined and systematic methodologies to comply with this Policy. Execution strategies will include considerations of hedge timing, market price levels, policy compliance requirements, and other relevant factors. Execution strategies for the Energy Hedge Plans will be approved by the respective Member City as often as necessary. Execution Strategies for the à la carte services will be approved by the individual members participating. Execution strategies are reviewed periodically and evolve over time. Such reviews are an important aspect of the hedging policy. Once approved, execution strategies will be firmly followed, however, they may be modified through the individual members desiring changes.

### 2. Hedging Review Cycle and Reporting Schedule

MPPA Staff will annually provide forecasted 5-year positions to members for authorization by the Member City. MPPA Staff will continually keep member apprised of their market position with respect to their cities forecasted retail requirements. At least once a quarter MPPA will provide guidance as to how MPPA is managing their hedge plan as directed to MPPA staff through a signed Appendix 1.

## E. Responsibility

It shall be the responsibility of each member Authorized Representative or delegate, the GM, and the MPPA Internal Risk Management Committee to ensure compliance with this policy

**Attachment 1 – Member Power Supply Portfolio Risk Management Election Form**

1. **Energy Hedge Plan Election (Check one)**

□ Short Term Plan - 36 Month Horizon
□ Moderate Plan – 48 Month Horizon
□ Stability Plan – 60 Month Horizon
□ Self-Directed Plan

Please accept or decline each of the following services described herein

2. **RTO Capacity Services (required if using MPPA for market participation with RTO)**

□ Accept
□ Decline

3. **Peak Load Resource Planning and Hedging Services**

□ Accept
□ Decline

4. **Congestion Management**

□ Accept
□ Decline

5. **Renewable Energy Compliance Management Services**

□ Accept
□ Decline

6. **Intra-Month Optimization Services (required if using MPPA for market participation with RTO)**

□ Accept
□ Decline

______________________________ __________
**Signature of Member Authorized Representative** **Date**

______________________________
**Printed Name of Authorized Representative**

______________________________
**Name of Member**

By signing this form, the Authorized Representative agrees to have MPPA staff manage Member City's market position as authorized by above election. All transactions will be completed on Member's behalf as outlined in the Energy Risk Policy.

Effective Date: 5/13/2020

**Appendix C – Natural Gas- Kalkaska Combustion Turbine and associated Natural Gas Assets**

## Objective

The purpose of this Policy is to detail the risk management components that MPPA employees must adhere to when managing the fuel requirements to operate the 55MW Kalkaska Combustion Turbine ("Peaking Facility"). The Policy contains; (a.) the Risk Management philosophy, (b.) identifies approved Natural Gas Products, (c.) outlines transaction Size and Term limits, (d) authorizes natural gas asset optimization strategies, and (e.) describes Authority levels required to enter into bilateral transactions.

### Peaking Facility Description

The Peaking Facility contains one Pratt and Whitney FT-8 Twin Pac turbine set consisting of two combustion turbines fired by natural gas and utilizing water injection and low-NOx burners for controlling air emissions. It is coupled to an electric generation with an ISO nominal rating of 55MMW. The facility also has a diesel engine for operating a fire pump, a natural gas-fired "line-heater" to preheat natural gas fuel before that fuel is supplied to the turbines. It is a "peaking plant", meaning that its operations mostly for short periods of "peak load" when demand for electricity is high or is operated out of economic merit order when the Transmission Operator requires voltage or frequency support.

### Natural Gas Delivery Description

The Peaking Facility is served from the ANR Pipeline Prough Rd. interconnect and gas meter. Natural Gas must be scheduled from the ANR Storage Company Deward location for use in the Kalkaska CT. Natural Gas can be delivered and received at several points along the Great Lakes Gas Transmission and ANR Pipeline Company from the ANR Joliet Hub (outside of Chicago) to the ANR Storage Company interconnect with Great Lakes at Deward through long-term Transportation Agreements of MPPA.

### Risk Management Philosophy

MPPA operates the Peaking Facility to provide energy & capacity and the associated economic benefit of five MPPA members who have long-term Power Supply and Project Support agreements with the facility. The facility must operate in the day-ahead and Real-Time market as it is a Capacity Resource in MISO. To operate the facility effectively, natural gas must be forecasted, purchased and scheduled to accommodate electric day operation. There are also restrictions on the use of Storage which must be used first before delivering to the facility. All this speaks to the need to properly define the types of natural gas supply transactions, products and term arrangements to be conducted in the market to effectively operate the facility.

## Natural Gas Products

All Products must be (a.) Physically Delivered, (b.) Firm and for (c.) Fixed Quantities. The Products must be transacted in $/MMBtu and capable of being Confirmed under the Exhibit A of the North American Energy Standards Board (NAESB) Master Agreement. Transactions can only be executed with Natural Gas Suppliers where MPPA has an active NAESB. This Policy authorizes Products to be purchases at the following Delivery Points:

Authorized Delivery Points

| Physical Location | Delivery Point Description | Gas Price Index (related) |
|---|---|---|
| ANR- Joliet Hub | ANR Pipeline Company- Joliet Hub CDP | Chicago Citygate |
| APC-ANR | Alliance Pipeline – ANR Interconnect | Chicago Citygate |
| Deward | Great Lakes Delivery 40785 | ANR-ML7 |
| Farwell | Great Lakes Receipt 48644 | ANR-ML7 |
| ANR Storage | Storage Transfer | ANR-ML7 |

If other Delivery Point locations are found to be more efficient and effective for meeting the mandates under this Policy, then MPPA staff will propose and Addendum to this Policy and update the MPPA IRMC.

The agreement with ANR pipeline gives MPPA the rights to 300,000 DTh of Natural Gas Storage. This greatly exceeds the need for the Kalkaska CT itself. As such, in order to optimize the natural gas storage asset, MPPA may desire to purchase gas into storage and sell natural gas in storage in a forward month that provides benefit to the asset position and the project. At no point in time can MPPA use more than half of the storage asset in this manner. Any purchase or sales transactions must be done in accordance with this policy.

Transaction Size, Term Limits & Authority Level

| **Transaction Size Limits (regardless of term)** | | |
|---|---|---|
| Commodity | Transaction Size (MMBtu) | Authority Level |
| Natural Gas | 20,000 | Any Person as Approved by GM |
| Natural Gas | 20,000 to 33,000 | Manager/Director |
| Natural Gas | Greater than 33,000 | General Manager &CEO |
| **Transaction Term Limits** | | |
| Natural Gas | 1 day to Prompt Calendar Month | Any Person as Approved by GM |
| Natural Gas | Prompt Calendar Month +2$^{nd}$ Month | Manager/Director |
| Natural Gas | Greater than 2 Prompt Calendar Months | General Manager & CEO |

General Manager & CEO may delegate purchase authority for transactions on an as-needed basis.

Transactional Recording & Confirmation

All transactions regardless of Term must be signed via written Confirmation by the proper Authorized MPPA personnel within 2 business days of commitment. All Transactions will be executed via written Confirmation conformation to the NAESB Template. Committed Transactions will be recorded via email, Instant Message or phone line.

**EXHIBIT B**

Michigan Public Power Agency

Credit Risk Policy

# Table of Contents

## 1. Purpose

Credit Risk Management is a key component of MPPA's Power Supply Risk Management Policy ("Risk Management Policy"). Credit Risk is embedded in every forward commodity transaction executed by MPPA. A counterparty contractual non-performance under a forward commodity transaction could subject MPPA and its Members to significant financial exposure. This financial exposure originates from the significant underlying price volatility in the power business. This Credit Risk Policy's purpose is to establish the terms and conditions for identifying, calculating, reporting and managing credit risk.

## 2. Definitions

**Credit Exposure-** amount estimated to be due to MPPA for Accounts Receivable/Payable including unbilled amounts, plus the Mark to Market of all transactions for that counterparty
**Credit Rating-** an estimate of the ability of a counterparty to fulfill its financial commitments, using quantitative and qualitative measures
**Credit Risk-** the potential loss MPPA may incur if a counterparty fails to perform on its financial commitments
**Credit Limit-** the maximum amount of financial exposure that MPPA will extend to a counterparty
**Guaranty-**The promise to pay the debt or fulfill the obligation of another entity if that entity fails to do so
**Letter of Credit-** a letter from a bank guaranteeing that a counterparty's obligation to financially perform on its commitments. If the counterparty is unable to uphold its commitment, the bank will be required to cover the counterparty's financial obligation
**Mark to Market-** the estimated market value of a contract calculated by multiplying the contractual volume by the difference between the current market price and the contract price. This valuation technique values all transactions and related costs of execution at fair market value

## 3. Governance

The Credit Risk Management role is performed by the Accounting/Finance department (Risk Management Staff) of MPPA. The Chief Financial Officer & Treasurer (CFO) is responsible for administration of this Policy. Additionally, the Internal Risk Management Committee (IRMC) is responsible for monitoring the ongoing compliance with this Policy along with all other risk factors. The IRMC has approved this Policy and must approve any material modifications to this Policy.

## 4. Contractual Agreements

To establish a legal basis for transactions with counterparties, the MPPA Power Supply Staff will enter into the appropriate trading agreement. For physical power transactions, Edison Electric Institute (EEI) agreements will be established. For financial transactions, not designated for clearing through an exchange, International Swaps Derivatives Agreements (ISDA) will be established.

