

Council Chamber
Hillsdale City Hall
97 N. Broad Street
Hillsdale, MI 49242

May 5, 2014
07:00 p.m.
(517)437-6441
www.cityofhillsdale.org

CITY COUNCIL AGENDA

CITY OF HILLSDALE
REGULAR MEETING

7pm 1. Call to Order and Pledge of Allegiance

2. Roll Call

3. Approval of Agenda

7:05-7:40p

4. Public Comments on Agenda Items *(cm issue)* Ed Semel, Brent Miller, Ruth Brown, Don Hoffman
(cm) Shirley Van Arsdale, ? Gentleman, Judy Buzo, Shelly Downing, Karna Holmes.
(cm) Jeff Buccop, Allison Hutchinson *(cm/Budget)*, Tom Condon *(HRD)*

7:45p

5. Consent Agenda

A. Approval of Bills from claims of April 25, 2014 Claims of \$78,818.78 Payroll of \$86,114.71

Vendor Approval Summary

B. Committee Reports (Pending Approval):

1. Operations & Governances Minutes of April 4, 2014 & April 9, 2014

4.4.14

4.9.14

2. Election Commission Minutes of April 7, 2014

4.7.14

3. Operations & Governance Minutes of April 28, 2014

4.28.14

C. Council Minutes of April 21, 2014

4.21.14

D. Quarterly Investment Report
Report

6. Communications/Petitions

Remove Restrictions on Deputy Clerk - Appr 7-0

*7:40-
:50p*

7. Introduction and Adoption of Ordinance/Public Hearing

A. Public Hearing - OPRA (Resolution) *Appr 7-0*

CM Memo

Application

Impact Statement

Assessing Memo

EDC Memo

Resolution #3168

*7:50p-
8pm*

B. Public Hearing - Transfer of IFT to Precision Gage, LLC (Resolution) *Appr. 7-0*

CM Memo

EDC & Assessor Memos

Resolution #3169

8pm

C. Public Hearing 2014-15 Budget Hearing (Resolutions)

CM Memo *BEITHANY MILLER - STATE ST. - TAXPAYER BILL OF RIGHTS*

Budget Resolution *TED JANSEN - HRD; MARY WOLFFMAN - DECREASE IN REVENUES & REV. SHARIF*

Resolution *JOSH MERCEZ - BUDGET ST. KEITH MILLER, BRUCE SHARP, DOUG MOON*
& MONTANO (REQUEST A WORK SESSION (now 5/12 @ 7p) Appr. 5-2

8. Unfinished Business

- A. Local Streets Maintenance
- B. Code Enforcement
- C. Clerk/Treasurer Duties and Hours

*8:20-
8:40p*

9. Old Business

A. Award of Contract for Audit Services

CM Memo

Motion to Accept CHBW Proposal [Appr. 5-2]

City Audit Submission

Proposal Analysis

Gabridge & Company Emails

8:40p -
8:50

- B. City Manager Contract
- CM Memo
- O&G Recommendation

Appr G-1
LESS \$15K MERS BUCKT

10. New Business

8:50p

- A. BPU - Clean Water State Revolving Fund Project Plan
- CM Memo
- BPU Memo

MTG JUNE 10th 7pm

Approved

8:55p -
9:05p

- B. Requests for Street Closures - Hillsdale College
- CM Memo

Appr. 7-0

9:05p -
9:10p

- C. Airport Expansion - Contract for Professional Engineering Services (Resolution)
- CM Memo

Appr. 7-0

Airport Contract

Resolution 3170

9:10p - 9:15p

- D. STREET CLOSURE - Howell St. - [Bacon - McCollum]

JUNE 14th
8am-12pm

11. Miscellaneous

Appointments

CAROL LACEY - Cemetery Bd. Appr 7-0

Information Only- Bob Evans Farms Expanding Letter

Information Only- MDOT "Road like Ohio" Email

9:15p -
9:20p
9:35p

- 12. General Public Comment
- 13. Adjournment

DON HOFFMAN, ALLISON HUTCHINSON, MS. SPRINGER
AMY KAYLAND, DOUG MOON, MR. CAWSON, ERIC SWISHER

04/25/2014 10:19 AM
 User: BTEW
 DB: Hillsdale

CHECK REGISTER FOR CITY OF HILLSDALE
 CHECK DATE FROM 04/25/2014 - 04/25/2014

Check Date	Check	Vendor Name	Description	Amount
Bank GC 200-100-10				
04/25/2014	72246	ABS RENTAL SERVICES, LLC.	PORTABLE RESTROOM RENTAL PORTABLE RESTROOM RENTAL	43.50 50.00 <u>93.50</u>
04/25/2014	72247	AMERICAN CEMETERY	YEARLY SUBSCRIPTION	49.00
04/25/2014	72248	AMERICAN COPPER AND BRASS, LLC	FLUORESCENT LAMPS (DART)	46.16
04/25/2014	72249	AMERICAN PUBLIC WORKS ASSOC	4410000000002014 MEMBE	342.00
04/25/2014	72250	AMERICAN SOCIETY OF COMPOSERS,	MUSIC LICENSE	327.00
04/25/2014	72251	APOLLO FIRE EQUIPMENT COMPANY	16" BULLET CHAIN LOOP/FREIGHT CHARGE 16" BULLET CHAIN LOOP/FREIGHT CHARGE	261.53 11.77 <u>273.30</u>
04/25/2014	72252	AT&T	TELEPHONE SERVICE 4-2014 TELEPHONE SERVICE DART 4-2014	169.95 80.38 <u>250.33</u>
04/25/2014	72253	AT&T LONG DISTANCE	DART LONGDISTANCE SERVICE MARCH 2014	40.43
04/25/2014	72254	BILL MULLADY	BASEBALL/SOFTBALL PURCHASE REIMBURSEMENT	439.65
04/25/2014	72255	BLUE CROSS & BLUE SHIELD OF MI	HEALTH INS FOR MAY 2014	39,333.53
04/25/2014	72256	BOARD OF PUBLIC UTILITIES	UTILITIES - PARKS PHONE SERVICE APRIL 2014 STREET LIGHT MAINTENANCE	8.49 1,611.13 1,363.92 <u>2,983.54</u>
04/25/2014	72257	BRAMAN ROOFING	REPAIR CITY HALL ROOF	148.00
04/25/2014	72258	C E & A PROFESSIONAL SERVICES,	RANDOM DRUG TESTING DRUG TESTING - DART	135.82 61.82 <u>197.64</u>
04/25/2014	72259	CAROL HAWKES	CLEANING CITY HALL - MARCH/APRIL 2014	633.00
04/25/2014	72260	CINTAS CORPORATION	RUGS FOR CITY HALL RUGS FOR DART/CITY HALL RUGS FOR DART/CITY HALL CONTRACTUAL LINEN SERVICE RUGS & UNIFORMS - DPS RUGS & UNIFORMS - DPS RUGS & UNIFORMS - DPS	28.01 48.90 23.10 13.68 143.58 114.58 114.58 <u>486.43</u>
04/25/2014	72261	CRAIG WICKHAM	TREE & STUMP REMOVAL	1,400.00
04/25/2014	72262	CURRENT OFFICE SOLUTIONS	CALCULATOR/PAD COPIER RENTAL/COPIES KEYS FOR CM FILE CABINET FILE FOLDERS CONTRACTUAL SERVICES - COPY MACHINE OFFICE SUPPLIES COPIER REPAIR/FLASH DRIVE/MEMO BOOKS/INK COPIER REPAIR/FLASH DRIVE/MEMO BOOKS/INK COPIER REPAIR/FLASH DRIVE/MEMO BOOKS/INK	85.82 435.29 24.00 42.65 181.74 191.89 102.00 22.89 112.44

Check Date	Check	Vendor Name	Description	Amount
			PENCIL, PAPER	90.27
				<u>1,288.99</u>
04/25/2014	72263	DAVID STIDHAM	TREE & STUMP REMOVALS	1,050.00
			TREE & STUMP REMOVALS	1,150.00
			TREE & STUMP REMOVALS	1,300.00
				<u>3,500.00</u>
04/25/2014	72264	DORNBOSS SIGN & SAFETY INC	RED BRIGHTSIDE	656.21
04/25/2014	72265	EAST 2 WEST ENTERPRISES, INC.	MOP/BUFF DISPATCH OFFICE	40.00
04/25/2014	72266	GELZER & SON INC.	BOLTS, RAKES, SHOVELS, DUCK TAPE	74.85
			SHOVELS	338.56
			FASTENERS	13.14
			BOLTS, RAKES, SHOVELS, DUCK TAPE	5.98
			VALVE/NIRPLES	17.57
			BOLTS, RAKES, SHOVELS, DUCK TAPE	24.23
			DUCTTAPE	31.76
				<u>506.09</u>
04/25/2014	72267	GRIFFIN PEST SOLUTIONS	CONTRACTUAL SERVICES	41.00
04/25/2014	72268	GRIFFITHS MECHANICAL	PREVENTIVE MAINT - DART BLDG	130.00
04/25/2014	72269	HILLSDALE AERO, INC.	AVIATION FUEL RECONCIATION MARCH 2014	623.89
04/25/2014	72270	HILLSDALE POLICY GROUP, LTD.	ECONOMIC DEVELOPMENT FOR MARCH	6,020.55
04/25/2014	72271	HILLSDALE TRANSFER STATION	COUPON SALES MARCH 2014	212.50
04/25/2014	72272	JACKSON TRUCK SERVICE INC.	FILTERS, BELTS, STARTING FLUID	20.61
			FILTERS, BELTS	29.90
			FILTERS	57.24
			FILTERS, STARTING FLUID	86.26
				<u>194.01</u>
04/25/2014	72273	JIM KNOX CHRYSLER DODGE JEEP	UNIT 2-2 (2011 DODGE CHARGER) SVC - REPL	163.18
04/25/2014	72274	JONESVILLE LUMBER	BROWN MED EXT LTX PAINT - PICNIC TABLES	159.96
04/25/2014	72275	KSS ENTERPRISES	LINERS, BOWL CLEANER, PAPER TOWELS	215.81
04/25/2014	72276	LAKE COUNTY NURSERY	TREES	225.00
04/25/2014	72277	LOREN & SHIRK	LEGAL SERVICES FOR MARCH 2014	3,473.82
04/25/2014	72278	LYDEN OIL COMPANY	BULK 15W40 OIL, ATF	1,673.46
04/25/2014	72279	MAID FOR YOUR	CONTRACTUAL SERVICES	520.00
04/25/2014	72280	MANPOWER OF LANSING	TEMP EMPLOYEE - SPIETH	447.04
			TEMP EMPLOYEE - SPIETH	558.80
				<u>1,005.84</u>
04/25/2014	72281	MARKET HOUSE	KLEENEX/DISINFECTANT WIPES/HAND SANITIZ	93.19
			KLEENEX/DISINFECTANT WIPES/HAND SANITIZ	34.34
				<u>127.53</u>
04/25/2014	72282	MI ASSOC OF MUNICIPAL CEMETERI	MAMC MEMBERSHIP	105.00
			2014 CONFERENCE - RICHARD	75.00
				<u>180.00</u>
04/25/2014	72283	MICHIGAN CAT	LINING KIT	61.26
04/25/2014	72284	MICHIGAN ELECTION RESOURCES	AV APPLICATIONS/BALLOTS MAY 6, 014	91.23

Check Date	Check	Vendor Name	Description	Amount
			AV APPLICATIONS/BALLOTS MAY 6, 014	478.25
				<u>569.48</u>
04/25/2014	72285	MICHIGAN GAS UTILITIES	GAS UTILITIES - DART GAS UTILITY - LIBRARY #4614927-4 MARCH 2014 GAS UTILITY - DPS	131.34 710.52 834.22
				<u>1,676.08</u>
04/25/2014	72286	MIDWEST COLLABORATIVE FOR MY-LOR, INC.	SECURING LIBRARY WORKSHOP	45.00
04/25/2014	72287	NONIK TECHNOLOGIES, INC.	LAMINATED PLASTIC ID TAGS W/TRIGGER SNAP	80.73
04/25/2014	72288		CONTRACTUAL SERVICES	100.00
04/25/2014	72289	PARNEY'S CAR CARE	SERVICE REPAIRS UNIT 2/2 SERVICE REPAIRS UNIT 2/2 SERVICE REPAIRS UNIT /2-4 SERVICE REPAIRS UNIT 2012 CHARGER	32.95 32.95 62.04 49.30
				<u>177.24</u>
04/25/2014	72290	PERFORMANCE AUTOMOTIVE	BOTTLE JACK/SHOP TOWELS/ICE DETAILER/WIP TOWELS/ICE DETAILER WIPER BLADES BELT #15 MASTER CYLINDER BATTERY TERMIN QUICK CPLR FITTING FILTER FOR #15 FILTER FOR #15 MASTER CYL WIRE ACC FOR #73 HOSE & FILTER FOR #21 BELTS, FILTERS, BATTERY TERMIN, MASTER C CALLIPER FOR #11	68.89 30.88 30.18 27.48 133.76 17.82 7.59 3.19 55.48 35.15 90.36 2.69 20.96 47.79 69.59
				<u>641.81</u>
04/25/2014	72291	PERFORMANCE AUTOMOTIVE	SPRAY GUN BELT TENSIONER FOR #67 RETURN MASTER CYL RETURN CORE	257.39 51.07 (90.36) (25.00)
				<u>193.10</u>
04/25/2014	72292	READING EMERGENCY UNIT, INC	CONTINUING EDUCATION CLASS - PART-TIME F	140.00
04/25/2014	72293	SAFARILAND, LLC	BREAKAWAY EVIDENCE TAPE	75.59
04/25/2014	72294	SIR JAMES OUTERWARE, INC.	UNIFORMS FOR RECREATION DEPT	87.10
04/25/2014	72295	SPRATT'S	LATCH, WHEELS, ROLLER, SLEEVE, BOLTS LLP TANK TUBE SLEEVE	84.90 24.52 17.50
				<u>126.92</u>
04/25/2014	72296	SPRINT	CELL PHONE SERVICE FOR APRIL 2014	131.11
04/25/2014	72297	STILLWELL FORD MERCURY, INC	DIP STICK	16.81
04/25/2014	72298	SUD-Z DRY CLEANERS	DRY CLEANING	109.46
04/25/2014	72299	TERMINAL SUPPLY COMPANY	ELBOW, BLACK, PENETRATING BLASTER	90.79
04/25/2014	72300	THE DOOR MAN	SERVICE CALLS - BACK DOOR @ FIRE STATION	220.00

Check Date	Check	Vendor Name	Description	Amount
			SERVICE CALL - FRONT DOORS @ FIRE STATIO	170.00
				<u>390.00</u>
04/25/2014	72301	TOM'S SMALL ENGINE REPAIR	SERVICE UNIT 374 - REPLACED THROTTLE & P	47.10
04/25/2014	72302	UNIQUE MANAGEMENT SRVS., INC.	CONTRACTUAL SERVICES	50.00
04/25/2014	72303	UNIQUE PAVING MATERIALS	COLD PATC	2,672.82
			COLD PATC	2,787.34
				<u>5,460.16</u>
04/25/2014	72304	USA MOBILITY WIRELESS, INC.	DPS PAGER RENTAL	18.69
04/25/2014	72305	VARNUM, RIDDERING, SCHMIDT, &	LEGAL FEES FOR METRO ACT ROW	165.00
04/25/2014	72306	VERMEER OF MICHIGAN, INC	SHARPENING BLADES	32.00
04/25/2014	72307	WHITES WELDING SERVICE	ACETELYNE TANK	32.00
04/25/2014	72308	WRIGHT-WALDRON FIRE DEPARTMENT	FIREFIGHTER I TRAINING FOR PART-TIME FIR	300.00
GC TOTALS:				
Total of 63 Checks:				78,818.78
Less 0 Void Checks:				0.00
Total of 63 Disbursements:				<u>78,818.78</u>

Minutes of the Operations and Governance (O&G) Committee Meeting
City of Hillsdale
2nd Floor Conference Room, City Hall
April 4, 2014 6:00 PM

****NOTE**** Due to potential OMA violations, recommendations and decisions from this meeting are nullified. A new meeting has been scheduled for 6pm Monday, April 28th 2014 in Council Chambers.