The ISDA Master Agreement is the authoritative contract widely used by industry participants. It has established international contractual standards governing privately negotiated derivatives transactions that reduce legal uncertainty and allow for reduction of credit risk through netting of contractual obligations. The Agreement is designed, among other things, to facilitate cross-product netting, and may be used to document a wide variety of derivative transactions.

The EEI Master Power Purchase & Sale Agreement is a commercially oriented, physical power purchase and sale agreement incorporating precisely defined, commonly traded products, trading practices, and legal terms. Applying standard terms to each transaction helps to reduce the business risks in wholesale electricity trading by establishing certainty as to the reciprocal rights and obligations of each trading partner.

While MPPA is not currently utilizing exchange-based energy trading products or Over-the-Counter (OTC) financial transactions cleared through an exchange, when/if MPPA does approve this exchange medium, brokerage accounts will be established that allow MPPA to receive financial protection from the New York Mercantile Exchange (NYMEX) Clearing members, Intercontinental Exchange (ICE), or other regulated exchanges providing energy hedging tools. The integrity of NYMEX/ICE trades offers MPPA financial protection because the clearinghouse safeguards against default. The collective clearing membership of regulated exchanges helps to assure financial performance of all transactions.

## 5. Credit Risk Management Objective & Responsibilities

The objective of the Policy is to put in place policies and procedures for identifying, calculating, reporting and managing credit risk by MPPA Risk Management staff. The results of these efforts will be routinely reported to the Internal Risk Management Committee and Board of Commissioners. The primary responsibilities under this Policy are:

A. Establishment of Credit Ratings for counterparties of MPPA
B. Establishment of Credit Limits derived from the credit quality of counterparty Credit Ratings
C. Develop, maintain and effectively use a financial exposure reporting system that routinely calculates and reports financial exposure for accounts receivable, accounts payable, unbilled and Mark to Market of energy commodity transactions
D. Procedures to monitor and report on calculated financial exposure against counterparty Credit Limits to the MPPA Leadership Team (CEO, CFO and Director- Energy Supply & Market Operations) and MPPA staff involved in executing forward power supply transactions
E. Transaction management and approval processes using Credit Limits and financial exposures
F. Liquidity management that, ensures, at all times, that MPPA has sufficient counterparty capability to promote competitive solicitations for energy transactions as outlined in the MPPA Power Supply Risk Management Policy
G. Concentration Limits are established and followed

## 5A. Counterparty Credit Rating Process

One of the fundamental concepts of managing Credit Risk is the establishment of sufficient levels of credit to facilitate the price hedging requirements of MPPA's Hedge Policy. MPPA will develop a Credit Limit for counterparties based on the analysis of all available information. Wholesale counterparties will undergo a comprehensive credit evaluation through ACES or a similar third-party credit monitoring organization. The CFO will review the report and recommended credit limits by the monitoring organization and advise the IRMC as to the creditworthiness of the counterparty based on the information provided as well as MPPA's own assessment.

When Risk Management Staff perform counterparty credit reviews and determine that the counterparty:

Is not publicly rated, or

Does not have financial statements, or

Is not able to provide independent credit support, or

Otherwise does not provide a basis to extend unsecured credit,

then the counterparty will be required to satisfy the credit needs to MPPA by providing alternative credit support; either by providing a Guaranty from another creditworthy entity, or by providing collateral in the form of cash deposits or an approved Letter of Credit.

The Letter of Credit should be an irrevocable, transferable, standby Letter of Credit, in form and substance reasonably acceptable to MPPA, issued by a major U.S. commercial bank assigned a Credit Rating of at least "A-" by S&P or "A3" by Moody's or any other entity as may be acceptable to MPPA in its discretion.

The provider of the Guaranty is subject to the normal credit review process detailed above. The format of the Guaranty, to be provided by the counterparty's guarantor, will be negotiated with the counterparty and review and approved by the CFO and/or MPPA legal counsel as required.

## 5B. Credit Limits

These are financial limits for each counterparty based on its Credit Rating. These limits represent the maximum amount financial exposure MPPA is willing to provide a counterparty. These will be used to monitor and manage the overall transactional activity with each counterparty. The CFO or the CFO's designee is responsible for the establishment and enforcement of all Credit Limits. (Appendix A)

The Credit Limit is based on a weighted assessment of the counterparty's financial strength. For counterparties with a Credit Rating from one of the 3 major rating agencies (Moody's, S&P, Fitch), 40% of the overall score is based on the lowest senior unsecured debt Credit Agency Rating.

The Financial Raw Score listed in the ACES Financial Analysis Report accounts for an additional 25% of the weighted rating. The ACES Financial Analysis report is comprehensive assessment of the financial metrics of the counterparty including all key liquidity, leverage and performance ratios. If the counterparty does not have an Agency Rating, the Financial Score will become 65% of the weighting for the overall Credit Limit. If the counterparty is a bank, the Capital Assets Score will be used in lieu of the Financial Raw Score.

Lastly, the Net Equity position of the counterparty will account for the final 35% of the overall weighting.

Credit extended to a counterparty by MPPA must not exceed the counterparty's strength of its balance sheet. As such, the Credit Limit will not exceed 5% of a counterparty's total net equity position.

If MPPA has the legal right under its wholesale power supply agreement (EEI or ISDA) it will require a counterparty to post the following forms of security if the counterparty's credit rating deteriorates and financial assurance is required:

- Cash
- An acceptable Letter of Credit
- An acceptable parental Guaranty from a publicly visible creditworthy entity as previously discussed

All collateral will be reviewed each month by Risk Management Staff with an emphasis on collateral expiring within the next 90 days to ensure proper resolution and disposition.

## 5C. Transaction Management & Approvals

Each counterparty's availability for future transactions shall be reviewed by the CFO and Director of Energy Supply regularly, but always when a recommended market transaction volume has been identified. A Hedge Policy Committee (HPC), or a member within a self-directed plan, may also develop further transaction liquidity requirements. In its review, Risk Management staff will review prospective power supply transactions to provide approval and guidance on acceptable counterparties and limits. Risk Management staff will also take steps to ensure:

a. Counterparty(s) for the transactions are on the list of approved counterparties
b. Counterparty(s) are within their credit limits for the intended transactions
**c.** That Concentration Limits are respected

## 5D. Financial Exposure Measurement & Monitoring

MPPA has developed a counterparty Financial Exposure application that calculates and visually reports financial exposure by transaction and by counterparty using transaction volume, contract price and term against an internally generated forward price curves (see Risk Management Policy Section 9 for details on Forward Price Curve development).

## 5E. Credit Report Generation

Risk Management Staff will compare the aggregate Financial Exposure to the current Credit Limits for each counterparty for potential credit limit violations on a weekly basis. Any change to the counterparty that would create an adverse exposure to MPPA or place the counterparty in exceedance of its Credit Limit will be immediately reported to the Power Supply staff and the MPPA Leadership Team along with any recommended actions to reduce the risk. Risk Management Staff will limit transactions with counterparties that are likely to exceed Credit Limits using probabilistic analysis.

Credit Reports to be generated by Risk Management Staff with distribution to Power Supply Staff, MPPA Leadership Team & the IRMC are the following:

Approved Counterparty List with Credit Limits- MPPA's current approved counterparties and associated credit limit exposure and transaction duration limits (Appendix B).

Credit Exposure Report- This report will be produced on a weekly basis by the Risk Management Staff and will incorporate the following: (Appendix C).

- Hedges positions by counterparty with accounts payable and accounts receivable data incorporated
- Comparison of current exposure to given counterparty approved credit limit
- Results of testing for compliance against exposure and net equity limits
- Any material changes to the financial strength of current counterparties

Concentration Report – This report will show each counterparty's market exposure by delivery year and for each delivery year to ensure compliance with the concentration limits set forth in this Policy (Appendix D).

Counterparty Credit Analysis- As new prospective counterparties are identified, a brief synopsis of the evaluation results will be provided as to the financial viability of that company. This report will include a recommended Credit Limit.

Significant Change Credit Report- When a current counterparty demonstrates a material change in credit strength, a report will be created by the Credit Risk Staff and provided to the CFO for evaluation and appropriate course of action.

Limit Exception Report- This report documents when a violation of a credit limit has occurred or if a counterparty has encountered a material change that would cause a movement to a higher risk category. The CFO will determine what course of action is required and will document the decision in this report.

The following reports will be reviewed at every IRMC meeting: Approved Counterparty List with Credit Limits, Credit Exposure Report, Concentration Report.

The following reports will be reviewed at the IRMC meetings as required: Counterparty Credit Analysis (prior new counterparty approval requests), Significant Change Credit Report, Limit Exception Report.

## 5F. Liquidity Management

MPPA shall always maintain enabling agreements and credit capability with multiple counterparties as outlined in the MPPA Power Supply Risk Management Policy.

## 5G. Concentration Limits

Despite rigorous credit management and procedures, energy commodity markets can experience risk management events that fall far outside normal market behavior. In these cases, changes to financial exposure and counterparty credit ratings can be swift and significant where the processes outlined in this Policy can't keep pace with the changes in the market. To further protect the Agency from these kinds of events, Concentration Limits will be used to cap the size of transaction volume executed with any single counterparty. These Limits may be waived by Senior Executive Staff of the Agency, when upon their review, the Limits conflict with Liquidity Management requirements and power supply economics are impacted more than the risk of exceeding the Concentration Limit.