Meeting called to order at 6:05PM

Members Present: Sally Kinney, Brian Watkins, Patrick Flannery

Others Present: City Manager Brown, Mayor Sessions

Public Present: Doug Moon, Public Safety Director Gustowski, Councilwoman Stack-Davis, HR Director Freese, Aimee England

Public Comment: Councilwoman Stack-Davis shared her concerns with the contract costs as well as future planning for City Manager Evaluations.

Doug Moon voiced his support for Linda Brown and encouraged the Committee and Council to approve her contract.

Key Points:

- Brown's current contract began on May 15, 2011 and expires May 15, 2014.
- Her existing contract was a 2-year contract with an optional 3rd year. She would like a 1- year contract with an optional 2nd year.
- Her current contract does not include severance, though previous CM contracts did. She would like a severance clause of 6-months salary or the balance of her contract; whichever is less.
- When Linda agreed to return as City Manager following the resignation of former City Manager Mitchell (who had fired her without cause) she was unable to continue participating the Municipal Employees Retirement System (MERS) due to a rules change that does not allow individuals to rejoin the program once they had left. She was not aware of this when her contract was signed. Linda is asking that the amount that would have been paid into her MERS account (\$15,000) be provided in her contract as a one- time deposit into her International City Managers Association (ICMA) retirement fund. She is not seeking any further restitution for the MERS monies she will not be able to collect in the new contract period.
- O&G committee members Watkins and Kinney felt this request was acceptable, especially considering that the inability of continuing with MERS was not known to Linda during her last contract negotiation and expressed that in insurance costs alone Linda has saved the City over \$40,000. Given Linda's experience of being fired without cause or warning, Kinney and Watkins also felt her request for severance was reasonable.
- Committee member Flannery felt the \$15,000 was too high, and was opposed to severance because 3 people he had talked to said they didn't want her to have severance, though no reason was given by those individuals as to why they felt she shouldn't get severance.
- Mayor Sessions did not support the proposed contract indicating that the \$15,000 was unreasonable and that he was against severance, though no reason for being against it was given.
- Former Mayor Doug Moon, Resident Aimee England and HR Director Kay Freese all offered their unqualified support of the proposed contract and Linda's dedication and success during her current contract. Council Member Emily Stack-Davis (attending as a member of the public) did not feel comfortable with the proposed contract and suggested the community be polled for their opinion.
- Council member Flannery also felt he needed to go door to door and poll the public before he could make a decision.

Minutes of the Operations and Governance (O&G) Committee Meeting
City of Hillsdale
2nd Floor Conference Room, City Hall
April 4, 2014 6:00 PM

- Chair Watkins indicated that the cost of searching for and hiring a new City Manager would more than likely far exceed the cost of Linda's contract, and that given her dedication and commitment to the City as well as her history, that there was no question in his mind that Linda was not only the best choice, but the cheapest choice as well. Flannery agreed that the cost of a new City Manager would likely be higher than the proposed contract; stating that \$8,000 or more in addition to salary and benefits would be a safe estimation, but still felt he should poll the public and look at the numbers before he could decide.
- Even though it was clear that the majority of the Committee was in favor of recommending a new contract with Linda, Chair Watkins felt it would be best if member Flannery had the opportunity to talk to other people in the hopes that a unanimous recommendation could be made following the next O&G meeting, which will be held April 9th at 6pm in City Hall.

Public Comment: (summarized above)

Moved by Kinney seconded by Flannery to adjourn. Motion passes 3-0

Meeting adjourned at 7:43pm

Respectfully submitted,



Brian Watkins
Ward 1 Councilman
O & G Committee Chairman

**Minutes of the Operations and Governance (O&G) Committee Meeting
City of Hillsdale
2nd Floor Conference Room, City Hall
April 9, 2014 6:00 PM**

****NOTE**** Due to potential OMA violations, recommendations and decisions from this meeting are nullified. A new meeting has been scheduled for 6pm Monday, April 28th 2014 in Council Chambers.

Meeting called to order at 6:01PM

Members Present: Sally Kinney, Brian Watkins, Patrick Flannery

Others Present: City Manager Brown, Mayor Sessions

Public Present: Finance Director Tew, Matt Durr (Hillsdale Daily News)

Public Comment: Mayor Sessions addressed the committee and stated he has a problem with the \$15,000 and the severance and that he could not support it.

Key Points:

- Chair resumed discussion where it left off at the previous meeting with Watkins and Kinney in favor of the contract and Flannery against.
- Watkins asked Kinney if she recalled what the last City Manager search had cost the City. Kinney couldn't recall exactly but indicated it was over the \$8,000 we had previously estimated. Finance Director Tew indicated that CM searches generally run between \$12,000 and \$20,000 and that the last CM search was closer to the higher end of that range.
- Flannery indicated that he talked to about a dozen people and that he and they were against the \$15,000 MERS make-up.
- Watkins asked if the people polled had been provided with the fact that even with the \$15,000 that this contract with Linda Brown would cost much less than a search / new-hire. (Linda Brown contract: \$113,340 vs. Search/New-Hire \$8,000 + 117,447 = \$125,447)
- Watkins asked Flannery why he was against the contract- Flannery stated that it was because it represents a 15% contract-to-contract increase and that was too much. Watkins pointed out that the estimated cost of a new city manager, including the search cost, was a 27% contract-to-contract increase for an unknown performer. Flannery did not change his position.
- Motion by Kinney, Second by Watkins to recommend the CM contract to full council at the April 21st meeting. Kinney – Yes; Watkins – Yes; Flannery – No. Motion passed 2-1

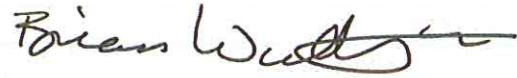
Public Comment: Mayor Sessions stated that he is against this contract even though he has supported Linda all along. He feels the costs for the contract are too high.

Finance Director Tew stressed the very difficult position the city will be in if council doesn't approve a contract with Linda. There are many projects and staff changes in the coming months and now is not the time to experiment.

Moved by Kinney seconded by Flannery to adjourn. Motion passes 3-0

Meeting adjourned at 7:00pm

Respectfully submitted,

A handwritten signature in black ink that reads "Brian Watkins". The signature is written in a cursive style with a long horizontal stroke at the end.

Brian Watkins
Ward 1 Councilman
O & G Committee Chairman

Election Commission Meeting
Agenda/Minutes
Monday, April 7, 2014
1:00 PM

1. Roll Call

Present/Absent	Eldonna Bernath
Present/Absent	Ed Swanson
Present/Absent	Shawnae Urban

2. Public Comment

3. Public Accuracy Test

-All equipment will be tested as usual prior to the election. Test Decks will be prepared by the Hillsdale County Clerk's Office who will also perform the preliminary testing of equipment. The Public Accuracy Test will be performed on April 28, 2014 at 11:00 am at the Hillsdale Community Library.

4. Election Inspector Appointments

-Appointments for the May 6, 2014 City Election – Election Workers by Scheduled Precinct

Motion made by Member Ed Swanson, Seconded by Member Eldonna Bernath to approve the attached list of Election Inspectors for the May 6, 2014 Election. (List attached and made part of these minutes)

All ayes

Passes

5. Election Set Up

-Ward 2 (Conference Room 1 at the Hillsdale Community Library)

-Ward 3 (Conference Room 2 at the Hillsdale Community Library)

The wards will be set up on the Monday prior to the election as usual.

6. Other Comments

7. Adjournment

-Time 1:15

Robilyn Swisher
Hillsdale City Clerk

Minutes recorded and approved on (date) _____

By Commission Members

Election Inspector List

Ward 2

Closing Polls:

Pam Beck - Chair – R (937-7747)

Lauren Chase – D (610-4322)

Receiving Board:

Deb Miley – R (398-2372)

David Holcomb – D

Ward 3

Closing Polls:

Linda Loomis – Chair-R

Sue Watson – D (523-3111)

Receiving Board:

Connie Watkins – R (254-4621) (320-1890)

Paul & Rosemarie Schnider – D (610-5764)

Cindy Means (849-2104)

**Minutes of the Operations and Governance (O&G) Committee Meeting
City of Hillsdale
Council Chambers, 3rd floor, City Hall
April 28, 2014 6:00 PM**

Meeting called to order at 6:02PM

Members Present: Sally Kinney, Brian Watkins, Patrick Flannery

Others Present: City Manager Brown, BPU Director Rose, Dial-A-Ride Director Buzo, Finance Director Tew, Human Resources Director Freese, Matt Durr (Hillsdale Daily News), Aimee England, Linc Miller, County Commissioner Ruth Brown, Casey Sullivan, Eric Hutchinson, Shirley VanArsdalen, Tom Condon, Stephen Bisher.

1. Public Comment:

- County Commissioner Ruth Brown commented that Linda was worth far more than she was asking for. Encouraged the committee and council to approve the contract. Said the \$15,000 is not a big deal.
- Linc Miller shared the he and his wife (JoAnne) both are very supportive of Linda and that they both hope the committee and council will approve the contract. He stated that she (Linda Brown) has already saved the City twice. He urged the \$15,000 number not be a sticking point as it was much cheaper than the alternative. He also stated that approving the contract would allow the city time for a smooth transition into new leadership in the coming years and that a rushed search for a new City Manager would be folly.
- Shirley VanArsdalen said she was against the contract and the \$15,000.
- Eric Hutchinson said the salary of the City Manager should reflect the average income of the city. He also asked about changes to the budget.
- Judy Buzo commented that in her history with the city she has worked with many city managers and that Linda has done a fantastic job and encouraged the committee and council to approve the contract.
- Rick Rose commented that in his years at the BPU he has worked with and for numerous City Managers and that most of them were worthless but that Linda has done a great job. Encouraged the committee and council to approve the contract and to learn how to plan ahead because "you're (council) not good at it".
- Casey Sullivan commented that he has worked with Linda as a councilman and encouraged the committee and council to approve the contract. He added that the \$15,000 should not be a sticking point because it's a small amount in the big scheme of things.
- Aimee England commented that she supports Linda and her salary. Doesn't think the \$15,000 is a big deal. Inquired as to what might the alternative be if Lind is not retained. Asked if the plan was to hire former mayor Michael Sessions so he can boss people around. Added that she doesn't want a City Manager that still lived with his parents.

2. Unfinished Business

- **City Manager Contract**

Chair opened the floor for committee discussion. Councilman Flannery renewed his objection to the \$15,000 saying that no one in his ward is in favor of it and that he is not in favor of it because it represents a 4% salary increase each year, but he is fine with the severance. Watkins commented that the cost of searching for and hiring a new City manager would be an even bigger increase. Flannery responded that the numbers provided by the MML were averages and that some of the municipalities included had higher revenues making them more able to pay higher salaries. Chair recognized Councilwoman Kinney who indicated she was in favor of the contract and had no issues with it. Chair then read his recommendation.

Watkins moved to recommend the contract to full Council. Seconded by Kinney. Flannery – NO Kinney – YES Watkins – YES. Motion passed 2-1

**Minutes of the Operations and Governance (O&G) Committee Meeting
City of Hillsdale
Council Chambers, 3rd floor, City Hall
April 28, 2014 6:00 PM**

3. Public Comment:

- Linc Miller commented that Councilman Flannery's logic was upside down and that his argument contradicted his argument for spending more money on a local auditing firm.
- Commissioner Ruth Brown restated her opinion that too much was being made of the \$15,000
- Casey Sullivan commented that a City Manager search would stimey council and that it would be a year before anything was accomplished, possibly two.
- Tom Condon of CDBW gave a presentation on why he felt it made sense to spend more money on a local firm than on an out-of-town firm.

Moved by Kinney seconded by Flannery to adjourn. Motion passes 3-0

Meeting adjourned at 7:03pm

Respectfully submitted,



Brian Watkins
Ward 1 Councilman
O & G Committee Chairman

Council Chambers
Hillsdale City Hall
97 N. Broad St.
Hillsdale, MI 49242

April 21, 2014
7:00 p.m.
(517)437-6441
www.cityofhillsdale.org

CITY COUNCIL MINUTES

City of Hillsdale
Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Scott M. Sessions opened the meeting with the pledge of allegiance.

Roll Call

Mayor Scott Sessions asked to excuse from the meeting Councilpersons Brian Watkins, for work schedule, and Sally Kinney, for insurance classes.

Motion by Councilperson Flannery, supported by Councilperson Davis to excuse Councilpersons Watkins and Kinney from the meeting.

All ayes.

Motion carried.

Mayor Scott Sessions called the meeting to order with the following Council members present: Council member Adam Stockford representing Ward One; Council member Emily Stack Davis Ward Three; and Council members Patrick Flannery and Mary Beth Bail representing Ward Four.

Also present were City Manager Linda Brown, City Clerk Robilyn Swisher, City Attorney Lew Loren, Keith Richard, Matt Durr, Casey Sullivan, Doug Moon, Jeff Jacques, Aimee England and Nate Rusk.

Approval of Agenda

City Manager Brown added item A. Airport Managers Contract to Old Business.

Motion by Councilperson Flannery, supported by Councilperson Davis to approve the April 21, 2014 Agenda with the addition of the Airport Managers Contract.

All ayes.

Motion carried.

Public Comment

None

Consent Agenda

- A. Approval of Bills from April 10, 2014: Claims of \$52,587.32 Payroll of \$105,431.42
- B. Committee Reports (Pending Approval):
 1. O&G Minutes of March 24, 2014
 2. BPU Minutes of April 8, 2014
 3. Planning Commission Minutes of April 15, 2014
 4. Finance Minutes of April 14 & 17, 2014
- C. Council Minutes April 7, 2014
- D. Financial Report March 2014

Motion by Councilperson Flannery, supported by Councilperson Davis, to approve the Consent agenda as presented. Roll call: Mayor Sessions – yes; Councilpersons Bail – yes; Stack-Davis – yes; Flannery – yes; Stockford – yes.

Approved 5-0.

Motion carried.

Communications and Petitions

Mitchell Research Center - Letter

Introduction and Adoption of Ordinances/Public Hearings

None

Unfinished Business

- A. Local Streets Maintenance
- B. Code Enforcement.
 - Open Enforcements
 - Closed Enforcements
 - New Enforcements
 - PD Report March 2014
- C. Clerk / Treasurer Elected vs. Appointed

Old Business

- A. Airport Managers Contract
City Manager Brown asked that Council would extend the contract of the Airport Manager to June 30, 2014.

Motion by Councilperson Bail, supported by Councilperson Flannery, to extend the Airport Managers Contract to June 30, 2014 and authorize the Mayor and Clerks signature on the contract extension. Roll call: Councilperson Stockford – yes; Mayor Sessions – yes; Councilpersons Bail – yes; Stack-Davis – yes; Flannery – yes.

Approved 5-0.

Motion carried.

New Business

- A. IIT Transfers– Set Public Hearing

Motion by Councilperson Flannery, supported by Councilperson Watkins to set the Public Hearing for IIT Transfers for May 5, 2014 at 7:00 pm.

All ayes.

Motion carried.

- B. Alley Closure for College Event
City Manager Linda Brown stated that the college has requested that the alley between Fayette north to College St for an event on April 26, 2014. Both the Director of Public Services and the Director of Public Safety have reviewed and approved the request under certain conditions. The alley be blocked off for traffic according to DPS requirements. DPS will provide the appropriate barricades which will be picked up by the college personnel on Friday, April 25, 2014 and returned Monday, April 28, 2014. City Manager Brown also stated that she included a copy of the proposed use agreement which includes information regarding insurance requirements and other pertinent details. City Manager Brown recommended that Council extend the time established in the noise ordinance (Section 14-68) to allow music up until midnight. City Manager Brown also recommended that Council approve the request and authorized signatures on the Agreement.

Motion by Councilperson Davis, supported by Councilperson Flannery, to approve the Alley Closure, between Fayette and College Streets, for a College Event and to extend the noise ordinance to midnight. Roll call: Councilpersons Flannery – yes; Stockford – yes; Mayor Sessions – yes; Councilpersons Bail – yes; Stack-Davis – yes.

Approved 5-0.

Motion carried.

- C. MDOT Contract for Construction of Taxiway Phase 1 and Entrance Road Design
City Manager Brown recommends that Council authorize signatures on the contract pending legal review. City Manager Brown stated that the City's share of the \$90,000.00 project is \$3,665.00 and the amount that the City is responsible for is available in the Airport Improvement Fund.

Motion by Councilperson Bail, supported by Councilperson Davis, authorize signatures on the MDOT Contract pending legal review. Roll call: Councilpersons Flannery – yes; Stockford – yes; Mayor Sessions – yes; Councilpersons Bail – yes; Stack-Davis – yes.

Approved 5-0.

Motion carried.

Miscellaneous

- A. Police Quarterly Report
- B. Appointments to Board of Review
Dave Burgee, Bonnie Kyser-Lavelle, Marion Griffiths
Set compensation for \$100.00

Councilperson Flannery asked if Council could get a bio of persons to be appointed.

Motion by Councilperson Flannery, supported by Councilperson Davis, to appoint Dave Burgee, Bonnie Kyser-Lavelle, and Marion Griffiths to the Board of Review and to set their compensation at \$100.00. Roll call: Councilpersons Stack-Davis – yes; Flannery – yes; Stockford – yes; Mayor Sessions – yes; Councilpersons Bail – yes.

Approved 5-0.

Motion carried.

General Public Comment

Jeff Jacques, Candidate for 58th District State Representative, introduced himself and stated his requirements for the seat of 58th District Representative.

Councilperson Stockford asked what Mr. Jacques did in Washington. Mr. Jacques stated that he was in journalism.

,Candidate for 58th District State Representative, introduced himself and stated his requirements for the position.

Council Comment

Councilperson Davis asked if there would be a chance to have an open discussion on the budget.

City Manager Brown stated that the hydrants will be flushed starting April 22, 2014 through April 25-2014 between the hours of 7:45am and 3:45pm. You may notice reduced water pressure during this time. If you have any discoloration in your water let you tap water run till it runs clear.

Adjournment

Motion by Councilmember Davis, seconded by Councilmember Bail, to adjourn.

All ayes

Motion carried.


8:25 p.m.

Scott M. Sessions, Mayor

Robilyn Swisher, City Clerk

MEMO

TO: Linda Brown, City Manager
City Council

FROM: Bonnie Tew 
Finance Director

DATE: April 28, 2014

SUBJECT: Quarterly Investment Report

Attached please find investment summaries for the City at large, Oak Grove and Lakeview Cemeteries, and the Board of Public Utilities as of March 31, 2014.

City Investments:

There was no investment activity in these accounts for the quarter.

Oak Grove Cemetery Investments:

There was no investment activity in these accounts for the quarter.

Lakeview Cemetery Investments:

There was no investment activity in these accounts for the quarter.

Stocks Park Perpetual Maintenance Fund:

There was no investment activity in these accounts for the quarter.

Hospital Trust Investments:

The five (5) year certificate for the Hospital Trust matured and was renegotiated for a three year term with an interest rate of 1.00%. All the interest from this certificate goes to the Hospital per the trust agreement.

City Investments							
March 31, 2014							
Description	Vendor	Yield	2014	2015	2016	2017	TOTAL
#224-0653111588	Fifth Third Bank	0.59%		\$200,000.00			\$200,000.00
Due 06/18/15	(purchased 6/13)						
#112910	Southern MI Bank & Trust	1.25%	\$300,000.00				\$300,000.00
Due 4/25/14	(purchased 4/12)						
#125359	CNB	0.50%		\$200,000.00			\$200,000.00
Due 1/04/15	(purchased 1/13)						
S. MI. BANK & TRUST	General Checking	0.20%	\$1,355,489.07				\$1,355,489.07
CLASS INV. POOL	MBIA	0.10%	\$1,421,515.35				\$1,421,515.35
S. MI. BANK & TRUST	Airport Fuel	0.05%	\$79,046.73				\$79,046.73
		TOTALS	\$3,156,051.15	\$400,000.00	\$0.00	\$0.00	\$3,556,051.15
Hospital Trust	Hopkins-Chandler Endowment						
GE Capital Bank CD	Ed D. Jones	1.00%				\$8,000.00	\$8,000.00
Due 1/24/17	(purchased 1/24/14)						
# 422347300	Flagstar Bank	0.50%	\$7,000.00				\$7,000.00
Due 12/03/2014	(purchased 06/11)						
Stocks Park- Perpetual Care	Endowment	0.25%	\$12,000.00				\$12,000.00
#426866073	Flagstar Bank						
Due 10/07/2014	(purchased 10/10)						
		TOTALS	\$3,175,051.15	\$400,000.00	\$0.00	\$8,000.00	\$3,683,051.15

Lakeview Cemetery Investments				
March 31, 2014				
Description	Vendor	Yield	2014	TOTAL
GNMA	Ed D. Jones	6.91% *	\$193.87	\$193.87
#352022				
GNMA	Ed D. Jones	8.44% *	\$181.74	\$181.74
#447690				
GNMA	Ed D. Jones	5.93% *	\$916.63	\$916.63
#003067				
GNMA	Ed D. Jones	5.93% *	\$4,549.47	\$4,549.47
#003149				
GNMA	Ed D. Jones	5.93% *	\$5,403.30	\$5,403.30
#003249				
GNMA	Ed D. Jones	5.57% *	\$3,450.04	\$3,450.04
#003346				
GNMA	Ed D. Jones	5.57% *	\$7,350.88	\$7,350.88
#003556				
GNMA	Ed D. Jones	5.57% *	\$8,195.99	\$8,195.99
#003678				
GNMA	Ed D. Jones	5.00% *	\$14,630.88	\$14,630.88
#003863				
GNMA	Ed D. Jones	5.57% *	\$9,697.48	\$9,697.48
#003898				
Cash/Money Market	Ed D. Jones			\$0.00
	TOTALS		\$54,570.28	\$54,570.28
* Current Yield				
The average yield to maturity for these GNMA's is about 4.22%.				
Surplus funds are invested in either the MBIA Class pooled				
Investment account or in th Interest bearing checking account at				
Southern Michigan Bank & Trust and are included in the				
City Investment Report.				

Oak Grove Cemetery Investments					
March 31, 2014					
Description	Vendor	Yield	2014	2017	TOTAL
GNMA #345091	Ed D. Jones	6.91% *	\$696.44		\$696.44
GNMA #352022	Ed D. Jones	6.91% *	\$351.84		\$351.84
GNMA #417390	Ed D. Jones	6.91% *	\$165.59		\$165.59
GNMA #003067	Ed D. Jones	5.93% *	\$2,240.65		\$2,240.65
GNMA #003149	Ed D. Jones	5.93% *	\$5,524.36		\$5,524.36
GNMA #003249	Ed D. Jones	5.93% *	\$5,403.30		\$5,403.30
GNMA #781499	Ed D. Jones	5.50% *	\$1,665.74		\$1,665.74
GNMA #003345	Ed D. Jones	5.00% *	\$6,622.05		\$6,622.05
GNMA #003346	Ed D. Jones	5.57% *	\$4,830.06		\$4,830.06
GNMA #604548	Ed D. Jones	4.50% *	\$9,590.65		\$9,590.65
GNMA #003443	Ed D. Jones	5.57% *	\$5,924.76		\$5,924.76
GNMA #003678	Ed D. Jones	5.57% *	\$8,195.99		\$8,195.99
GNMA #782155	Ed D. Jones	4.50% *	\$9,400.30		\$9,400.30
GNMA #003898	Ed D. Jones	5.57% *	\$10,909.66		\$10,909.66
Cash/Money Market	Ed D. Jones				\$0.00
US Govt-Financing Corp Due 10/6/2017	Ed D. Jones	10.70%		\$26,303.80	\$26,303.80
	TOTALS		\$71,521.39	\$26,303.80	\$97,825.19
* Current Yield					
The average yield to maturity for these GNMA's is about 4.22%.					
Surplus funds are invested in either the MBIA Class pooled					
investment account or in th Interest bearing checking account at					
Southern Michlgan Bank & Trust and are included in the					
City Investment Report.					

April 10, 2014

To: Rick Rose
Board Members
City Finance Committee

From: Annette Kinney

RE: Cash and Investment Accounts

Provided below are the classifications and amounts that we have in cash and our investment accounts as of 3-31-14.

Restricted Funds (Can be used for no other purpose than what is stated)

Electric	\$ 0	Rate Stabilization Fund
Water	\$ 235,099	Bond Reserve Fund – 1994, 1999 Bonds
Sewer	\$ 0	Equipment Replacement Reserve Fund
	\$ 235,099	

Debt Service Funds (Can only be used for the payment of the current bond principal and interest payments. Accrued monthly.)

Water	\$195,619	1994 and 1999 Bonds (P & I payments due 10-1-13)
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Designated Funds (Are set aside for a certain purpose – usually capital projects – they can be re-designated)

Electric	\$1,763,781	Capital Projects Fund
Water	\$ 366,547	Capital Projects Fund
Sewer	\$ 0	Capital Projects Fund
	\$2,130,328	

Unrestricted Funds (Used for monthly expenses, etc.)

Electric	\$ 633,414
Water	\$ (16,928)
Sewer	\$ (105,271)
	\$ 511,215

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #7: Introduction of Ordinance/Public Hearing

SUBJECT: Public Hearing – OPRA (Resolution)

BACKGROUND:

At its April 7, 2014 meeting Council set tonight at 7:00 p.m. as the time to conduct a public hearing to allow input regarding the granting of an Obsolete Property Rehabilitation Exemption Certification for the Broad Street Downtown Market.

I have again included in this packet a copy of the application submitted for the OPRA, a Statement of Obsolescence from the Assessor which is required to determine that the portion of the building applicable to the OPRA is in excess of 50% functionally obsolete, the tax exemption impact worksheet and the memo from Assessor, Kim Thomas.

If you will recall, Council adopted a policy that that all requests for exemptions for investments under \$500,000 will be granted for ten (10) years.

RECOMMENDATION:

Subsequent to the public hearing, I recommend that Council pass the enclosed Resolution approving the application of grant funding for the Rental Rehab Program as identified in the application for ten (10) years.

RECEIVED
MAR 24 2014
HILLSDALE CITY CLERK
TIME: 4:15 PM - KP

Original

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.


Applicant (Company) Name (applicant must be the OWNER of the facility) Broad Street Downtown Market		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 55 N. Broad Street		
Location of obsolete facility (No. and street, City, State, ZIP Code) 55 N. Broad Street		
City, Township, Village (indicate which) Hillsdale	County Hillsdale	
Date of Commencement of Rehabilitation (mm/dd/yyyy) 03/21/2014	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 05/01/2014	School District where facility is located (include school code) Hillsdale
Estimated Cost of Rehabilitation \$418,746.00	Number of years exemption requested 10	Attach Legal description of Obsolete Property on separate sheet
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input checked="" type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>6</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. <input checked="" type="checkbox"/>		

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Michael Ritter	Telephone Number (517) 439-1921	Fax Number (517) 439-1922
Mailing Address 55 N. Broad Street, Hillsdale, MI 49242		Email Address mritter@dmcibb.net
Signature of Company Officer (no authorized agents) 		Title Owner

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

FOR STATE TAX COMMISSION USE		
Application Number	Date Received	LUCI Code

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(i) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
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PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

Taxable Value		State Equalized Value (SEV)	
Building(s)			
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence	

PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury
State Tax Commission
P.O. Box 30471
Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

Broad Street Downtown Market (BSDM) Application for Obsolete Property Rehabilitation Exemption

- (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage)
 - a. BSDM was originally built in 1921. Its original use was a dealership and is currently being used as a market, tavern and eatery. The market is 1 story approximately 6,065 square feet with a full basement approximately 7,110 square feet.
- (b) General description of the proposed use of the rehabilitated facility
 - a. BSDM will be finishing out the basement of the property to be an underground entertainment venue with a bar, stage, dance floor, game area (pool tables, shuffleboard, darts, etc.) and traditional American bar foods.
- (c) Description of the general nature and extent of the rehabilitation to be undertaken
 - a. BSDM needs to completely rebuild the basement, including but not limited to:
 - i. Repairing crumbling ceiling supports
 - ii. Repairing and sealing/painting concrete floors and walls
 - iii. Building new men's and women's handicapped accessible restrooms
 - iv. Building a stage and dance floor
 - v. Building a Green room
 - vi. Building a bar
 - vii. Installing a new tap system
 - viii. Updating current stairs and exterior doors
 - ix. Installing new lighting, electrical, HVAC systems
 - x. Finishing out with decorations, tables, chairs, games, etc.
- (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility
 - a. All current equipment for the present market, tavern and eatery will continue to be utilized.
- (e) A time schedule for undertaking and completing the rehabilitation of the facility.
 - a. We propose to begin construction on March 21, 2014 and be finished on May 1, 2014.
 - b. All preliminary work has been done, the bank has approved the loan and the contractor has been chosen, we are waiting to begin construction until we begin this process.
- (f) A statement of the economic advantages expected from the exemption
 - a. It is our belief that the economic advantages expected from the exemption will be at least 6 positions of 30 hours per week plus an additional full time chef, with the forecast that the added entertainment in our finished basement will increase volume to every area of our business with the potential to add additional job opportunities in the future.