No more than thirty (35%) of MPPA's total energy volume in MWh (excluding the MWh from MPPA owned or jointly owned assets) shall be attributable to a single counterparty against the total expected bilateral energy volume requirements for the upcoming calendar year. Since this is a lower volume limit than what is in our current Risk Policy, MPPA will have three years from the adoption date Policy to achieve full compliance with this Limit.

# Appendix A
# Counterparty Credit Limit
# Scoring Model

**Weighting**

| | |
|---|---|
| ACES Financial Score | 25% |
| Agency Rating: S&P, Moody's, Fitch | 40% |
| Net Equity Position | 35% |

**Financial Score- ACES – 25%**

Raw score taken directly from Report

**Agency Rating – 40%**

If there is no Senior Unsecured Debt, the Lowest Issuer Rating may be used

| Agency Score | Score | Agency Score | Score |
|---|---|---|---|
| AAA | 1.00 | BBB+ | 3.00 |
| AA+ | 1.25 | BBB | 3.33 |
| AA | 1.50 | BBB- | 3.75 |
| AA- | 1.75 | BB+ | 4.00 |
| A+ | 2.00 | BB | 4.25 |
| A | 2.33 | BB- | 4.75 |
| A- | 2.64 | B or lower | 5.00 |

**Net Equity Position -35%**

| Net Equity Position | Score |
|---|---|
| $15,000,000,000 | 1.00 |
| $12,000,000,000 | 2.00 |
| $9,000,000,000 | 3.00 |
| $6,000,000,000 | 4.00 |
| 3,000,000,000 | 5.00 |
| $0 | 6.00 |

**Credit Limit Matrix**

| Credit Limit | Weighted Score Low | Weighted Score High |
|---|---|---|
| $25,000,000 | 1.00 | 2.00 |
| $20,000,000 | 2.01 | 2.99 |
| $15,000,000 | 3.00 | 3.50 |
| $10,000,000 | 3.51 | 4.00 |
| $5,000,000 | 4.01 | 4.50 |
| $2,500,000 | 4.51 | 5.00 |
| 0 | 5.01 | 6.00 |

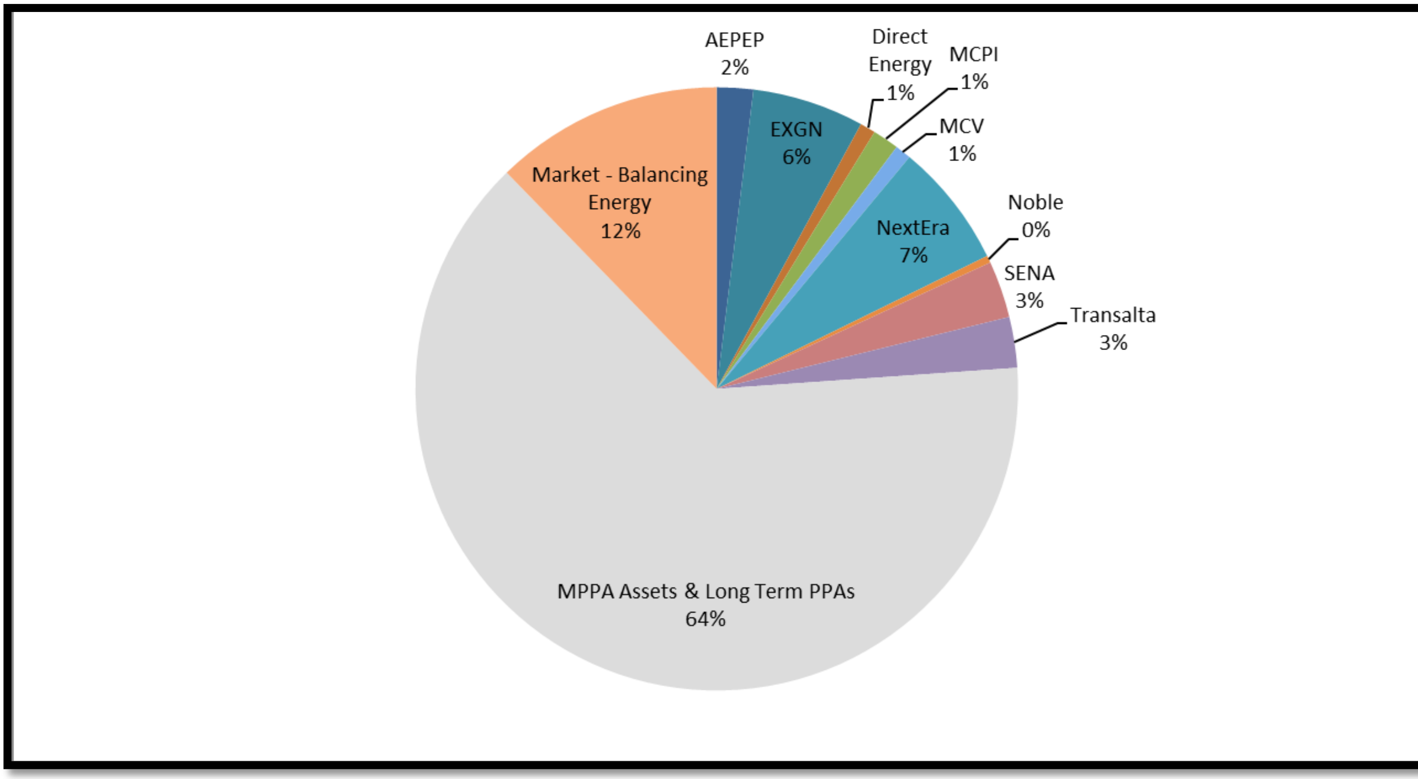
# Appendix B
## Approved Counterparty List with Credit Limits
### Sample Report

| Counterparty | Lowest Agency Senior Unsecured Debt Rating | Financial Score/Cap Assets Score (25%) | Agency Rating Score (40%) | Net Equity (35%) | Weighted Score | Total Net Worth | TNW Limiter 5% | Credit Limit |
|---|---|---|---|---|---|---|---|---|
| Company 1 | AA- | 2.15 | 1.75 | 6.00 | 3.34 | $ 1,635,500,000 | 81,775,000 | $15,000,000 |
| Company 2 | A+ | 3.82 | 2.00 | 6.00 | 3.86 | $ 208,208,000 | 10,410,400 | $10,000,000 |
| Company 3 | A | 1.62 | 2.33 | 2.00 | 2.04 | $ 13,091,000,000 | 654,550,000 | $20,000,000 |
| Company 4 | A- | 3.98 | 2.64 | 1.00 | 2.40 | $ 63,241,000,000 | 3,162,050,000 | $20,000,000 |
| Company 5 | A | 5.85 | 2.33 | 6.00 | 4.49 | $ 1,366,253,000 | 68,312,650 | $5,000,000 |
| Company 6 | BBB+ | 3.62 | 3.00 | 1.00 | 2.46 | $ 19,067,800,000 | 953,390,000 | $20,000,000 |
| Company 7 | BBB+ | 5.02 | 3.00 | 5.00 | 4.21 | $ 4,342,314,000 | 217,115,700 | $5,000,000 |
| Company 8 | BBB+ | 3.93 | 3.00 | 5.00 | 3.93 | $ 4,755,000,000 | 237,750,000 | $10,000,000 |
| Company 9 | BBB+ | 3.53 | 3.00 | 3.00 | 3.13 | $ 10,207,000,000 | 510,350,000 | $15,000,000 |
| Company 10 | BBB+ | 3.54 | 3.00 | 4.00 | 3.49 | $ 7,917,000,000 | 395,850,000 | $15,000,000 |
| Company 11 | BBB- | 5.27 | 3.75 | 6.00 | 4.92 | $ 379,400,000 | 18,970,000 | $2,500,000 |
| Company 12 | BBB | 2.10 | 3.33 | 5.00 | 3.61 | $ 3,034,400,000 | 151,720,000 | $10,000,000 |
| Company 13 | BBB | 3.98 | 3.33 | 1.00 | 2.68 | $ 30,764,000,000 | 1,538,200,000 | $20,000,000 |
| Company 14 | BB+ | 4.58 | 4.00 | 5.00 | 4.50 | $ 3,165,000,000 | 158,250,000 | $5,000,000 |
| Company 15 | B | 5.60 | 5.00 | 6.00 | 5.50 | $ 1,901,000,000 | 95,050,000 | 0 |

# Appendix C
# Credit Exposure Report
# (Sample)

| Counterparty | Credit Limit | Total Exposure 08.13.19 | Total Exposure Compliance |
|---|---|---|---|
| Company 1 | $15,000,000 | $0 | Ok |
| Company 2 | $10,000,000 | $0 | Ok |
| Company 3 | $20,000,000 | -$1,136,674 | Ok |
| Company 4 | $20,000,000 | -$80,411 | Ok |
| Company 5 | $5,000,000 | -$1,751,976 | Ok |
| Company 6 | $20,000,000 | -$1,764,167 | Ok |
| Company 7 | $5,000,000 | -$1,462,602 | Ok |
| Company 8 | $10,000,000 | $0 | Ok |
| Company 9 | $15,000,000 | -$7,143 | Ok |
| Company 10 | $15,000,000 | -$33,984,116 | Ok |
| Company 11 | $2,000,000 | -$2,206,410 | Ok |
| Company 12 | $10,000,000 | $20,444 | Ok |
| Company 13 | $20,000,000 | -$2,547,446 | Ok |
| Company 14 | $5,000,000 | -$983,261 | Ok |
| Company 15 | $0 | $0 | Ok |

# Appendix D
# Concentration Report
# ( SAMPLE)



## Appendix E
## MPPA Employee Acknowledgement

I, the undersigned, have read and fully understand the MPPA Credit Risk Policy. I will comply with all the requirements of this policy and will alert MPPA Leadership to known breaches. I also understand that a breach of this policy may lead to dismissal.