Broad Street Downtown Market Itemized Estimates

Basement Renovations	
Demolition	\$ -
Concrete Block Walls	\$ 14,000.00
Steel Stairs	\$ -
Windows/Doors	\$ 18,000.00
Wood Service Stairs	\$ 3,000.00
HVAC with Exposed Duct and Exhaust	\$ 68,000.00
Plumbing	\$ 16,000.00
Electrical	\$ 27,000.00
Bar	\$ 20,000.00
Floors	\$ 14,000.00
Steel Ceilings	\$ 9,000.00
Painting	\$ 11,000.00
Addition - for stairs	\$ 17,000.00
Dance Floor & Stage	\$ 3,500.00
Beam, and drop ceiling for restrooms	\$ 2,000.00
Insulation	\$ 1,500.00
Permits, fees, overhead, & profit	\$ 26,000.00
TOTAL BASEMENT RENOVATIONS	\$ 250,000.00
Refrigeration & Systems	
2 New Reach-In 2 Door Refrigerators for Restaurant Upstairs (replace Michigan Den)	\$ -
Move Michigan Den Into Beer Cooler Room In Basement (Increase upstairs space)	\$ -
Glycol Beer Tap System (8 taps Tavern, 24 taps Underground)	\$ 21,000.00
iTouch POS system	\$ 18,000.00
Upgrade Kitchen Exhaust	\$ 7,300.00
New 12' Meat Case Display Cooler	\$ 17,934.00
New 12' Deli/Dairy Case Display Cooler	\$ 18,357.00
Island Merchandiser	\$ 6,155.00
Remove all items/trash from Basement	\$ 1,500.00
Install and Connect Power	\$ 3,500.00
TOTAL REFRIGERATION UPDATES AND RENOVATIONS	\$ 93,746.00
Fascia and Finish Out	
Updated Fascia: Signs and Lighting	\$ -
Updated Rear Paving and Stairs	\$ -
Sound System and Lighting	\$ 15,000.00
Furniture and Fixtures: TVs, Tables, Chairs, Barstools, Couches, Pool Tables, Etc.	\$ 40,000.00
TOTAL FACIA AND FINISH OUT	\$ 55,000.00
Cash Flow Advance	
CASH FLOW ADVANCE	\$ 20,000.00
TOTAL CASH FLOW ADVANCE	\$ 20,000.00
Total Cost of Renovation	
TOTAL ALL COSTS	\$ 418,746.00

State of Mich. Co. of Hillsdale S.S. No. 558 I hereby
certify that there are no tax liens, tax titles or unpaid
taxes against said lands for five years preceeding the date
of said deed. This does not apply to taxes in process of
collection by Twp., City or Village Officers.

7-24-09
Heidi Olinga Co. Treas.

WARRANTY DEED

The Grantor, City of Hillsdale Tax Increment Finance Authority, 97 North Broad Street, Hillsdale, Michigan 49242, conveys and warrants to Grantee, Broad Street Downtown Market LLC, 240 South Broad Street, Hillsdale, Michigan 49242 the following described premises situated in the City of Hillsdale, County of Hillsdale and State of Michigan: ✓ 14

000-126-160-24

Lots 32 & 33 Old or First Plat of the Village, now City of Hillsdale, as recorded in Liber B of Deeds, Page 380, Hillsdale County Records.

ALSO, a parcel commencing at the Southwest corner of Lot 31, Old or First Plat of the Village, now City of Hillsdale, as recorded in Liber B of Deeds, Page 380, Hillsdale County Records; thence northerly on the east line of Broad Street 20 feet; thence easterly at right angles, 8 rods; thence southerly at right angles, 20 feet; thence westerly at right angles, to the Place of beginning, being the south part of lot 31.

Also, a non exclusive easement for ingress and egress over the easterly 29 feet of Lots 34 and 35 Old or First Plat of the Village, now City of Hillsdale.

Also, a non exclusive easement for ingress and egress over the northerly 8 feet of Lot 34 of Old or First Plat of the Village, now City of Hillsdale.

Also, a non exclusive easement for vehicle parking over the south 19.5 feet of the north 27.5 feet of Lot 34 of Old or First Plat of the Village, now City of Hillsdale.

Reserving a non exclusive easement for ingress and egress over the southerly 8 feet of Lot 33 of Old or First Plat of the Village, now City of Hillsdale.

Subject to restrictions, reservations, conditions and easements of record. Also, subject to 2009 property taxes and assessments.

This is exempt from State and County Transfer Fees in accordance with MCL 207.505 (a) and MCL 207.526 (a).

FOR THE SUM OF ONE (\$1.00) Dollar

Signed: July 24, 2009

City of Hillsdale Tax Increment Finance Authority
By: Christopher Sumnar
CHRISTOPHER SUMNAR
Its, Chairperson

STATE OF MICHIGAN)
)SS:
COUNTY OF HILLSDALE)

The foregoing Instrument was acknowledged before me on July 24, 2009, by Christopher Sumnar, who (s)are known to me or has/have produced _____ as identification.

Leslie B. Keeling
Leslie B. Keeling, Notary Public
Hillsdale County, Michigan
My Commission Expires: 10/22/12
Acting in the County of Hillsdale

Prepared By:
WELPER LAW OFFICE, P.C.
F. E. Welper, Jr.
10 Budlong Street
Hillsdale, Michigan 49242
(517) 437-7391

STATEMENT OF OBSOLESCENCE FROM ASSESSOR

55 North Broad Street, Hillsdale, MI 49242

Property Tax Identification Number: 30-006-126-160-24

Owner: Broad Street Downtown Market LLC

OPRA Application Determination as of: March 26, 2014

The building that is the subject of this request is a single-story brick building on a basement constructed around 1930, with a cement block addition on a separate basement added in 1978. The building has been used as a market and deli since at least 1957.

The main story was completely remodeled and updated as part of a TIFA project in 2009, prior to the current owner taking possession. There was another, smaller remodel that took place in 2011, moving the "beer cave" out into the addition and expanding seating for a small bar and restaurant. This part of the building has modern amenities and functions adequately in its current use.

The project under consideration is to add a second restroom upstairs, relocate the walk-in cooler to the basement, add a separating wall between the dining and market areas and renovate the basement to function as an extension of the restaurant, adding a lounge area and game room. The basement is currently unheated storage space. The basement stairway does not currently meet code for overhead clearance due to the location of the water piping. In order for this area to be functional it will require a complete HVAC system, upgraded and expanded electrical, plumbing for restrooms and food prep, new windows, and additional wall openings for walk-through doors between the 2 building sections, as well as general remodeling to make it an appealing dining area. In addition, the rear of the building will need to be re-faced and the overhead and sliding doors currently used to access the basement from the rear of the building will need to be secured and made weather-tight. The drive to the rear entry also needs to be completely repaved if it is to be used as a functional egress. The owner has indicated that he is hoping to use this area for outdoor seating during warmer weather. He has also indicated the possibility of adding a stairway to the street level from the basement in the addition, as the basement extends past the front wall of the first floor addition under the patio.

In the opinion of the assessor, the basement area of this structure suffers in excess of 50% functional obsolescence for any use other than cold storage. The planned rehabilitation includes fixed building equipment, including heating, ventilation and lighting, and interior improvements aggregating in excess of 10% of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l).

Kimberly Thomas, Assessor, City of Hillsdale

Applicant:	Broad Street Downtown Market				
Date Received:	March 24, 2014				
Current Parcel #:	006-126-160-24				
Property Address:	55 N Broad Street				
Current SEV:	\$ 131,500				
Current Taxable Value:	\$ 125,872				
Taxable Value of Land:	\$ 12,061				
Taxable Value of Building:	\$ 113,811				
Estimated Cost of Rehabilitation:	\$ 418,746				
	Year 1 2015			<u>Taxable Value***</u> 209,373	
	Without OPRA			With OPRA	
Tax	Millage Rate*	Tax Amount	Millage Rate*	Tax Amount (Part (b) of the "specific tax" under MCL 125.2790 Sec. 10(2).)	Taxes Foregone
Summer					
City Operating	14.9205	\$ 3,123.95	0.00000	\$ -	\$ 3,123.95
Library	0.9947	\$ 208.26	0.00000	\$ -	\$ 208.26
County Operating	4.9552	\$ 1,037.49	0.00000	\$ -	\$ 1,037.49
Stated Education Tax	6.0000	\$ 1,256.24	6.00000	\$ 1,256.24	\$ -
School Operating	9.0000	\$ 1,884.36	9.00000	\$ 1,884.36	\$ -
School Building/Site	0.9994	\$ 209.25	0.00000	\$ -	\$ 209.25
ISD General	0.1337	\$ 27.99	0.00000	\$ -	\$ 27.99
ISD Special Ed	1.5000	\$ 314.06	0.00000	\$ -	\$ 314.06
ISD Vocational Ed	0.4459	\$ 93.36	0.00000	\$ -	\$ 93.36
Administration Fee	1%	\$ 81.55	1%	\$ 31.41	\$ 50.14
Total Summer	38.9494	\$ 8,236.50	15.00000	\$ 3,172.00	\$ 5,064.50
Winter					
County Medical Care Facility	0.6000	\$ 125.62	0.00000	\$ -	\$ 125.62
County Medical Care Facility 2006	0.4200	\$ 87.94	0.00000	\$ -	\$ 87.94
County Ambulance	0.2500	\$ 52.34	0.00000	\$ -	\$ 52.34
County Ambulance 2006	0.1500	\$ 31.41	0.00000	\$ -	\$ 31.41
County Senior Services	0.4968	\$ 104.02	0.00000	\$ -	\$ 104.02
County Senior Services 2008	0.5000	\$ 104.69	0.00000	\$ -	\$ 104.69
School Operating	9.0000	\$ 1,884.36	9.00000	\$ 1,884.36	\$ -
School Building/Site	0.9994	\$ 209.25	0.00000	\$ -	\$ 209.25
ISD General	0.1337	\$ 27.99	0.00000	\$ -	\$ 27.99
ISD Special Ed	1.5000	\$ 314.06	0.00000	\$ -	\$ 314.06
ISD Vocational Ed	0.4459	\$ 93.36	0.00000	\$ -	\$ 93.36
Administration Fee	1%	\$ 30.35	1%	\$ 18.84	\$ 11.51
Total Winter	14.4958	\$ 3,065.38	9.00000	\$ 1,903.20	\$ 1,162.18
GRAND TOTALS	53.4452	\$ 11,301.88	24.00000	\$ 5,075.20	\$ 6,226.68

To Be Frozen

*Rates based on most recent information available.

**Assumes increases in property value greater than the rate of inflation and annual IRM increases at maximum allowable under MCL 211.27a

*** Assumes value of improvements equal to estimated cost

Taxes for the land will continue to be calculated based on current annual value at ad valorem rates.	
May increase or decrease annually based on changes in value & Inflation (not affected by exemption)	
Current Year taxes for land:	\$ 651.05
Taxes for the existing building will be frozen at the current taxable value but will continue to be calculated using ad valorem rates.	
Frozen at current taxable value for length of the certificate. May fluctuate slightly based on changes in millage rate. Part (a) of the "specific tax" under MCL 125.2790 Sec 10(2)	
Current Year taxes for building:	\$ 6,143.48

The property owner will receive 3 tax bills for each tax season that the Certificate remains in effect to account for these separations in value.

Year	Maximum Inflation Rate Multiplier	Projected Maximum Taxable Value**	City Operating Foregone Annually	Cumulative City Taxes Foregone	Total Taxes Foregone Annually	Cumulative Total Taxes Foregone
2	1.05	219,842	\$ 3,280.15	\$ 6,404.10	\$ 6,538.01	\$ 12,764.69
3	1.05	230,834	\$ 3,444.15	\$ 9,848.25	\$ 6,864.91	\$ 19,629.61
4	1.05	242,375	\$ 3,616.36	\$ 13,464.61	\$ 7,208.16	\$ 26,837.77
5	1.05	254,494	\$ 3,797.18	\$ 17,261.79	\$ 7,568.57	\$ 34,406.34
6	1.05	267,219	\$ 3,987.04	\$ 21,248.83	\$ 7,947.00	\$ 42,353.34
7	1.05	280,580	\$ 4,186.39	\$ 25,435.23	\$ 8,344.35	\$ 50,697.68
8	1.05	294,609	\$ 4,395.71	\$ 29,830.94	\$ 8,761.56	\$ 59,459.25
9	1.05	309,339	\$ 4,615.50	\$ 34,446.43	\$ 9,199.64	\$ 68,658.89
10	1.05	324,806	\$ 4,846.27	\$ 39,292.71	\$ 9,659.62	\$ 78,318.51
11	1.05	341,047	\$ 5,088.59	\$ 44,381.29	\$ 10,142.61	\$ 88,461.12
12	1.05	358,099	\$ 5,343.01	\$ 49,724.30	\$ 10,649.74	\$ 99,110.86

Maximum Tax Dollar Impact If approved for 12-year abatement:	\$ 49,724.30 <i>City Operating</i>	\$ 99,110.86 <i>Total All Entities</i>
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Policy adopted September 16, 2013 calls for 10-year term for investments under \$500,000.