I am aware that MPPA Leadership has the right to modify Policy limits on a discretionary basis.

Approved Version 1.0

Signature: ____________________________________________

Name: ____________________________________________

Date: ____________________

**CITY OF CHARLEVOIX POWER SUPPLY RISK MANAGEMENT POLICY**

**April, 2011**

**Revised June, 2020**

1. Policy Purpose

The purpose of this policy is to establish certain controls for the City to follow in conducting transactions through the Michigan Public Power Agency's (MPPA) Energy Services Project. These specific controls are in accordance with the Power Supply Risk Management Policy as developed by MPPA.

2. Objectives

Objectives for determining the methods that MPPA will use to control the City's risks must be established by the City Council. These are the risks involved in conducting transactions for energy, capacity and related accessories. The MPPA policies list the following objectives and it is up to Council to determine the importance of each objective to the City of Charlevoix.

a. Meet the wholesale energy cost budget.

b. Reduce volatility in specific wholesale energy budget items.

c. Maintain stable and predictable rates.

d. Outperform the market.

e. Maintain rate swings similar to neighboring utilities.

f. Maintain rates consistent with prevailing spot market prices.

g. Protect against disaster scenarios.

h. Participate in commodity markets for hedging and not speculation.

At this time the primary objective of this policy is c. Maintain stable and predictable rates.

A secondary objective is a. Meet the wholesale energy cost budget.

Another secondary objective is e. Maintain rate swings similar to neighboring utilities.

The remaining objectives are not as important to Charlevoix at this time.

Any changes to these primary and secondary objectives must be done by resolution of City Council.

3. Hedge Plan

MPPA offers four different hedging plans. These plans are meant to allow the City to choose the amount of volatility that will be considered acceptable when making forward purchases of energy, capacity, or transmission. The four plans are as follows:

a. The Short-Term Plan (36 Month Horizon): This plan is designed to offer more upside opportunity with the trade-off of containing more downside risk.

b. The Moderate Plan (48 Month Horizon): This plan offers significant rate and budget stability over the upcoming 24 months with moderate stability over the 25 to 48 month period.

c. The Stability Plan (60 Month Horizon): This plan offers the most rate and budget stability of all the plans. Energy cost stability will be significant for the initial 24 month period with less, but still significant stability through 60 months.

d. The Self-Directed Plan: Under this plan the MPPA member city does its own hedging and risk management.

The City of Charlevoix is opting for the Stability Plan, which provides the longest price stability of all of the plans.

Any change to the hedging plan option must be done by resolution of City Council.

4. Authorized Representative – Approval of Transactions

The City must appoint an Authorized Representative to provide appropriate risk management recommendations to City Council; gain approvals for the MPPA Power Supply Risk Management Policy; gain Council approvals for the Objectives and Hedge Plan choices and any changes that may occur for this policy (the City of Charlevoix Power Supply Risk Management Policy); and approve MPPA Risk Management transactions and transaction strategies of up to one year in duration and greater than 15% of member load. These transactions may involve purchases or sales of energy, capacity and/or transmission (Transactions of longer than a year's duration will require prior Council approval, while transactions of less than a year and less than 15% of member load need no prior City approval). This is the same authority that is granted under the terms of the Energy Services Agreement between MPPA and the City, and it is required that the Participant Representative under the Energy Services Agreement and the Authorized Representative under this Policy be the same person.

The Electric Department Superintendent is hereby appointed as the Authorized Representative under this Policy. This conveys the authority to approve transactions and transaction strategies for purchases or sales of energy, capacity and/or transmission and the related financial instruments necessary to carry out those transactions of up to one year in duration when it exceeds 15% of member load. The representative is also authorized to choose the optional services that are offered in the MPPA Hedge Policy on an as needed basis for the City to comply with the risk management objectives.

Any change in the appointment of the Authorized Representative must be done by resolution of City Council.

**CITY OF CHARLEVOIX**
**RESOLUTION NO. 2020-06-04**

RESOLUTION APPROVING POWER SUPPLY RISK MANAGEMENT POLICY, REVISIONS TO CITY OF CHARLEVOIX POWER SUPPLY RISK MANAGEMENT POLICY, AND APPOINTMENT OF AUTHORIZED REPRESENTATIVE

**WHEREAS**, the City of Charlevoix is a member municipality of the Michigan Public Power Agency ("MPPA"), a joint action agency organized and existent pursuant to Act 448 of the Michigan Public Acts of 1976, as amended; and

**WHEREAS**, MPPA has created the Energy Services Project and Project Committee pursuant to its Bylaws to allow participating MPPA members to obtain energy services to meet their customers' needs; and

**WHEREAS**, the City of Charlevoix believes it is in the best interest of the City and its customers for the City to control the risks associated with the transactions conducted through the MPPA's Energy Services Project; and

**WHEREAS**, the City of Charlevoix must appoint an Authorized Representative to follow the rules of the City of Charlevoix Power Supply Risk Management Policy when approving authorized transactions through the MPPA Energy Services Project.

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Charlevoix as follows:

1. The form of MPPA's Power Supply Risk Management Policy is hereby approved and the Authorized Representative is hereby given approval to vote in favor of implementation of this policy in substantially the form as presented on this date with such minor insertions, deletions and modifications as the Authorized Representative deems necessary.
2. Charlevoix City Council approves the Revisions to the City of Charlevoix Power Supply Risk Management Policy as presented on this date, and by doing so confirms approval of the objectives and hedging plan choices as stated in the Policy.
3. Charlevoix City Council appoints the Charlevoix Electric Department Superintendent as the Authorized Representative under the MPPA Power Supply Risk Management Policy and authorizes this individual to approve energy, capacity, transmission and related transactions that have a length of up to one year.
4. This resolution shall take effect immediately upon adoption.

**RESOLVED** this 15th day of June, 2020 A.D.

Resolution was adopted by the following yea and nay vote:
Yeas:
Nays:

# CHARLEVOIX CITY COUNCIL

**All Other Actions and Requests**

**TITLE:** Downtown Parking Plan

**DATE:** June 15, 2020

**PRESENTED BY:** Council Members Kalbfell, Bryan, and Oleksy

**BACKGROUND:**

On June 10, 2020, the Mayor and Council received an email signed by approximately 51 business and building owners requesting Council rescind the parking plan set to commence on June 19, 2020. We the undersigned, are requesting the email and attachment along with the DDA survey results be added to the June 15, 2020 Council meeting agenda for discussion and action.

Janet Kalbfell, Ward 1
Greg Bryan, Ward 3
Tom Olesky, Ward 2

**RECOMMENDATION:**

Motion to cancel the parking plan that was to start June 19, 2020 and allow the parking arrangement currently in place to continue until Labor Day, September 7, 2020.

Motion to direct city staff to re-evaluate parking spaces that have been blocked off for restaurants and remove and/or reduce the number of those blocked spaces in front of restaurants who do not want the additional space.

Motion to direct city staff to evaluate the number of carryout restaurant spaces needed and the possibility of restaurants sharing carry out spaces and move those spaces to the back of the restaurants where applicable.

Motion to direct the city manager to have city staff install the parking meters/kiosks in the Acacia lot, on Bridge St. and all other parking spots where meters were planned.

**ATTACHMENTS:**

- Business and Building Owner's Letter
- Updated: Memo to City Council with Survey Information

June 2nd, 2020

To Downtown Development Authority and Charlevoix City Council,

We would like your support to rescind the current parking ban on Bridge Street which is set to begin on June 19th, 2020. We would like to work together to develop a Parking plan on Bridge Street that would be more flexible and would only be utilized when needed. The safety of our customers is, and always has been, of the utmost importance to all of us, which is evident by the fact that we closed our stores before the State Mandate. With that in mind, and because parking is an essential part of how merchants conduct business, we feel we should be part of the decision making process.

<u>Other points to consider:</u>

Our sidewalks are an average of 12'-15' and provide adequate space for social distancing.

We support the restaurants use of spaces located in front of their businesses for increased space for safe dining.

Our community has a significant population with limited mobility that depends on accessibility.

Thank you for your consideration of our request.

Please **sign** and **print your name** and **business** to support rescinding the parking ban on Bridge Street:

| | |
|---|---|
| Jacqueline Dipert | The Clothing Company |
| Tonya Thomas | Round Lake Outfitters |
| Chet Morris | REVOLUTION BIKE |
| Kari Davis | Petals |
| [illegible] | SEA BAGS |
| Jodi Bingham | Ga Ga for Kids |
| Jodi Laurent Jodi Laurent | Momentum |
| Deb. Angermuller | Color Wear |
| Kirky Dipert | Charlevoix Wear |
| Dianne Dupont Dianne DuPont | Round Lake Books |
| Emily Freund | That French Place/Brian's |
| Brian Freund | Ice Cream Experience |
| Jami M. Miller | Pita Cruiser |
| Dee Vincent | Cherry Republic |

June 2nd, 2020

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<u>Other points to consider:</u>

Our sidewalks are an average of 12'-15' and provide adequate space for social distancing.

We support the restaurants use of spaces located in front of their businesses for increased space for safe dining.

Our community has a significant population with limited mobility that depends on accessibility.

Thank you for your consideration of our request.

Please **sign** and **print your name** and **business** to support rescinding the parking ban on Bridge Street:

| | | |
|---|---|---|
| [illegible] | Victoria Bingham | Grey |
| [illegible] | Eric M. Wlodarczak | Scovie's Gourmet Mgr |
| Sherl McEnhill | Sherl McEnhill | Scovie's Gourmet mgr. |
| [illegible] | John E Haggard | Owner LBS & GBJ |
| [illegible] | - Rik Lobenherz | 203 Bridge - 115 Bridge. |
| [illegible] | - John Murray | CPC |
| [illegible] | - John Murray | Townhouse |
| [illegible] | - John Murray (LSB) | 227, 204, 208, 301, 310 Bridge |
| Deidre Weller | Deidre Weller | thistle |
| Nancy J Suzor | Nancy J Suzor | Elements Gallery |
| Sarah Knapp | Sarah Knapp | Boutique Emmanuel. |

June 2nd, 2020

To Downtown Development Authority and Charlevoix City Council,

We would like your support to rescind the current parking ban on Bridge Street which is set to begin on June 19th, 2020. We would like to work together to develop a Parking plan on Bridge Street that would be more flexible and would only be utilized when needed. The safety of our customers is, and always has been, of the utmost importance to all of us, which is evident by the fact that we closed our stores before the State Mandate. With that in mind, and because parking is an essential part of how merchants conduct business, we feel we should be part of the decision making process.

Other points to consider:

Our sidewalks are an average of 12'-15' and provide adequate space for social distancing.

We support the restaurants use of spaces located in front of their businesses for increased space for safe dining.

Our community has a significant population with limited mobility that depends on accessibility.

Thank you for your consideration of our request.

Please **sign** and **print your name** and **business** to support rescinding the parking ban on Bridge Street:

Celeste Murdick's Fudge!!

Nikki Cieslczyk — Nikki Ciesiedzyk

16th Denmuhat — Graffitties

Kerry Schuttler - the salad fork

Marni Schubert — Northbound

Jennifer Haf — Bloom & Studio 704

Chris Rutkowski — The Cantina

Teague — Mason Jar Boutique

T. McCarthy — T. McCarthy / North Seas Gallery

Kay S Seeley - Kilwins

Savannah Joseph — The Taffy Barrel

Julie Ci Mann — Smoke On The Water

June 2nd, 2020

To Downtown Development Authority and Charlevoix City Council,

We would like your support to rescind the current parking ban on Bridge Street which is set to begin on June 19th, 2020. We would like to work together to develop a Parking plan on Bridge Street that would be more flexible and would only be utilized when needed. The safety of our customers is, and always has been, of the utmost importance to all of us, which is evident by the fact that we closed our stores before the State Mandate. With that in mind, and because parking is an essential part of how merchants conduct business, we feel we should be part of the decision making process.

Other points to consider:

Our sidewalks are an average of 12'-15' and provide adequate space for social distancing.

We support the restaurants use of spaces located in front of their businesses for increased space for safe dining.

Our community has a significant population with limited mobility that depends on accessibility.

Thank you for your consideration of our request.

Please **sign** and **print your name** and **business** to support rescinding the parking ban on Bridge Street:

| | |
|---|---|
| Nicole [illegible] | Treasure Chest |
| C Zondervan | True North |
| [illegible] | True North |
| [illegible] | Central Drug |
| Bow Mitchell | Chix Floral |
| Jodi Alger Bergmann | Home Planning & Design |
| Paul Cecchini | Village Graphics |
| Cindi Vaden | Olesons |
| Maxell Staffel | PICTURE THIS |
| Nick Easton | My Grandmother's Table |
| Edith Pair | Mushroom House Tours |

June 2nd, 2020

To Downtown Development Authority and Charlevoix City Council,

We would like your support to rescind the current parking ban on Bridge Street which is set to begin on June 19th, 2020. We would like to work together to develop a Parking plan on Bridge Street that would be more flexible and would only be utilized when needed. The safety of our customers is, and always has been, of the utmost importance to all of us, which is evident by the fact that we closed our stores before the State Mandate. With that in mind, and because parking is an essential part of how merchants conduct business, we feel we should be part of the decision making process.

Other points to consider:

Our sidewalks are an average of 12'-15' and provide adequate space for social distancing.

We support the restaurants use of spaces located in front of their businesses for increased space for safe dining.

Our community has a significant population with limited mobility that depends on accessibility.

Thank you for your consideration of our request.

Please **sign** and **print your name** and **business** to support rescinding the parking ban on Bridge Street:

| | |
|---|---|
| Terry Left [signature] | Villager Pub |
| DARSI LEE Darsi Lee | THE LAKE HOUSE |
| Mitts Lee [signature] | Building owner 216 Bridge St. |
| Natalia joson | Tasha's Tees LLC |
| Patrice M Stieglitz | J. Phillips |
| [signature] | Harwood Gold |
| | |
| | |
| | |
| | |
| | |

CHARLEVOIX
MAIN STREET DDA

CITY OF CHARLEVOIX
210 STATE STREET | CHARLEVOIX, MICHIGAN | 49720
Charlevoix Main Street DDA
(231) 547-3257 lindseyd@charlevoixmi.gov

# Memo

**To:** Charlevoix City Council

**From:** Lindsey Dotson, Main Street DDA Executive Director

**Subject:** Business & Building Owner Survey Results

**Date:** June 15, 2020

During a Special Meeting of the Main Street DDA Board of Directors on June 5th, the Board voted to disseminate a survey to the downtown business and property owners to capture feedback about the Council decisions to close parking to enable more social distancing in the wake of COVID-19. The Main Street DDA Executive Committee met on June 10th to finalize the wording of the survey questions. The survey introduced the situation and asked the following questions:

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*Downtown Business/Building Owner Survey*
*Currently the Charlevoix City Council has approved eliminating the parking in front of businesses on Bridge Street from June 19th through Labor Day, 2020. In addition, they are considering the sidewalk area in front of restaurants to be expanded to allow for more outside seating and making the sidewalk in front of retail merchants available for outside sales.*

*The Main Street DDA Board of Directors recognizes that you as a business or property owner are most affected by these decisions and would like your input by Sunday, June 14th, for review during the next City Council meeting on June 15, 2020. Please feel free to use the comment area to share information the questions may not have touched on. Thank you.*

*Name:*
*What is your role in downtown Charlevoix?*
- *Business Owner*
- *Property Owner*
- *Other (please specify)*

*Which business/building do you represent?*
*Do you support City Council's decision to close parking on Bridge Street to allow for more social distancing, including the space on the sidewalks in front of retail/service businesses?*
- *No, I do not support this for this summer.*

- *Generally, I do not support this. But it may be appropriate to do this during busy weekends or events for this Summer.*
- *Yes, I think this is a good idea for this summer.*

***Do you support City Council's decision to close parking just in front of restaurants to allow for additional outdoor seating in front of restaurants wishing to expand their capacity?***

- *Yes*
- *No*

***As City Council has discussed, are you interested in putting merchandise out on the sidewalks to expand your sales floor square footage?***

- *Yes*
- *No*

***What else would you like to share?***

---

Below is a summary of the results captured thus far (June 11th). If additional responses come in I will send a follow up email with updated information to Council members on Monday morning so that there is plenty of time to review it before your meeting.

We have approximately 62 businesses in the DDA district, 41 of which are retail establishments and 18 of which are eat/drink establishments. So far we have received 52 (57 is the goal to have a good sample size for accurate representation) total responses with a breakdown of representation below:

**Retail business owners: 20**
**Property owners: 16**
**Eating/drinking establishment owners: 7**
**Lodging owner: 1**
**Service business owner: 10**
**Grocery store owner: 1**

The total above adds up to 55 vs 52 and that is because some people are both business and property owners. They were represented in both ways in the count above. Overall, the summary of responses to the multiple choice questions are on the next page.

- So far, 57.7% (or 30 survey respondents) <u>do not support</u> the council decision to close parking to expand sidewalks starting June 19th.
- 67.3% (or 35 survey respondents) <u>support</u> the council decision to close parking to expand outdoor dining for restaurants.
- 84.6% (or 44 survey respondents) are <u>not interested</u> in putting merchandise out on the sidewalks.