2014 TV - IFT Parcels (PA 198 of 1974)	5,021,300
2014 SEV - OPRA Parcels (PA 146 of 2000)	-
TV Property Proposed to be Exempt	209,373
Total TV exempt parcels	5,230,673
2014 Total City Taxable Value:	131,931,584
% Exempt TV of Total TV:	3.96%



TO: EDG, City Manager
FROM: Kimberly Thomas, City Assessor
DATE: March 25, 2014
RE: Application for Obsolete Property Rehabilitation Exemption Certificate
Broad Street Downtown Market, 55 North Broad Street

Background: An application for consideration of an Obsolete Properties Rehabilitation Property Tax Exemption Certificate was received by the City Clerk's Office on March 24, 2014 from Broad Street Downtown Market. The request is for an exemption from ad valorem property taxation for 10 years on the rehabilitation of the building occupied by the applicant, located at 55 North Broad Street, pursuant to Public Act 146 of 2000, as amended. Overall investment has been claimed in the amount of \$418,746. The planned renovation is to make interior changes to the basement to accommodate installation of "an underground entertainment venue with a bar, stages, dance floor, game area (pool tables, shuffleboard, darts, etc.) and traditional American bar foods."

Broad Street Downtown Market currently receives no property tax abatements from the City of Hillsdale and no property tax abatements have been previously granted at this site. The 2014 ad valorem assessment on the subject real property parcel is \$131,500 State Equalized Value (SEV) and \$125,872 Taxable Value (TV). Personal property in the amount of \$26,300 SEV and TV was assessed to the property owner at this location for the 2014 tax year.

Under an Obsolete Properties Rehabilitation Exemption Certificate, the land continues to be taxed based on its allocated Taxable Value (adjusted annually for inflation) at the ad valorem tax rate. The building is exempted from ad valorem taxation. The Taxable Value of the existing building is frozen and a specific tax is calculated using the ad valorem rate. In addition, the value of the rehabilitated facility is calculated annually (subtracting out the value of the existing building) and an additional specific tax is calculated on the Taxable Value of the rehabilitated facility at a reduced tax rate (24 mills for school operating and stated education taxes only).

MCL 125.2738 considerations for eligibility:

(1) **Separate findings:** The taxable value of the property proposed to be exempt considered together with the aggregate taxable value of property exempt under certificates previously granted and currently in force under this act and under 1974 PA 198 (PT Exemption) does not exceed 5% of the total taxable value of the City. In the estimation of the assessor, granting the requested exemption shall not have the effect of substantially impeding the operation of the City or impairing the financial soundness of any affected taxing unit.

(2) Compliance under Obsolete Properties Rehabilitation Act:

- a. The commencement of the rehabilitation of the facility has not started. The district was created by council resolution on July 15, 2013. Therefore, the application is in compliance with this section.
- b. The facility meets the qualifications of an obsolete property as defined in the act, as evidenced by the Statement of Obsolescence from Assessor dated December 11, 2013. The City of Hillsdale is a "Qualified Local Governmental Unit" as determined by the State Tax Commission at its June 12, 2012 meeting. This property is located within Obsolete Properties Rehabilitation District #2013-01, created by City Council resolution #3143 on July 15, 2013.
- c. The applicant indicates that this project will have the effect of increasing commercial activity, retaining and creating employment (at least 7 new positions including a full-time chef), and revitalizing urban areas.
- d. The applicant's signature on the application certifies that the rehabilitation would not have been undertaken without the applicant's receipt of the exemption certificate.
- e. The applicant is not delinquent in the payment of any taxes related to the qualified facility, as confirmed by the City and County Treasurer's offices.

Requirements: Not more than 60 days after receipt by the clerk, Council must either approve or disapprove the application by resolution. A public hearing is required to hear comments from any interested persons. If disapproved, the reasons must be included in the resolution and the clerk must send a copy of the resolution to the applicant and to the assessor. If the application is approved by Council, the Clerk must forward the application and all required attachments to the State Tax Commission for a final determination. There is no specific appeal contained in this act for the denial of an exemption by the local unit. In most tax matters, if no specific appeal process is defined, then the appeal would be to the Michigan Tax Tribunal within 35 days of notice to the taxpayer.

Fiscal Impact: See attached worksheet.



TO: City Council

FROM: EDC Board

DATE: April 28, 2014

RE: Application for Obsolete Property Rehabilitation Exemption Certificate
Broad Street Downtown Market, 55 North Broad Street

Background: An application for consideration of an OPRA exemption was reviewed by the EDC at the regular April meeting. The EDC recommends that Council grant the Obsolete Rehabilitation Exemption to the Broad Street Market for a period of 10 years based on previously adopted city policy.

Fiscal Impact: See attached Assessor's review.

**RESOLUTION TO APPROVE AN OBSOLETE PROPERTY REHABILITATION
EXEMPTION CERTIFICATE APPLICATION
PA 146 OF 2000 AS AMENDED**

Minutes of a regular meeting of the common council of the City of Hillsdale, held on May 5, 2014, at City Hall Council Chambers, 97 N Broad Street in Hillsdale at 7:00 p.m.

PRESENT:

ABSENT:

The following preamble and resolution were offered by _____, and supported by _____.

**Resolution number _____ Approving Obsolete Property Rehabilitation
Exemption Certificate Application for Broad Street Downtown Market, Located at
55 North Broad Street**

WHEREAS, pursuant to PA 146 of 2000, the City of Hillsdale is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the City of Hillsdale legally established the Obsolete Property Rehabilitation District 2013-01 on July 15, 2013, after a public hearing held on July 15, 2013; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Hillsdale; and

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on May 5, 2014; and

WHEREAS, Broad Street Downtown Market is not delinquent in any taxes related to the facility; and

WHEREAS, the application was approved for less than 12 years and will not be extended; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant Broad Street Downtown Market has provided answers to all required questions under the application instructions to the City of Hillsdale; and

WHEREAS, the City of Hillsdale requires that rehabilitation of the facility shall be completed by May 1, 2015; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Hillsdale eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, and revitalize urban areas in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED by the common council of the City of Hillsdale

Be and hereby is granted an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in Obsolete Property Rehabilitation District 2013-01 at 55 North Broad Street for a period of 10 years, beginning December 31, 2014, and ending December 30, 2024, pursuant to the provisions of PA 146 of 2000, as amended.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the common council of the City of Hillsdale, County of Hillsdale, Michigan at a regular meeting held on May 5, 2014.

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #7: Introduction of Ordinance/Public Hearing

SUBJECT: Public Hearing – Transfer of IFT to Precision Gage, LLC
(Resolutions)

BACKGROUND:

At its April 21, 2014 meeting Council set tonight at 7:00 p.m. as the time to conduct a public hearing to allow input regarding the transfer of eleven (11) Industrial Facilities Tax Exemptions previously granted to Precision Gage, Inc. to Precision Gage, LLC, the new purchaser of the business. All required notices of the public hearing have been sent. *

While I am not including the applications in this writing as a result of being so large, I have included a memo from the Assessor which provides the impact on taxes. As you can see, the total impact of the IFTs previously granted and now requested for transfer is \$24,234.87.

The EDC review committee met regarding this request and recommended that Council approve the requested transfers. A memo is attached which includes that recommendation.

RECOMMENDATION:

Following the public hearing, I recommend that Council pass the attached Resolution approving the transfers. If Council chooses not to grant the transfers the certificates would be removed effective with the 2014 tax year resulting in an additional tax burden of \$47,000 to the property owner with approximately \$21,000 allocated to the City. That \$21,000, as noted by the Assessor, would only be returned if none of the currently abated equipment is removed from the facility. If you remember, the purchaser of this industry is a subsidiary of Metal Technologies, Inc. located in Auburn, Indiana. In the event Council does not approve the transfers, the reasons for the denial must be stated in the resolution.



TO: City Council

FROM: EDC Board

DATE: April 28, 2014

RE: Industrial Facilities Tax Exemption Certificate Transfers from Precision Gage, Inc to Precision Gage, LLC

Background: An application requesting an IFT transfer from Precision Gage, Inc. to Precision Gage, LLC was reviewed by the EDC Board. The EDC is recommending that the Council approve the transfer of the current IFT from Precision Gage, Inc. to Precision Gage, LLC with the current durations of time remaining unchanged.

Fiscal Impact: See attached Assessor's review.



TO: Economic Development Corporation; City Manager

FROM: City Assessor

DATE: April 7, 2014

RE: Industrial Facilities Tax Exemption Certificate Transfers from Precision Gage, Inc to Precision Gage, LLC

Background: Economic Development Corporation serves as an advisory board in the review of applications for property tax abatements such as Industrial Facilities Tax Exemption Certificates, and should prepare a letter of recommendation to City Council for each request received.

A request to transfer all of the existing active Industrial Facilities Tax Exemption Certificates currently issued to Precision Gage, Inc was received by the City Clerk's Office as of April 4, 2014 from Precision Gage, LLC. Precision Gage, LLC purchased all of the assets of Precision Gage, Inc on or about March 7, 2014.

The certificates under consideration are currently taxed as follows:

Certificate #	Expiration Date	Investment Approved	Parcel #	2014 Taxable Value	2014 Estimated City Taxes Abated
2003-108 Personal	12/30/2015	\$ 1,364,900	006-903-108-05	214,600	\$ 1,707.70
2004-205 Real	12/30/2018	\$ 800,000	006-904-205-00	445,400	\$ 3,544.32
2004-205 Personal	12/30/2018	\$ 793,150	006-904-205-05	126,600	\$ 1,007.43
2004-536 Personal	12/30/2016	\$ 1,637,941	006-904-536-05	236,300	\$ 1,880.38
2006-431 Personal	12/30/2018	\$ 957,639	006-906-431-05	201,100	\$ 1,600.27
2007-142 Personal	12/30/2019	\$ 2,046,824	006-907-142-05	431,800	\$ 3,436.09
2008-355 Personal	12/30/2018	\$ 472,030	006-908-355-05	47,500	\$ 377.99
2011-110 Personal	12/30/2023	\$ 505,419	006-911-110-05	169,300	\$ 1,347.22
2012-097 Real	12/30/2024	\$ 292,088	006-912-097-00	146,000	\$ 1,161.81
2012-097 Personal	12/30/2024	\$ 1,979,669	006-912-097-05	752,300	\$ 5,986.50
2013-441 Personal	12/30/2024	\$ 617,000	006-913-441-05	274,600	\$ 2,185.16
Totals:		\$11,466,660		3,045,500	\$ 24,234.87

The property exempted is split between the buildings at 256 and 260 Industrial Drive. A list is attached showing previously granted certificates for Precision Gage and other companies at these locations.

The 2014 ad valorem taxable values for these locations are:

Parcel #	Real or Personal	Location	2014 Taxable Value	2014 Estimated City Taxes
006-221-226-07	Real	260 Industrial Drive	221,100	\$ 3,520
006-221-226-22	Real	256 Industrial Drive	213,600	\$ 3,400
006-900-199-00	Personal	256 & 260 Industrial Drive	837,300	\$ 13,325
Totals:			1,272,000	\$ 20,245

Statutory Requirements: Not more than 60 days after receipt by the clerk, Council must either approve or disapprove the applications by resolution. The clerk is required to notify the original property owner, the applicant, the assessor and the affected taxing jurisdictions of the application and an opportunity to be heard shall be provided.

If disapproved, the reasons must be included in the resolution. The applicant may appeal disapproval by the local unit to the State Tax Commission within 10 days. If the application is approved by Council, the Clerk must forward the application and all required attachments to the State Tax Commission for a final determination.

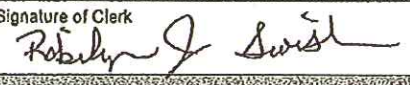
Fiscal Impact: The aggregate state equalized valuation of the property requested to be exempt considered together with property exempt under certificates previously granted and currently in force does not exceed 5% of the total state equalized value of the City. In the estimation of the assessor, granting the requested exemption(s) shall not have the effect of substantially impeding the operation of the City or impairing the financial soundness of any affected taxing unit.

If not granted, the certificates would be revoked effective with the 2015 tax year. This would result in an additional property tax burden of approximately \$47,000 to the property owner with approximately \$21,000 of that amount allocated to the city (provided none of the equipment currently abated is removed from the facility).

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk 	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))		<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3a. School District where facility is located Hillsdale 3b. School Code 30020
		4. Amount of years requested for exemption (1-12 Years) Remaining	

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

Transfer of IFT #2003-108-Personal Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. 10. No. of new jobs at this facility expected to create within 2 years of completion.

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

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

12a. Check the type of District the facility is located in:

Industrial Development District Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit)

12c. Is this application for a speculative building (Sec. 3(8))?

Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
▶ 15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey L. Turner</i>		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

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

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

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

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

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

Applicant:	Precision Gage, LLC			
Date Received:	April 2, 2014			
Property Address:	256 Industrial Drive #2003-108			
Real Property Investment:	\$ -			
Personal Property Investment:	\$ 1,364,900			
Real Property Classification:	Industrial			
	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 1,578.29	\$ 31,565.74	\$ 3,145.85	\$ 62,917.06

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robert J Swish</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (Indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Hillsdale	3b. School Code 30020
<input checked="" type="checkbox"/> Transfer (1 copy only)		4. Amount of years requested for exemption (1-12 Years) Remaining	
<input type="checkbox"/> Rehabilitation (Sec. 3(1))			

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

Transfer of IFT #2004-205-Real Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	▶ _____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	▶ _____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. No. of new jobs at this facility expected to create within 2 years of completion.

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

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

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

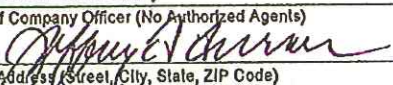
12b. Date district was established by local government unit (contact local unit) Yes No

12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
▶ 15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

Application for Industrial Facilities Tax Exemption Certificate

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To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robyn J Swish</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242	1d. City/Township/Village (indicate which) City of Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))	1e. County Hillsdale
<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3a. School District where facility is located Hillsdale
	3b. School Code 30020
	4. Amount of years requested for exemption (1-12 Years) Remaining

5. Per section 6, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Transfer of IFT #2004-205-Personal Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. 10. No. of new jobs at this facility expected to create within 2 years of completion.

11. Rehabilitation applications only; Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	_____
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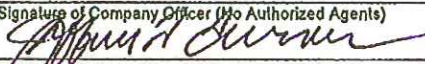
12a. Check the type of District the facility is located in:
 Industrial Development District Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
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15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

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

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

Applicant:		Precision Gage, LLC			
Date Received:		April 2, 2014			
Property Address:		256 Industrial Drive #2004-205			
Real Property Investment:	\$		800,000		
Personal Property Investment:	\$		793,150		
Real Property Classification:		Industrial			
		Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$	3,632.17	\$ 48,281.45	\$ 10,475.71	\$ 133,831.18
2016	\$	3,543.16	\$ 51,824.60	\$ 10,261.93	\$ 144,093.11

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robyn J. Swish</i>	Date received by Local Unit <i>4/2/2014</i>
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242	1d. City/Township/Village (indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9)) <input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3a. School District where facility is located Hillsdale	3b. School Code 30020
	4. Amount of years requested for exemption (1-12 Years) Remaining	

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

Transfer of IFT #2004-536-Personal Property Granted to Precision Gage, Inc.