What is your role in downtown Charlevoix?

| | | |
|---|---|---|
| Business Owner | 40 | 76.9% |
| Property Owner | 23 | 44.2% |
| Other (please specify) | 4 | 7.7% |

Sample of textual responses for choice **Other (please specify)**, showing at most 5:

Review all responses →

| | |
|---|---|
| 1 | Property owner at 101 Bridge and Manager of the business at 203 Bridge. |
| 2 | Store Manager |
| 3 | Library |
| 4 | Manager of several downtown buildings |

Do you support City Council's decision to close parking on Bridge Street to allow for more social distancing, including the space on the sidewalks in front of retail/service businesses?

| | | |
|---|---|---|
| No, I do not support this for this summer. | 30 | 57.7% |
| Generally, I do not support this. But it may be appropriate to do this during busy weekends or events for this Summer. | 11 | 21.2% |
| Yes, I think this is a good idea for this summer. | 11 | 21.2% |
| No answer | 0 | 0.0% |

Do you support City Council's decision to close parking just in front of restaurants to allow for additional outdoor seating in front of restaurants wishing to expand their capacity?

| | | |
|---|---|---|
| Yes | 35 | 67.3% |
| No | 17 | 32.7% |
| No answer | 0 | 0.0% |

As City Council has discussed, are you interested in putting merchandise out on the sidewalks to expand your sales floor square footage?

| | | |
|---|---|---|
| Yes | 8 | 15.4% |
| No | 44 | 84.6% |
| No answer | 0 | 0.0% |

An additional section for open ended comments was available. I've copied and pasted the comments below in a (mostly) anonymous fashion for your review.

| | | |
|---|---|---|
| 47.26.182.XXX | If we are worried about social distancing on Main Street what about food trucks in Van Pelt alley? Too many food places put together in a small place should be of concern. | Re |
| Unknown<br>216.245.233.XXX | I think the traffic cones are visually unappealing and confusing for many people. There needs to be better signage and perhaps a different type of barrier. | Re |
| Unknown<br>47.35.64.XXX | Nothing to add | Re |
| Unknown<br>73.56.206.XXX | I'm not interested in putting merchandise on the sidewalks but I think others should have the opportunity for this summer. | Re |
| Unknown<br>47.224.53.XXX | We are a little different. We are mainly a carry out Place anyway. We want the extra tables but we also see the need for one space for pickup. Each business has different needs and if we don't want to lose a good portion of our downtown businesses we may need to have the flexibility to do what's best for each individual business instead of a big bold rule that helps some and handcuffs others. This is an unprecedented time and we need creative solutions to navigate through this difficult time. Not stubborn people who want to have their way instead of realizing it may not be the right answer. Flexibility is key for all of us to maintain safety and also survive. | Re |
| Unknown<br>107.77.194.XXX | Thank you! | Re |
| Unknown<br>208.103.134.XXX | I think it's important to listen to the downtown merchants regarding these issues. They are the ones that are most affected. I also do not think closing parking spots is in the best interest of Charlevoix and tourism. | Re |
| Unknown<br>47.35.69.XXX | What do you have to lose, try it. | Re |
| Unknown<br>24.213.8.XXX | It is an unwelcoming look to drive through Charlevoix and not be able to park on bridge st. We already have a short season, please do not discourage shoppers from shopping Charlevoix. | Re |
| Unknown<br>24.236.211.XXX | Three weeks ago I could have supported a well-thought-out, organized, appropriately marketed version of parking reductions. Unfortunately that is not what happened over Memorial Day weekend. I feel at this point there is a large contingent of people (locals and visitors) who feel the risk of COVID is essentially over. I base this on what I am seeing in the store. That growing group will not need or want additional space for social distancing. So, my determination is we as a community have missed the window on this initiative. At this point, I vote NO on reducing parking for social distancing purposes.<br><br>I also don't support doing something based on the type of business (i.e. restaurants) as that will look disorganized and confusing.<br><br>I do not support putting merchandise on the sidewalk. That does not present the image I want my beautiful town to portray. | Re |

| | | |
|---|---|---|
| 96.36.1.XXX | Open Charlevoix! | Res |
| Unknown<br>47.44.153.XXX | I would like to see parking allowed on the street on the NORTH side of the Bridge.<br><br>I like the ideas that you have presented. We need to do everything possible to help our restaurants, taverns and retailers.<br><br>Thank you and good job. Tracy Sell | Res |
| Unknown<br>24.213.9.XXX | With downtown parking gone people tend to fill up the Olesons lot then we have no parking either. The cheap looking plastic crosswalk signs along with all of the orange cones make this beautiful town look trashy. | Res |
| Unknown<br>47.26.185.XXX | Curbside Parking is important to our survival<br>A couple of spaces open in front of Restaurants, would allow for distancing. However if an eating establishment does not offer outside dinning, those spots should revert back to parking.<br>As a downtown merchant for almost 25 years, we have fought a long battle to keep "Charlevoix Beautiful". We currently have an ordinance that prevents outside display of merchandise. Allowing business to do so, would go against this ordinance. | Res |
| Unknown<br>107.77.192.XXX | No parking equals no business. No business this year means fewer businesses next year.. | Res |
| Unknown<br>107.77.193.XXX | We have enough issues to contend with with summer and some of us may not be here in the long run. The proposal favors eateries to the detriment of conventional retail spaces. From my observation The villager is the only place that does any kind of outside business. Not worth it closing down the street; bad idea. | Res |
| Unknown<br>47.26.244.XXX | Do not close parking in front of non dining establishments ,like Bars. Any parking disruption or closings of<br>Bridge St. .are not good for the retailer. The town looks too abandoned and is way to inconvenient for todays<br>shopper (keep the internet and Amazon in mind). It should not be closed in the future for events like<br>Venetian, Apple fest or any other activity, If you ever consider closing Bridge St,, do it in the very slow off season so you are creating interest at that time. | Res |
| Unknown<br>97.40.2.XXX | This whole thing of taking so much parking away downtown isn't doing anything positive for ANY business located on/just off Bridge Street! Nor is it making our town Inviting in the least! Also, I feel that if the area in front of restaurants are expanded it is going to be an even harder to maneuver around and if the retailers do it as well it's going to be a cluster f—. We HAVE to start getting back into the stores, retail and restaurants! I know and appreciate everyone that has supported each and everyone of us BUT we all are spending more money out of pocket with all of the new norms whether websites, signage, takeout packaging, sanitation, etc..... I do understand that we want to keep everyone safe and I believe we, in the business community ARE doing our part... we have to trust that our visitors and second homeowners will do the same not to mention | Res |

| | | |
|---|---|---|
| | our year round local residents. There has been many views on this floating around and I believe that if this is continued,(parking taken away/blocked off) it is going to farther divide our community and I'm not sure how much will be left downtown when the dust settles. | |
| Unknown 24.247.188.XXX | After seeing the foot traffic flow, it makes more sense to have a continuous section of closed parking rather than constantly starting and stopping it just in front of restaurants. Also, having people park off of Bridge will likely get people to walk past more stores and businesses total during their time on foot. | Res |
| Unknown 24.180.102.XXX | I supported the sidewalks being extended to parking when the discussion first began. At the time it felt like it would be a good added measure of safety. I have since been on the downtown sidewalks almost daily since we were allowed to open, and have yet to see a need for removing parking on Bridge Street. Human nature has prevailed and those that fear crowds are staying away or coming into town early, those that are cautious are keeping their distance and using masks, those that just don't care seem (mostly) respectful of other people's space. I have heard from several of our elderly, regular customers who have said they will not come downtown if they cannot get parking close to our business. This surprised me because I thought the added safety would appeal to them, it clearly does not.<br>Other feedback from customers is they are comfortable being downtown, comfortable being in shops. We are requiring a mask upon entry but most are not, and some customers will not patronize those shops and restaraunts, while some will not shop with us, and have left when we let them know they need to mask up.<br>The merchandise on the sidewalk just perplexes me. The city looks ridiculous closing parking and in the same breath allowing people to gather around racks or tables of merchandise unmasked and with no real ability to use safety protocols. Besides the fact that it uses up space unnecessarily for 6 ft distancing. Plus it just looks bad. I am sure a few merchants disagree, but those are the merchants (probably not from our city) that would like to have their wares out on the sidewalk all year if they could.<br>What is most disheartening to me is that it is such a struggle to do business in our city. We really just want to be left alone, trusted to do the right thing, work hard and make a buck. We don't want to fill out surveys, participate in endless zoom meetings, speak at public hearings that should never have been proposed in the first place, waste time preventing new regulations from destroying our already teetering livelihood. | |
| PARKING IS TOO TIGHT IN THE SUMMER TO CLOSE OFF SPACES. PLENTY OF ROOM ON SIDEWALKS FOR SOCIAL DISTANCE. | Respondent Report Delete | |

| | | |
|---|---|---|
| Unknown<br>97.83.85.XXX | We have a small area in front of our store that is not directly on the sidewalk and we would like to put two small racks there. It is very valuable space that helps bring traffic into the store.<br><br>Parking is Charlevoix's most valuable resource.<br><br>Thank you for your consideration.<br><br>Rod & Judy Phillips | Re |
| Unknown<br>174.230.7.XXX | Bridge St parking is gold to the downtown business owners and seems like a very unnecessary decision at this point. It would be heartbreaking blow for our little town’s retail survival. | Re |
| Unknown<br>208.103.134.XXX | The whole parking situation is directly effecting vacationers choices of where they go for shopping and eating. We must be as “friendly” as possible and cutting all parking on Bridge Street or as proposed is not welcoming. Another point is and I do support no parking in front of restaurants to allow for outdoor seating, but this is confusing to visitors and it must be adjusted somehow! | Re |
| Unknown<br>199.253.184.XXX | If blocking parking directly in front of food establishments is worth it to the owner , so be it. Couple spots here and there. But "pull up" actually has meaning to our store. "Our little highway" is a luxury to the unique businesses that will suffer if they just keep driving. Parking is something you do not want to mess with imo. Owners are taking the precautions they see fit and our guests will do the same. | Re |
| Unknown<br>47.50.109.XXX | Having merchandise out on sidewalks:<br>* Increases risk of merchandise contamination<br>* Would necessitate having another staff member on to monitor outside, which we don't have in our budget.<br>* Using this outside space would seem to exacerbate the issue of sidewalk space & social distancing. | Re |
| Unknown<br>24.213.9.XXX | The merchandise store owners are suffering more than the restaurants because they had to close completely. If people from close towns hear that there is no parking in Charlevoix, they may go to Petoskey or somewhere else to shop.<br>And, before and after shopping, they will most likely find a place to eat. Let's keep the shoppers coming to Charlevoix! | Re |
| Unknown<br>68.188.216.XXX | Parking spaces are essential for retail businesses to succeed, especially this year with so much uncertainty.<br><br>Simple (VERY) conservative math based on our average sale of $47 per customer and 60 spaces on Bridge Street blocked over a 6 month period with a turnover rate of 3x per day = $1.4 million of lost revenue for downtown businesses.<br><br>If the parking is to remain blocked I would like to know if property owners of retail businesses would offer reduced rent to compensate for the lost parking and lost revenue? | Re |