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

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

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
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8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. Yes No

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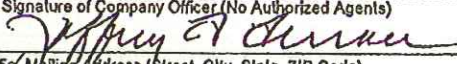
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STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Applicant:	Precision Gage, LLC			
Date Received:	April 2, 2014			
Property Address:	256 Industrial Drive #2004-536			
Real Property Investment:	\$ -			
Personal Property Investment:	\$ 1,637,941			
Real Property Classification:	Industrial			
	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 2,016.21	\$ 35,986.28	\$ 4,018.72	\$ 71,728.12
2016	\$ 1,894.01	\$ 37,880.29	\$ 3,775.16	\$ 75,503.28

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robyn J Swish</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

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All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (Indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))		<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3a. School District where facility is located Hillsdale 3b. School Code 30020
		4. Amount of years requested for exemption (1-12 Years) Remaining	

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

Transfer of IFT #2006-431-Personal Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. 10. No. of new jobs at this facility expected to create within 2 years of completion.

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

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

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

12b. Date district was established by local government unit (contact local unit) 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey L. Turner</i>		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

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

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

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

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

STC USE ONLY				
1. LUCI Code	2. Begin Date Real	3. Begin Date Personal	4. End Date Real	5. End Date Personal

Applicant:		Precision Gage, LLC		
Date Received:		April 2, 2014		
Property Address:		256 Industrial Drive #2006-431		
Real Property Investment:		\$ -		
Personal Property Investment:		\$ 957,639		
Real Property Classification:		Industrial		
	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 1,357.40	\$ 18,574.99	\$ 2,705.59	\$ 37,023.81
2016	\$ 1,285.96	\$ 19,860.95	\$ 2,563.19	\$ 39,586.99
2017	\$ 1,178.80	\$ 21,039.75	\$ 2,349.59	\$ 41,936.58
2018	\$ 1,107.36	\$ 22,147.10	\$ 2,207.19	\$ 44,143.77

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robbie J. Swish</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))		<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3a. School District where facility is located Hillsdale 3b. School Code 30020
		4. Amount of years requested for exemption (1-12 Years) Remaining	

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

Transfer of IFT #2007-142-Personal Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. _____

10. No. of new jobs at this facility expected to create within 2 years of completion. _____

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) _____

b. TV of Personal Property (excluding inventory) _____

c. Total TV _____

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

12b. Date district was established by local government unit (contact local unit) _____

12c. Is this application for a speculative building (Sec. 3(8))? Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey L. Turner</i>		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

State Tax Commission Rule Number 67: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

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

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

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

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

Applicant:	Precision Gage, LLC
Date Received:	April 2, 2014
Property Address:	256 Industrial Drive #2007-142
Real Property Investment:	\$ -
Personal Property Investment:	\$ 2,046,824
Real Property Classification:	Industrial

	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 3,206.66	\$ 36,800.26	\$ 6,391.54	\$ 73,350.56
2016	\$ 2,901.27	\$ 39,701.53	\$ 5,782.82	\$ 79,133.38
2017	\$ 2,748.57	\$ 42,450.10	\$ 5,478.47	\$ 84,611.85
2018	\$ 2,519.52	\$ 44,969.62	\$ 5,021.93	\$ 89,633.77
2019	\$ 2,366.82	\$ 47,336.44	\$ 4,717.57	\$ 94,351.34

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robert J. Swick</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242	1d. City/Township/Village (Indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))	<input checked="" type="checkbox"/> Transfer (1 copy only)	3a. School District where facility is located Hillsdale
	<input type="checkbox"/> Rehabilitation (Sec. 3(1))	3b. School Code 30020
4. Amount of years requested for exemption (1-12 Years) Remaining		

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

Transfer of IFT #2008-355-Personal Property Granted to Precision Gage, Inc.

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

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

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. 10. No. of new jobs at this facility expected to create within 2 years of completion.

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

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

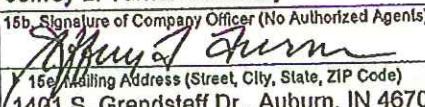
12a. Check the type of District the facility is located in:
 Industrial Development District Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
▶ 16a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
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Local Unit: Mail one original and one copy of the completed application and all required attachments to:

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

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

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

Applicant:	Precision Gage, LLC			
Date Received:	April 2, 2014			
Property Address:	256 Industrial Drive #2008-355			
Real Property Investment:	\$ -			
Personal Property Investment:	\$ 472,030			
Real Property Classification:	Industrial			
	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 792.33	\$ 7,747.22	\$ 1,579.28	\$ 15,441.81
2016	\$ 739.51	\$ 8,486.72	\$ 1,473.99	\$ 16,915.80
2017	\$ 669.08	\$ 9,155.80	\$ 1,333.61	\$ 18,249.41
2018	\$ 633.86	\$ 9,789.66	\$ 1,263.42	\$ 19,512.83

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robyn Swisher</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (Indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9)) <input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))		3a. School District where facility is located Hillsdale	3b. School Code 30020
		4. Amount of years requested for exemption (1-12 Years) Remaining	
5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed. Transfer of IFT #2011-110-Personal Property Granted to Precision Gage, Inc.			
6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.		Real Property Costs	
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total		Personal Property Costs	
6c. Total Project Costs * Round Costs to Nearest Dollar		Total of Real & Personal Costs	
7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.			
Real Property Improvements		Begin Date (M/D/Y)	End Date (M/D/Y)
Personal Property Improvements			
8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. <input type="checkbox"/> Yes <input type="checkbox"/> No			
9. No. of existing jobs at this facility that will be retained as a result of this project.		10. No. of new jobs at this facility expected to create within 2 years of completion.	
11. Rehabilitation applications only; Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.			
a. TV of Real Property (excluding land)	
b. TV of Personal Property (excluding inventory)	
c. Total TV	
12a. Check the type of District the facility is located in: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District			
12b. Date district was established by local government unit (contact local unit)		12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No	

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
▶ 15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey L. Turner</i>		15c. Fax Number (260) 925-4737	15d. Date 7-24-14
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

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

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

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

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

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

Applicant:	Precision Gage, LLC
Date Received:	April 2, 2014
Property Address:	256 Industrial Drive #2011-110
Real Property Investment:	\$ -
Personal Property Investment:	\$ 505,419
Real Property Classification:	Industrial

	Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
2015	\$ 1,131.17	\$ 5,505.01	\$ 2,254.65	\$ 10,972.62
2016	\$ 1,018.05	\$ 6,523.06	\$ 2,029.18	\$ 13,001.80
2017	\$ 923.79	\$ 7,446.84	\$ 1,841.30	\$ 14,843.10
2018	\$ 848.37	\$ 8,295.21	\$ 1,690.99	\$ 16,534.08
2019	\$ 791.82	\$ 9,087.03	\$ 1,578.25	\$ 18,112.34
2020	\$ 716.40	\$ 9,803.44	\$ 1,427.94	\$ 19,540.28
2021	\$ 678.70	\$ 10,482.13	\$ 1,352.79	\$ 20,893.07
2022	\$ 622.14	\$ 11,104.28	\$ 1,240.06	\$ 22,133.13
2023	\$ 584.44	\$ 11,688.71	\$ 1,164.90	\$ 23,298.03

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an Informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Robyn J. Swish</i>	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

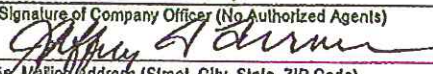
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Hillsdale	3b. School Code 30020
		4. Amount of years requested for exemption (1-12 Years) Remaining	
5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed. Transfer of IFT #2012-097-Real Property Granted to Precision Gage, Inc.			
6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.		Real Property Costs	
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total		Personal Property Costs	
6c. Total Project Costs * Round Costs to Nearest Dollar		Total of Real & Personal Costs	
7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.			
Real Property Improvements ▶ _____ _____		▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased	
Personal Property Improvements ▶ _____ _____		▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased	
8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. <input type="checkbox"/> Yes <input type="checkbox"/> No			
9. No. of existing jobs at this facility that will be retained as a result of this project.		10. No. of new jobs at this facility expected to create within 2 years of completion.	
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a. TV of Real Property (excluding land)		_____	
b. TV of Personal Property (excluding inventory)		_____	
c. Total TV		_____	
12a. Check the type of District the facility is located in: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District			
12b. Date district was established by local government unit (contact local unit)		12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No	

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
▶ 15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

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


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

STC USE ONLY				
▶ LUCI Code	▶ Beg'n Date Real	▶ Beg'n Date Personal	▶ End Date Real	▶ End Date Personal

Application for Industrial Facilities Tax Exemption Certificate

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

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an Informational packet, call (517) 373-2408.

To be completed by Clerk of Local Government Unit	
Signature of Clerk 	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

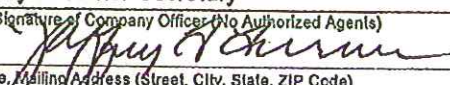
APPLICANT INFORMATION
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 256 Industrial Drive, Hillsdale, MI 49242	1d. City/Township/Village (indicate which) City of Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))	3a. School District where facility is located Hillsdale
<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))	3b. School Code 30020
4. Amount of years requested for exemption (1-12 Years) Remaining	
5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed. Transfer of IFT #2012-097-Personal Property Granted to Precision Gage, Inc.	
6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	Total of Real & Personal Costs
7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.	
Begin Date (M/D/Y)	End Date (M/D/Y)
Real Property Improvements	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. <input type="checkbox"/> Yes <input type="checkbox"/> No	
9. No. of existing jobs at this facility that will be retained as a result of this project.	10. No. of new jobs at this facility expected to create within 2 years of completion.
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12b. Date district was established by local government unit (contact local unit)	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No

APPLICANT CERTIFICATION - complete all boxes.

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13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
15e. Mailing Address (Street, City, State, ZIP Code) 1404 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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17. Name of Local Government Body	18. Date of Resolution Approving/Denying this Application

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19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
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(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
1. LUCI Code	2. Begin Date Real	3. Begin Date Personal	4. End Date Real	5. End Date Personal

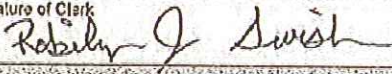
Applicant:		Precision Gage, LLC			
Date Received:		April 2, 2014			
Property Address:		256 Industrial Drive #2012-097			
Real Property Investment:		\$		292,088	
Personal Property Investment:		\$		1,979,669	
Real Property Classification:		Industrial			
		Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
	2015	\$ 6,004.40	\$ 20,335.04	\$ 13,255.72	\$ 44,434.92
	2016	\$ 5,476.59	\$ 25,811.63	\$ 12,190.42	\$ 56,625.34
	2017	\$ 5,022.63	\$ 30,834.26	\$ 11,272.31	\$ 67,897.65
	2018	\$ 4,642.52	\$ 35,476.78	\$ 10,501.38	\$ 78,399.04
	2019	\$ 4,336.24	\$ 39,813.02	\$ 9,877.65	\$ 88,276.68
	2020	\$ 4,103.82	\$ 43,916.84	\$ 9,401.09	\$ 97,677.78
	2021	\$ 3,797.54	\$ 47,714.38	\$ 8,777.36	\$ 106,455.13
	2022	\$ 3,638.96	\$ 51,353.34	\$ 8,447.99	\$ 114,903.12
	2023	\$ 3,406.53	\$ 54,759.88	\$ 7,971.44	\$ 122,874.56
	2024	\$ 3,247.95	\$ 58,007.83	\$ 7,642.07	\$ 130,516.63

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 193 of 1974, as amended. Filing is mandatory.

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To be completed by Clerk of Local Government Unit	
Signature of Clerk 	Date received by Local Unit 4/2/2014
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Precision Gage, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 333514	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 266 Industrial Drive, Hillsdale, MI 49242		1d. City/Township/Village (Indicate which) City of Hillsdale	1e. County Hillsdale
2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Hillsdale	3b. School Code 30020
<input checked="" type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Rehabilitation (Sec. 3(1))		4. Amount of years requested for exemption (1-12 Years) Remaining	

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

Transfer of IFT #2013-441-Personal Property Granted to Precision Gage, Inc.

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

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	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	_____	_____	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

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

9. No. of existing jobs at this facility that will be retained as a result of this project. _____

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a. TV of Real Property (excluding land) _____

b. TV of Personal Property (excluding inventory) _____

c. Total TV _____

12a. Check the type of District the facility is located in:

Industrial Development District Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) _____

12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No

APPLICANT CERTIFICATION - complete all boxes.

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

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

13a. Preparer Name John P. Lovinger	13b. Telephone Number (517) 437-7210	13c. Fax Number (517) 437-0260	13d. E-mail Address phandlaw@sbcglobal.net
14a. Name of Contact Person Jeffrey L. Turner	14b. Telephone Number (260) 920-2115	14c. Fax Number (260) 925-4737	14d. E-mail Address jturner@metal-technologies.co
15a. Name of Company Officer (No Authorized Agents) Jeffrey L. Turner-Secretary			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey L. Turner</i>		15c. Fax Number (260) 925-4737	15d. Date 3-24-14
15e. Mailing Address (Street, City, State, ZIP Code) 1401 S. Grandstaff Dr., Auburn, IN 46700		15f. Telephone Number (260) 920-2115	15g. E-mail Address jturner@metal-technologies.co

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

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

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

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

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

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

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

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

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

STC USE ONLY				
1. LUCI Code	2. Begin Date Real	3. Begin Date Personal	4. End Date Real	5. End Date Personal

Applicant:		Precision Gage, LLC			
Date Received:		April 2, 2014			
Property Address:		260 Industrial Drive #2013-441			
Real Property Investment:		\$ -			
Personal Property Investment:		\$ 617,000			
Real Property Classification:		Industrial			
		Real & Personal City Taxes Foregone	Cumulative City Taxes Foregone	Real & Personal Taxes Foregone - All Entities	Cumulative Taxes Foregone - All Entities
	2015	\$ 1,749.13	\$ 3,797.45	\$ 3,486.38	\$ 7,569.11
	2016	\$ 1,542.00	\$ 5,339.45	\$ 3,073.52	\$ 10,642.63
	2017	\$ 1,380.89	\$ 6,720.34	\$ 2,752.40	\$ 13,395.04
	2018	\$ 1,242.80	\$ 7,963.15	\$ 2,477.16	\$ 15,872.20
	2019	\$ 1,127.73	\$ 9,090.87	\$ 2,247.80	\$ 18,120.00
	2020	\$ 1,035.67	\$ 10,126.54	\$ 2,064.30	\$ 20,184.30
	2021	\$ 966.62	\$ 11,093.17	\$ 1,926.68	\$ 22,110.99
	2022	\$ 874.57	\$ 11,967.73	\$ 1,743.19	\$ 23,854.17
	2023	\$ 828.54	\$ 12,796.27	\$ 1,651.44	\$ 25,505.62
	2024	\$ 759.49	\$ 13,555.76	\$ 1,513.82	\$ 27,019.44

Is Property in LDFA?	Yes
Is Property in TIFA?	No

Date Application Received by STC	Company Name	Project Name/Project Location	County	Local Unit Name	School Name and Code	App/Cont'l	STC Original Action	Real Property Investment	Status of Real Property	Personal Property Investment	Status of Personal Property
5/8/1986	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1986-242	8/21/1986	50.00	Certificate Expired	50.00	Certificate Expired
1/31/1992	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1992-027	5/26/1992	50.00	Certificate Expired	50.00	Certificate Expired
3/15/1993	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1993-074	9/16/1993	50.00	Certificate Expired	50.00	Certificate Expired
6/7/1993	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1993-160	9/16/1993	50.00	Certificate Expired	50.00	Certificate Expired
1/28/1994	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1994-015	12/29/1994	50.00	Certificate Expired	50.00	Certificate Expired
6/9/1994	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1994-124	12/29/1994	50.00	Certificate Expired	50.00	Certificate Expired
8/20/1994	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1994-229	12/16/1994	50.00	Certificate Expired	50.00	Certificate Expired
5/3/1996	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1996-177	12/30/1996	50.00	Not Applicable	50.00	Certificate Expired
7/1/1996	PRECISION GAGE/DARBORN LLC, 8680 N. HAGGERTY ROAD, CANTON, MI 48187	PRECISION GAGE/DARBORN LLC, 8680 N. HAGGERTY ROAD, CANTON, MI 48187	WAYNE	Canton Charter Township	Plymouth-Canton Community Schools 82100	1996-263	10/15/1996	50.00	Certificate Expired	50.00	Certificate Expired
10/29/1996	PRECISION GAGE, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1996-014	12/30/1996	50.00	Not Applicable	50.00	Certificate Expired
9/2/1997	PRECISION GAGE, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1997-427	11/25/1997	50.00	Certificate Expired	50.00	Certificate Expired
8/5/1998	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1998-311	12/30/1998	50.00	Not Applicable	\$151,685.00	Certificate Expired
10/26/1998	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1998-279	12/8/1998	50.00	Not Applicable	\$503,331.00	Certificate Expired
10/29/1999	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1999-010		50.00	Not Applicable	50.00	Certificate Expired
9/11/2000	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2000-347	10/26/2000	\$300,000.00	Certificate Expired	\$294,669.00	Certificate Expired
7/24/2001	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Jonesville Community Schools 10030	2001-266	10/16/2001	50.00	Not Applicable	\$1,016,155.00	Approved by STC
4/4/2002	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2002-071	8/27/2002	50.00	Not Applicable	\$259,750.00	Approved by STC
4/29/2003	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2003-108	6/24/2003	50.00	Not Applicable	\$1,364,000.00	Approved by STC
7/12/2004	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2004-205	10/28/2004	\$800,000.00	Approved by STC	\$793,150.00	Approved by STC
10/28/2004	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2004-036	12/29/2004	50.00	Not Applicable	\$1,037,940.31	Approved by STC
10/2/2006	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2006-431	12/13/2006	50.00	Not Applicable	\$957,630.00	Approved by STC
4/13/2007	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2007-142	8/15/2007	50.00	Not Applicable	\$2,046,824.99	Approved by STC
9/9/2008	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2008-355	10/14/2008	50.00	Not Applicable	\$472,010.00	Approved by STC
3/24/2011	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2011-110	10/31/2011	50.00	Not Applicable	\$905,410.00	Approved by STC
4/4/2012	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2012-097	8/29/2012	\$292,088.00	Approved by STC	\$1,179,160.00	Approved by STC
10/24/2013	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	PRECISION GAGE, INC, 256 INDUSTRIAL DRIVE, HILSDALE, MI 49242	HILSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2013-441	12/16/2013	50.00	Not Applicable	\$617,000.00	Approved by STC

Date Application Received by STC	Company Name	Project Name/Project Location	County	Local Unit Name	School Name and Code	Appr/Confr	STC Original Action	Real Property Investment	Status of Real Property	Personal Property Investment	Status of Personal Property
9/9/1988	BOSE CORPORATION, P.O. BOX 414, HILLSDALE, MI 49242	BOSE CORPORATION, 260 INDUSTRIAL DRIVE, HILLSDALE, MI 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1988-351	12/20/1988	\$0.00	Certificate Expired	\$0.00	Certificate Expired
7/6/1989	BOSE CORP., P.O. BOX 414, HILLSDALE 49242	BOSE CORP., 260 INDUSTRIAL DRIVE, HILLSDALE 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1989-295	12/11/1989	\$0.00	Certificate Expired	\$0.00	Certificate Expired
4/22/1992	BOSE CORPORATION, P.O. BOX 414, HILLSDALE, MI 49242	BOSE CORPORATION, 260 INDUSTRIAL DRIVE, HILLSDALE, MI 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1992-096	7/18/1992	\$0.00	Certificate Expired	\$0.00	Certificate Expired
5/21/1997	BOSE CORP., 260 INDUSTRIAL DRIVE, HILLSDALE, MI 49242	BOSE CORP., 260 INDUSTRIAL DRIVE, HILLSDALE, MI 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	1997-161	12/10/1997	\$0.00	Certificate Expired	\$0.00	Certificate Expired
10/31/2000	FOAMADE INDUSTRIES, 260 INDUSTRIAL DR, HILLSDALE, MI 49242	FOAMADE INDUSTRIES, 260 INDUSTRIAL DR, HILLSDALE, MI 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2000-701	12/18/2000	\$8,975.00	Certificate Expired	\$209,109.00	Certificate Expired
9/16/2005	Precision Gauge Inc., 260 Industrial Drive, Hillsdale, MI 49242	Precision Gauge Inc., 260 Industrial Drive, Hillsdale, MI 49242	HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2005-386	11/10/2005	\$0.00	Not Applicable	\$170,389.00	Approved by STC
10/24/2013			HILLSDALE	City of Hillsdale	Hillsdale Community Schools 30020	2013-441	12/16/2013	\$0.00	Not Applicable	\$617,000.00	Approved by STC

App/Grant#	Date Application Received by CTC	Company Name	Project Name/Project Location	Local Unit Name	STC Digital Action	Real Property Investment	Status of Real Property	2014 STV of Real Property	Personal Property Investment	Status of Personal Property	2014 STV of Personal Property	2014 Total STV	STC Amended Action
2009-108	4/27/2003	Precision Gage, Inc, 256 Industrial Dr, Hillsdale, MI 49292	Precision Gage, Inc, 256 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	6/24/2003	50.00	Not Applicable	-	51,184,900.00	Approved by CTC	214,600	214,600	Expires 12/30/2015
2009-211	7/17/2003	Stockholme Corporation, PO Box 295 One Wacker Dr, Hillsdale, MI 49292	Stockholme Corporation, One Wacker Dr, Hillsdale, MI 49292	City of Hillsdale	8/27/2003	50.00	Not Applicable	-	56,300.00	Approved by CTC	-	-	Equipment not purchased or removed Expires 12/30/2014
2009-445	10/27/2003	Cambridge Tool & Machine Co, 324 W. Hilldale, MI 49292	Cambridge Tool & Machine Co, 324 W Hilldale, MI 49292	City of Hillsdale	12/11/2003	50.00	Not Applicable	-	589,977.00	Approved by CTC	14,200	14,200	Expires 12/30/2014
2009-476	2/12/2004	Dow Automotive, 199 Uman St, Hillsdale, MI 49292	Dow Automotive, 199 Uman St, Hillsdale, MI 49292	City of Hillsdale	12/17/2004	50.00	Revised by CTC per MCL 207.66(1)	-	50.00	Revised by CTC per MCL 207.66(1)	-	-	Revised
2009-505	7/17/2004	Metallist Inc, 260 Development Dr, Hillsdale, MI 49292	Metallist Inc, 260 Development Dr, Hillsdale, MI 49292	City of Hillsdale	10/29/2004	50.00	Approved by CTC	465,600	279,326.00	Approved by CTC	125,600	597,000	Expires 12/30/2018
2009-513	8/18/2004	Fairway Products, 301 Arch Ave, Hillsdale, MI 49292	Fairway Products, 301 Arch Ave, Hillsdale, MI 49292	City of Hillsdale	12/7/2004	50.00	Not Applicable	-	522,800.00	Approved by CTC	-	-	Expired
2009-509	9/27/2004	Hillsdale, MI 49292	Hillsdale, MI 49292	City of Hillsdale	12/7/2004	50.00	Not Applicable	-	50,000.00	Approved by CTC	11,200	11,200	Expires 12/30/2014
2009-425	10/22/2004	Auto Back Technologies Inc, 20 Superior St, Hillsdale, MI 49292	Auto Back Technologies Inc, 20 Superior St, Hillsdale, MI 49292	City of Hillsdale	12/7/2004	50.00	Not Applicable	-	292,923.00	Approved by CTC	-	-	Equipment removed
2009-446	10/27/2004	Precision Gage, Inc, 256 Industrial Dr, Hillsdale, MI 49292	Precision Gage, Inc, 256 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	12/10/2004	50.00	Not Applicable	-	292,147.00	Approved by CTC	19,800	19,800	Expires 12/30/2014
2009-516	10/27/2004	Tricorp, 300 Arch Ave, Hillsdale, MI 49292	Tricorp, 300 Arch Ave, Hillsdale, MI 49292	City of Hillsdale	12/10/2004	50.00	Not Applicable	-	51,617,908.88	Approved by CTC	216,300	216,300	Expires 12/30/2016
2009-006	2/17/2005	Loamati Industrial, 260 Industrial Dr, Hillsdale, MI 49292	Loamati Industrial, 260 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	5/21/2005	50.00	Approved by CTC	-	50.00	Approved by CTC	-	-	Equipment not purchased or removed
2009-146	9/17/2005	Cobra Motorcycles Inc, 246 Uman St, Hillsdale, MI 49292	Cobra Motorcycles Inc, 246 Uman St, Hillsdale, MI 49292	City of Hillsdale	11/10/2005	50.00	Not Applicable	-	2120,100.00	Approved by CTC	-	-	Equipment removed
2009-027	1/6/2006	Fairway Products, 301 Arch Ave, Hillsdale, MI 49292	Fairway Products, 301 Arch Ave, Hillsdale, MI 49292	City of Hillsdale	3/1/2006	50.00	Not Applicable	-	501,203.00	Approved by CTC	47,000	47,000	Expires 12/30/2018
2009-213	6/21/2006	Hillsdale, MI 49292	Hillsdale, MI 49292	City of Hillsdale	8/29/2006	50.00	Not Applicable	-	536,448.00	Approved by CTC	36,600	36,600	Expires 12/30/2017
2009-214	6/21/2006	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	City of Hillsdale	8/29/2006	50.00	Revised by CTC per MCL 207.66(1)	-	52,209,129.00	Revised by CTC per MCL 207.66(1)	-	-	Revised 8/16/2010
2009-216	7/27/2006	Southern Michigan Tool & Machine, 282 Industrial Dr, Hillsdale, MI 49292	Southern Michigan Tool & Machine, 282 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	11/1/2006	50.00	Not Applicable	-	51,632,983.00	Approved by CTC	-	-	Equipment removed
2009-148	9/1/2006	Cambridge Tool & Machine Inc, 324 W Hilldale, MI 49292	Cambridge Tool & Machine Inc, 324 W Hilldale, MI 49292	City of Hillsdale	11/29/2006	50.00	Approved by CTC	-	5196,929.00	Approved by CTC	12,500	12,500	Expires 12/30/2018
2009-431	10/27/2006	Precision Gage, 256 Industrial Dr, PO Box 277, Hillsdale, MI 49292	Precision Gage, 256 Industrial Dr PO Box 277, Hillsdale, MI 49292	City of Hillsdale	3/21/2006	50.00	Not Applicable	-	699,626.00	Approved by CTC	201,100	201,100	Expires 12/30/2018
2009-522	10/27/2006	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	City of Hillsdale	12/13/2006	50.00	Not Applicable	-	50,132,000.00	Revised by CTC per MCL 207.66(1)	-	-	Revised 8/21/2010
2009-142	6/13/2007	Precision Gage, Inc, 256 Industrial Dr, PO Box 277, Hillsdale, MI 49292	Precision Gage, Inc, 256 Industrial Dr PO Box 277, Hillsdale, MI 49292	City of Hillsdale	8/15/2007	50.00	Not Applicable	-	52,046,023.99	Approved by CTC	613,800	613,800	Expires 12/30/2018
2009-219	6/4/2007	EDGE CYLINDER HEAD, 3339 ROCK RD, Hillsdale, MI 49292	EDGE CYLINDER HEAD, 3339 ROCK RD, Hillsdale, MI 49292	City of Hillsdale	8/15/2007	50.00	Not Applicable	-	5322,000.00	Approved by CTC	15,200	14,200	Wrong local unit; Expires 12/30/2016
2009-441	9/24/2007	Mechanic St, Hillsdale, MI 49292	Mechanic St, Hillsdale, MI 49292	City of Hillsdale	11/6/2007	50.00	Not Applicable	-	550,416.49	Approved by CTC	-	-	Wrong local unit; Expires 12/30/2016
2009-493	11/1/2007	Cobra Motorcycles Inc, 246 Uman St, Hillsdale, MI 49292	Cobra Motorcycles Inc, 246 Uman St, Hillsdale, MI 49292	City of Hillsdale	12/10/2007	50.00	Not Applicable	-	552,195.00	Approved by CTC	12,800	12,800	Expires 12/30/2018
2009-503	7/29/2008	Bob Evans Farms Inc, PO Box 226 200 N Michigan, Hillsdale, MI 49292	Bob Evans Farms Inc, 200 N Michigan St, Hillsdale, MI 49292	City of Hillsdale	9/16/2008	50.00	Not Applicable	-	2719,475.00	Approved by CTC	29,200	29,200	Expires 12/30/2018
2009-354	9/9/2008	Mechanic St, Hillsdale, MI 49292	Mechanic St, Hillsdale, MI 49292	City of Hillsdale	10/14/2008	50.00	Not Applicable	-	5183,512.00	Approved by CTC	46,600	46,600	Expires 12/30/2017
2009-355	9/9/2008	Hillsdale, MI 49292	Hillsdale, MI 49292	City of Hillsdale	10/14/2008	50.00	Not Applicable	-	6222,000.00	Approved by CTC	47,000	47,000	Expires 12/30/2018
2009-462	10/21/2008	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	Madence Innovations, 27 Superior St, Hillsdale, MI 49292	City of Hillsdale	12/22/2008	50.00	Not Applicable	-	505,608.00	Approved by CTC	16,100	16,100	Expires 12/30/2017
2009-144	1/19/2009	MetalPine Litchfield Ops, 317 Anderson Rd, Litchfield, MI 49292	MetalPine Litchfield Ops, 317 Anderson Rd, Litchfield, MI 49292	City of Hillsdale (in error)	8/27/2009	50.00	Not Applicable	-	50.00	Call for info	-	-	Equipment removed
2009-540	10/29/2009	Schantz Machine, 266 Industrial Dr, Hillsdale, MI 49292	Schantz Machine, 266 Industrial Dr, Hillsdale, MI 49292	Hillsdale Township (in error)	12/21/2009	5118,915.00	Approved by CTC	93,100	929,590.00	Approved by CTC	-	-	Wrong local unit; Expires 12/30/2016; business moved; equipment transferred; Hillsdale holding; RT not transferred
2011-110	3/24/2011	Precision Gage, 256 Industrial Dr, Hillsdale, MI 49292	Precision Gage, 256 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	10/31/2011	50.00	Not Applicable	-	2599,419.00	Approved by CTC	193,200	193,200	Expires 12/30/2021
2011-159	5/19/2011	Hillsdale, MI 49292	Hillsdale, MI 49292	City of Hillsdale	10/31/2011	50.00	Not Applicable	-	548,250.00	Call for info	14,200	14,200	Expires 12/30/2021
2011-167	10/27/2011	FOUST ELECTRO MOLD, INC., 277 Industrial Dr, Hillsdale, MI 49292	FOUST ELECTRO MOLD, INC., 277 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	12/20/2011	50.00	Not Applicable	-	598,075.00	Approved by CTC	17,900	17,900	Expires 12/30/2021
2012-497	4/16/2012	Precision Gage, 256 Industrial Dr, Hillsdale, MI 49292	Precision Gage, 256 Industrial Dr, Hillsdale, MI 49292	City of Hillsdale	8/29/2012	5293,088.00	Approved by CTC	146,000	51,979,609.00	Approved by CTC	792,400	808,300	Expires 12/30/2024