Also a reminder that we serve an aging population with limited mobility. Many of our best customers rely on close parking to be able to support our businesses on Bridge Street.

Merchandise on the sidewalks creates more congestion and negated the social distancing conversation. This would also require additional staff and safety precautions, both of which cost business owners more money in an already difficult business climate.

Our sidewalks are 12-15' wide and allow for plenty of space to move about and social distance.

Thank you!

| | | |
|---|---|---|
| Unknown<br>174.230.10.XXX | n/a | Re |
| Unknown<br>107.77.193.XXX | It’s my opinion we need to make it as easy as possible for people to be able to stop and get out of their car. During the summer people tend to eat or shop at different hours than a typical work environment. I feel if it’s not convenient to pull over and stop we lose people. | |
| | | Respondent Report Delete |
| Unknown<br>198.108.193.XXX | Clearly I am not a business owner affected by this change, but as a user, I feel far more comfortable eating outside than I do indoors and indeed, am hesitant to visit a restaurant indoors at all at this time. Therefore, this change provides me with the comfort needed to support local restaurants. | Re |
| Unknown<br>73.56.206.XXX | I am not interested in putting merchandise on the sidewalk simply because we do not have merchandise that we could put on the sidewalk. I don't care if other merchants do it. We need to close off the parking, but we also need to do a good job of marking that it is for pedestrian walking, and we need to get the restaurants to move their tables so that the sidewalk is "all together." Ie move the tables against the restaurant or into the parking spaces. | Re |
| Unknown<br>24.236.208.XXX | Its time!! Let's move on and get back to work and play!! Our health depends on it!! | Re |
| Unknown<br>24.231.231.XXX | I don't think they should have closed the alley by the Cantina without sending a notice to the surrounding owners and businesses . Now you have to back out of the alley when its blocked by UPS and others delivery trucks. | Re |
| Unknown<br>24.213.8.XXX | If we have enough staff, we would love to put merchandise out on the sidewalk. However, we are very limited with employees so it probably wouldn't be an option for us. | Re |

| | | |
|---|---|---|
| Unknown<br>104.159.227.XXX | Speaking for Central Drug Store only, many of my customers/patients are mobility impaired. Even before the COVID pandemic we offered curbside pickup. I'd be thrilled if we could designate a spot or two in front of Central Drug Store for curbside pickup. For all times, but especially for use during festivals, parades and other high traffic weekends, I'd also like a spot in back of the store designated for curbside pickup. May I get information on how to formally present this request for consideration? | Re |
| Unknown<br>216.245.230.XXX | We have limited parking as it is not sure eliminating that much parking will be a positive | Re |
| Unknown<br>207.74.114.XXX | We are all doing are best to get thru this new times of business. Thank you for all the City is doing, not going to please everyone !! | Re |
| Unknown<br>97.83.113.XXX | I believe Charlevoix is looking it’s best...if the ordinance is changed to allow merchandise on the streets, you will not end up with a European feel, you will end up with a garage sale appearance. We have worked very hard to maintain this beautiful community and attract unique quality businesses. I would really hate to see our downtown turn into Mackinac. | |

I feel the closure of the parking spaces is detrimental to not only retail business's but to the beautification of our downtown. Please don't make it easy for tourist/locals to go to another town to do their shopping and enjoy their vacations in Northern Michigan.

| | | |
|---|---|---|
| Unknown<br>24.180.103.XXX | Parking is so scarce in Charlevoix as is. I can't imagine where traffic would go if we cannot park on bridge st. | Re |
| Unknown<br>24.180.195.XXX | As a store owner, downtown shopper and patron of the restaurants, I know I would feel much safer if masks were worn by those serving food, all store employees, and was required( and enforced) for all shoppers to have on masks. It’s for everyone’s safety! | Re |
| Unknown<br>47.26.184.XXX | I think merchants should be consulted before these decisions are made. Some of my tenants want merchandise outside, some do not. I think it’s difficult to staff for it. They mostly feel we need our street parking, and when it was all coned off it looked like a ghost town. I was at Fishtown today and as areas became denser, people put on their masks. | Re |
| Unknown<br>107.77.195.XXX | Covid19 is hurting our sales enough please do not force us out of business by eliminating our Bridge Street parking. | Re |
| Unknown<br>107.5.112.XXX | I have concerns about the already limited parking downtown Charlevoix. I think taking the limited amount of spaces needed in front of restaurants is necessary, However, taking all the spaces on bridge street is an extreme and unnecessary move which will negatively impact our downtown business. Charlevoix patrons already face challenges finding parking on busy weekends I regularly take complaints due to not finding parking in order to access my business. | Re |
| Unknown<br>47.26.187.XXX | I'd like what's best for the business owners on Bridge St. I do think at some point the basis of the argument is do we want to maximize social distancing, or maximize the optics and potential customer-exposure for businesses on Bridge St. | Re |

| | | |
|---|---|---|
| Unknown<br>12.119.139.XXX | Thank you for leadership on this topic and others. | Re |
| Unknown<br>47.35.70.XXX | Simply, that my business needs the pull up traffic, as well as the foot traffic. Also, I am not noticing any social distancing or even face masks going on. Tragic! | Re |
| Unknown<br>68.32.86.XXX | Both my tenants and myself as a homeowner on the lake strongly oppose these ideas<br>Thank you<br>Eric | Re |
| Unknown<br>24.236.208.XXX | I would support restaurants having 2 spaces for restaurant pickup- that should be totally sufficient.<br>I understand why some would like sale space on the sidewalk, but for me, it is additional worker and too many things are breakable etc. | |

# CHARLEVOIX CITY COUNCIL

**All Other Actions and Requests**

**TITLE:** Request for Legal Opinion
**DATE:** June 15, 2020

**PRESENTED BY:** Council Members Kalbfell, Bryan, and Hagen

**BACKGROUND:**
Please see attached item requesting the City Attorney review certain questions of procedure.

**RECOMMENDATION:**
Council discussion and direction.

**ATTACHMENTS:**

- Letter from Council

June 11, 2020

Mark Heydlauff, City Manager
210 State St.
Charlevoix, MI 49720

Mark,

We are requesting a city attorney review for a legal opinion and clarification of several issues that have arisen as a result of the May 18, 2020 and June 1, 2020 Charlevoix City Council meetings.

On May 18, 2020, a quorum of 4 council members and the mayor convened a meeting via Zoom. Two council members were absent and did not participate remotely. One council member recused themself, due to conflict of interest, when the commercial boat slip contract issue agenda item came before the Council. After discussion, a motion was made and seconded and the remaining three council members voted unanimously to approve the contract to one of the two bidders.

At the June 1, 2020, Council meeting, after receiving a letter from the losing bidder alleging that Council had not abided by Rule 12, (e), 1., of the city's Rules of Procedure, this issue was again placed on the agenda to be discussed. Rule 12, (e), 1., states: " On the question of permitting any member of the Council to personally profit by contract, job, or work authorized by the City Council, as being in the best interests of the city: **Unanimous affirmative vote** *of all the remaining members of the Council is required*." Two council members, who were present and voted to approve the contract on May 18, 2020, argued that Rule 12, (e), 1., required **all** of council be present to vote on this contract, therefore the May 18, 2020 vote was a violation of the Rules of Procedure.

The questions that have arisen from these two meetings are:

1. Did the motion made, seconded and unanimously approved on May 18, 2020, require the entire Council be present to vote or did the unanimous vote of the remaining members meet the intent of Rule 12?

2. How does Rule 12, (a), impact this situation and all future situations when a council member is involved?

3. How does Rule 2 impact this situation and future situations when a council member is involved?

4. Does Rule 13, (k), which states: **"The Council shall require the votes of the same majority of the Council on a timely motion to reconsider an action as was required**

**for its passage"**, require it be the original three council members who voted unanimously on May 18, 2020 to be considered the "same majority"? Or can council members who were absent that meeting be allowed to vote on the reconsideration to achieve the "same majority"?

Thank you for your consideration in this matter. We look forward to Mr. Howard's response.

Janet Kalbfell, Ward 1 Council Member

Greg Bryan, Ward 3 Council Member

Aaron Hagen, Ward 1 Council Member

# CHARLEVOIX CITY COUNCIL

**All Other Actions and Requests**

**TITLE:** Hybrid Council Meetings and Public Engagement

**DATE:** June 15, 2020

**PRESENTED BY:** Mark L. Heydlauff, City Manager

**BACKGROUND:**

During the recent months in which the norms of our meetings have been thrown off because of COVID 19, we have been forced to use Zoom. Going forward, however, I'm hopeful we will return to normal meetings in the Chambers at City Hall. Last month, Council opted to amend your Rules of Procedure to allow members to participate remotely on a limited basis so long as a majority of the Council was assembled in-person. Similarly, you opened the door in the Rules of Procedure to record video and/or audio of your meetings and stream it in real time and/or post it after the fact on our website.

Our website provider has the ability to partner with us on making this process relatively seamless once we acquire needed equipment. It would be possible to link this information with our agenda management software so that, for example, a citizen could click on the agenda item from a past meeting, read the cover sheet, supporting documents, read the minutes and then watch a video of Council proceedings on the topic.

The reality of our new time is that public health guidance would encourage folks to stay away from public gatherings if they experienced an exposure to COVID 19 and to avoid gatherings with a compromised immune system. As we open up more normally, folks in either of these categories should not be excluded from the democratic process of local government which largely takes place in person nor would I recommend (or is it legally allowed) to transition away from an in-person, place-based approach. Council Member Slater has been helping me work out a system in the Chambers where a Council member could be remote and still participate. Similarly, we could broadcast the meetings with the same approach.

If Council is willing to move forward in this way, I would recommend you direct me to explore this with relevant vendors and I can bring back options to you for the future.

**GOALS:**

Provide strong stewardship of public resources and promote good governance.

**RECOMMENDATION:**

Council discussion and direction.

# CHARLEVOIX CITY COUNCIL

**Reports and Communications**

**TITLE:** City Manager's Comments

**DATE:** June 15, 2020

**PRESENTED BY:** Mark L. Heydlauff, City Manager

**BACKGROUND:**

**A. Recycling Feasibility Study**

You may recall last year we received a grant, along with Boyne City and East Jordan, from the Charlevoix County Community Foundation to study the feasibility of expanding recycling options in our communities. The final report on this is nearly complete and I'm excited to share the results with you and look at the options we have to address this Council goal.

**B. Community Development Fellow**

Dean Martin began work in Charlevoix on Monday and is our Community Development Fellow. He received his Master of Public Policy degree from Michigan State University and will be focused on three projects in the 15 months he'll be with us: Redevelopment Ready Community Certification from the MEDC; identifying sites suitable for housing and redevelopment; and expanding broadband access in Charlevoix. Under the terms of the fellowship, we paid his employer, the Community Economic Development Association of Michigan a lump sum of $6,000 and they, along with the MEDC pay the rest of his full-time salary and technically act as his employer.

**C. Expanded Liquor Sales Ability**

The Michigan Legislature is rapidly considering legislation intended to permit more types of alcohol service from existing license holders. These include the ability to sell take-out mixed drinks and establish a zone in which cocktails can be carried around and consumed outside of normal service areas. I expect we will soon see how these potential changes in statute will impact our local ordinance on alcohol consumption.

**ATTACHMENTS:**

- DDA Minutes
- Shade Tree Minutes

**CITY OF CHARLEVOIX**
**DOWNTOWN DEVELOPMENT AUTHORITY/MAIN STREET SPECIAL MEETING**
Thursday, April 30, 2020 at 5:30 p.m.
Remote Meeting via Zoom

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Roll Call**

| | |
|---|---|
| Chair: | Maureen Owens |
| Members Present: | Sam Bingham, Richard Christner, Kirby Dipert, Luther Kurtz, Amanda Wilkin |
| Non-Voting Member: | Liam Dreyer |
| Members Absent: | Sean Bradley, Paul Silva, Rick Wertz |
| City Staff: | Lindsey Dotson, Executive Director |

**4. Inquiry Into Potential Conflicts of Interest**

**5. Consent Agenda**

A. Committee Minutes
B. Minutes

Member Christner stated the minutes reflected that Member Wertz made a question about ongoing liability of the DDA that pertained to the grant, but it was Member Christner who made that comment.

Motion by Member Christner, second by Member Wilkin to approve the Consent Agenda items as amended. Motion passed by unanimous voice vote.

**6. Reports**

**7. Old Business**

A. Façade Grant Reimbursement – 221 Bridge Street
Director Dotson reported that Mr. DiMartino was able to provide adequate documentation of payment made to Wolgast from his bank, therefore a payment of $10,000 has been processed.

**8. New Business**

A. Contract with Bill's Farm Market
Director Dotson recalled that the DDA contracted with Bill's Farm Market for the past six years and were happy with their services. Member Dipert mentioned that the lights were still up from last year on one of the trees between Grandma's Table and Smoke on the Water. Member Wilkin questioned if they were looking into getting consistency on the light colors. Director Dotson noted that the lights were purchased by the DDA and if they want to re-purchase all the lights, they can do that.

Motion by Member Dipert, second by Member Bingham to approve the contract with Bill's Farm Market for the years 2020, 2021, and 2022 in the amount of $2,461.60 each year. Motion passed by unanimous roll call vote.

B. Election of Officers
Motion by Member Dipert, second by Member Christner to nominate Maureen Owens as Chair for a one-year term ending in April of 2021, and that nominations be closed. Motion passed by unanimous roll call vote with Owens abstaining.

Motion by Member Dipert, second by Member Bingham to nominate Richard Christner as Vice Chair for a one-year term ending in April of 2021, and that nominations be closed. Motion passed by unanimous roll call vote with Christner abstaining.

C. Long Road Distillers Lease Request
Chair Owens stated that they had information before them that was updated on April 28th and she suggested that the Board appoint a member to work with Mr. O'Connor & Mr. Van Strien to find common ground and then bring a presentation back to the Board. Mayor Kurtz supported the idea and he felt that Member Christner should be the Board member to work with the company.

Mr. O'Connor stated that they look forward to continuing dialogue regarding an opportunity to be in Charlevoix in some capacity.

Motion by Mayor Kurtz, second by Member Bingham to let Richard Christner negotiate with Long Road Distillers about plans that they have regarding the lease and to ask him to consider that we do have a controlled lease, but that we also want to be thoughtful in how we work with them on the lease.

Motion passed by unanimous roll call vote with Christner abstaining. Member Christner stated that he would reach out to Mr. O'Connor and Mr. VanStrien in the morning.

**9. Public Comments**

**10. Request for Future Agenda Items**

Mayor Kurtz questioned if everyone agreed that they should be fixing the door on the Bridge Street property. Member Dipert stated he would favor holding off until the lease issue was resolved. Mayor Kurtz stated that fixing the door was something they had to do any way and the Board generally concurred to have the door fixed sooner rather than later.

**11. Board Comments**

**12. Adjourn**

Motion by Member Christner, second by Member Bingham to adjourn the regular meeting at 5:55 p.m. Motion passed by unanimous voice vote.

______________________________________ _________________________________
Joyce Golding/fgm Maureen Owens Chair

Charlevoix Shade Tree and Parks Commission Meeting Minutes

May 20, 2020, 1:30pm

Held virtually via Zoom Pursuant to Executive Order 2020-72

Present: Perry Irish Hodgson, Chair; David Levy (joined at 1:35); Jennifer Muladore (joined at 1:34); Mark Pawlicki; Ken Polakowski

Members Absent: None

Also present: Mark L. Heydlauff, City Manager

Chair Hodgson called the meeting to order at 1:32pm.

There were no conflicts of interests noted by the Commission members.

Chair Hodgson reviewed the minutes of the May 1, 2020 meeting. Motion by Polakowski, second by Muladore to approve the minutes as presented.

**Motion carried.**

Because of budget considerations involving the items on the agenda, Chair Hodgson suggested consideration of the New Business first. There were no objections.

Chair Hodgson introduced the topic of advising the Department of Public Works to remove vines from the east end of Lake Michigan Beach Park for $3,000-$4,000. The chair noted moving forward on this work would mean a reduction in the number of trees planted this year by around 10. The Commission questioned whether this vine removal would include root removal or just the removal of vines from the trees.

Commissioner Levy questioned whether this would then be approved by the City Council.

Motion by Levy, second by Pawlicki to recommend the bid from Drost Landscaping for removal of vines on the east end of Lake Michigan Beach Park with the request that staff determine if root removal was included and added if necessary.

**Motion carried.**

Chair Hodgson reviewed potential tree planting locations with the committee for the southwest part of the City. Commission members will divide the list and contact affected property owners to learn of their requests for trees for the coming year. Mr. Polakowski suggested information on schedules be included with this outreach. Mr. Levy questioned details on the schedule as well and Chair Hodgson indicated she would follow-up with this.

Mr. Polakowski questioned the Commission's role in opening up public spaces this summer. Mr. Heydlauff discussed efforts in the City to encourage social distancing and sanitation.

There were no public comments.

Chair Hodgson adjourned the meeting at 1:56pm.

# CHARLEVOIX CITY COUNCIL

**Reports and Communications**

**TITLE:** Mayor and Council Comments

**DATE:** June 15, 2020