201-508	6/17/2012	GENERAL AUTOMATIC MACHINE PRODUCTS COMPANY, 240 INDUSTRIAL DRIVE, HILLDALE, MI 49732	GENERAL AUTOMATIC MACHINE PRODUCTS COMPANY, 240 INDUSTRIAL DRIVE, HILLDALE, MI 49732	City of Hilldale	12/13/2013	50.00	Not Applicable	-	554,000.00	Approved by STC	100,400	Expires 12/30/2023
201-507	2/20/2013	11 Amazon Drive, 240 Arch Avenue, Hilldale, MI 49732	11 Amazon Drive, 240 Arch Avenue, Hilldale, MI 49732	City of Hilldale	9/75/2013	5120,165.00	Approved by STC	45,500	58,000.00	Approved by STC	20,200	Expires 12/30/2024
201-511	5/29/2013	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	City of Hilldale	8/77/2013	50.00	Not Applicable	-	25,500.00	Approved by STC	9,500	Expires 12/30/2017
201-506	7/8/2013	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	City of Hilldale	11/4/2013	50.00	Not Applicable	-	210,300.00	Approved by STC	62,400	Expires 12/30/2019
201-509	7/8/2013	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	Cobra Moto LLC, 240 Uran Street, Hilldale, MI 49732	City of Hilldale	11/4/2013	50.00	Not Applicable	-	516,111.00	Approved by STC	16,200	Expires 12/30/2024
201-441	10/24/2013	Precision Gauge Inc., 240 Industrial Drive, Hilldale, MI 49732	Precision Gauge Inc., 240 Industrial Drive, Hilldale, MI 49732	City of Hilldale	12/16/2013	50.00	Not Applicable	-	617,600.00	Approved by STC	270,600	Expires 12/30/2024
201-446	10/29/2013	Hercell Vanner Products LLC, PO Box 931, Hilldale, MI 49732	Hercell Vanner Products LLC, 292 Industrial Drive, Hilldale, MI 49732	City of Hilldale	12/16/2013	522,000.00	Approved by STC	107,600	52,231,382.73	Approved by STC	1,001,300	Expires 12/30/2025
						52,418,000.00		803,600			4,127,700	5,021,300

RESOLUTION # _____

RESOLUTION APPROVING IFE TRANSFERS

Minutes of a regular meeting of the common council of City of Hillsdale, held on May 5, 2014, at City Hall Council Chambers, 97 North Broad Street, in Hillsdale, Michigan, at 7:00 p.m.

PRESENT:

ABSENT:

The following preamble and resolution were offered by: _____
and supported by: _____.

Resolution Number _____ Approving Applications of Precision Gage, LLC for Transfer of Existing Industrial Facilities Exemption Certificates held by Precision Gage, Inc

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on January 13, 1975, this common council by resolution established Hillsdale Industrial Development District No. 1; and

WHEREAS, Precision Gage, LLC has filed applications for transfer of existing Industrial Facilities Exemption Certificates held by Precision Gage, Inc, and identified as follows:

- Certificate number 2003-108 Personal Property
- Certificate number 2004-205 Real and Personal Property
- Certificate number 2004-536 Personal Property
- Certificate number 2006-431 Personal Property
- Certificate number 2007-142 Personal Property
- Certificate number 2008-355 Personal Property
- Certificate number 2011-110 Personal Property
- Certificate number 2012-097 Real and Personal Property
- Certificate number 2013-441 Personal Property

Having been acquired and installed within the Industrial Development District No. 1; and

WHEREAS, before acting on said application, the City of Hillsdale held a hearing on May 5, 2014, at the City Hall Council Chambers, 97 North Broad Street, in Hillsdale, at 7:00 p.m., at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Hillsdale, after granting this certificate transfer, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the common council of the City of Hillsdale that:

1. The common council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of City of Hillsdale, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in City of Hillsdale.
2. The application from Precision Gage, LLC for transfer of existing Industrial Facilities Exemption Certificates, on the following described parcel of real property situated within the Hillsdale Industrial Development District No. 1, to wit:

Lot 21 and the north 234 feet of lot 22, Hillsdale Industrial Park Number 2

be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificates, when issued, shall be and remain in force for the same period originally approved on each certificate when issued to Precision Gage, Inc.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the common council of City of Hillsdale, County of Hillsdale, Michigan, at a regular meeting held on May 5, 2014.

Mayor's Signature

Clerk's Signature

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #7: Introduction of Ordinance/Public Hearing

SUBJECT: 2014-15 Budget Hearing (Resolutions)

BACKGROUND:

Council was presented with a budget for next fiscal year (beginning July 1, 2014) at its April 7, 2014 meeting. Prior to that time meetings with all department heads had been held and meetings with the Standing Committees were also held to discuss various components of the budget at length. The proposed budget was also posted on the website and made available at the Clerk's Office and the Library. At that time, Council also set May 5, 2014 at 7:00 p.m. as the time for a public hearing allowing the public to express their opinions regarding the budget. I would recommend that Council not engage in dialogue during the public hearing but to listen and thank members of the public for their input.

RECOMMENDATION:

Subsequent to the public hearing, I recommend that Council pass the budget and the attached Resolution levying taxes for the following year to pay for the expenditures contained in the budget. The budget will then become the blueprint for all expenditures for fiscal 2014-15.

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #7: Introduction of Ordinance/Public Hearing

SUBJECT: 2014-15 Budget Hearing (Resolutions)

BACKGROUND:

Council was presented with a budget for next fiscal year (beginning July 1, 2014) at its April 7, 2014 meeting. Prior to that time meetings with all department heads had been held and meetings with the Standing Committees were also held to discuss various components of the budget at length. The proposed budget was also posted on the website and made available at the Clerk's Office and the Library. At that time, Council also set May 5, 2014 at 7:00 p.m. as the time for a public hearing allowing the public to express their opinions regarding the budget. I would recommend that Council not engage in dialogue during the public hearing but to listen and thank members of the public for their input.

RECOMMENDATION:

Subsequent to the public hearing, I recommend that Council pass the budget and the attached Resolution levying taxes for the following year to pay for the expenditures contained in the budget. The budget will then become the blueprint for all expenditures for fiscal 2014-15.

**CITY OF HILLSDALE, MICHIGAN
RESOLUTION NO. _____**

BE IT RESOLVED, that the following sums shall be approved as budgeted and appropriated to meet the expenses of the several funds and activities of the City of Hillsdale for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

General Fund:	
City Council.....	\$ 39,950
City Manager	217,535
Economic Development.....	665,000
Administrative Services.....	194,700
Elections	14,250
Assessing Department	92,680
City Clerk.....	83,910
Finance.....	98,960
City Treasurer	127,900
Building & Grounds	123,905
Parking Lots.....	29,790
Cemeteries	117,385
Airport.....	104,805
Police Department	1,338,450
Fire Department.....	466,070
Code Enforcement	42,845
Planning Department	73,115
Public Services.....	266,095
Street Lighting	71,000
Parks	150,000
Transfers to Other Funds	333,450
 Total General Fund	 \$4,651,795

Major Streets/Trunkline Fund.....	\$ 520,370
Local Streets Fund	294,665
Recreation Fund.....	131,775
Economic Development Corp. Fund.....	58,500
Tax Increment Finance Authority Fund.....	416,200
Drug Forfeiture Fund	1,000
Library Fund	219,715
Children's Library	10,500
Capital Improvement Fund	945,650
Fields of Dreams	20,525
Mrs. Stock's Park Fund.....	25,025
Airport Improvement Fund.....	1,095,500
Dial-a-Ride Transportation Fund.....	456,680
DPS Inventory Fund	194,285

Revolving Mobile Equipment Fund.....	383,710
Unemployment Insurance Fund.....	10,000
DPS Leave & Fringe Benefits Fund	159,085
Cemetery Perpetual Care Fund	20,000

Total City at Large **\$9,614,980**

BE IT FURTHER RESOLVED, that pursuant to Section 13.7 of the City Charter, the budgets for the Hillsdale Board of Public Utilities are hereby approved as follows:

Electric Fund.....	\$13,273,200
Water Fund.....	1,255,925
Sewer Fund	1,377,500

Capital Projects	
Administrative Services.....	\$110,000
Electric.....	704,000
Water.....	144,000
Sewer	155,400

BE IT FURTHER RESOLVED, that pursuant to Section 13.6 of the City Charter, those projects which are to begin in fiscal year 2014-2015 as indicated on the report the Board of Utilities presented to Council are hereby approved for the fiscal year 2014-2015.

PASSED IN OPEN COUNCIL MEETING THIS 5TH DAY OF MAY, 2014.

Scott Sessions, Mayor

ATTEST:

Robilyn Swisher, City Clerk

CITY OF HILLSDALE, MICHIGAN
RESOLUTION NO. _____

WHEREAS, the Hillsdale City Council has held a public hearing pursuant to Public Act 5 of 1982, as amended, being 211.24e of the Michigan Compiled Laws; and

WHEREAS, the Council finds it necessary to levy the City's full available millage rate with rollback caused by PA 5 of 1982;

THEREFORE, BE IT RESOLVED, that for the purpose of defraying the general expenses and liabilities of the City and for the purpose of defraying the expenses of working upon, improving, repairing, and cleaning the streets of the City, the sum of \$ 1,968,485.20 shall be raised by a general tax of fourteen and 9205 hundredths mills (\$14.9205 per \$1,000 of taxable valuation) upon the ad valorem real and personal property in the City; and

BE IT FURTHER RESOLVED, that for the purposes of defraying the expenses of the City's public Library, the sum of \$ 131,232.35 shall be raised by a general tax 9947 hundredths of a mill (\$.9947 per \$1,000 of taxable valuation) upon the ad valorem real and personal property in the City; and

BE IT FURTHER RESOLVED, that pursuant to Public Act 88 of 1983, as amended, the City Treasurer is hereby authorized and directed to impose and collect such property tax administration fees, collection fees, and late payment charges as are authorized by law and charter.

PASSED IN OPEN COUNCIL MEETING THIS 5TH DAY OF MAY, 2014.

Scott Sessions, Mayor

ATTEST:

Robilyn Swisher, City Clerk

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #9: Old Business A – Award of Contract for Audit Services

BACKGROUND:

Finance Director, Bonnie Tew, previously sent out a Request for Proposals for audit services for the City and the Board of Public Utilities. There were eight (8) responses. After reviewing the responses both Ms. Tew on behalf of the City and Annette Kinney on behalf of the BPU, a recommendation was made the Finance Committee to retain the services of Willis & Jurasek. However, at that meeting the Finance Committee decided not to make a recommendation to full Council when considering the three (3) firms that were given the most consideration: Willis & Jurasek, Yeo & Yeo and Condon, Hecht, Bisher & Wade & Company (a local firm).

Following that meeting, Bonnie was contacted by one of the other firms, Gabridge & Co. and provided additional information. Her initial reluctance regarding this firm was that its proposal was 28% lower than the next higher bid presented by CHBW. However, after speaking with a representative of Gabridge and checking its references, she revised her recommendation to the full Council to award the contract to Gabridge. Council then referred the matter back to the Finance Committee and directed that if the Committee agreed unanimously to award the contract to Gabridge it had authority to do so. This process was approved by the City Attorney.

However, when it returned to the Finance Committee on April 14, 2014, representatives from both Gabridge and CHBW presented their proposals again. At that time Councilperson Flannery requested even more information the representative from Gabridge due to his concerns regard formatting in the independent report in four (4) cities audited by Gabridge. While an explanation was provided by the Gabridge rep, Mr. Flannery continued to have questions. Accordingly an e-mail from the Treasury Department is attached which addresses the formatting concern and an earlier e-mail from Joe Verlin sent as a result of his contact with Treasury.

The Finance Committee then met again on April 17, 2014 with Councilperson Flannery making a motion to award the contract to CHBW even though its proposal was 28% higher than the proposal presented by Gabridge. That motion failed for lack of support and Mr. Flannery made another motion to refer it back to the full Council.

RECOMMENDATION:

I am recommending that Council consider this information in light of the in-depth investigation conducted by Finance Director Tew and make a decision tonight so as to allow the auditors to begin preparations prior to June 30 for the 2014 audit.

Gabridge & Company's June 30, 2013 City Audit Submissions

City of Big Rapids

City of Fennville

City of Flushing

City of Greenville

City of Iron Mountain

City of Laingsburg

City of Manistee

City of Parchment

City of Potterville

City of White Cloud

	Hours	Cost	Variances	
			\$	%
<i>Gabridge & Company</i>	260	88,800	0	-
<i>CHBW</i>	262	113,940	25,140	28.31%
<i>Willis & Jurasek</i>	250	116,400	27,600	31.08%
<i>Yeo & Yeo</i>	263	122,000	33,200	37.39%

Bonnie Tew

From: Joe Verlin <jverlin@gabridgeco.com>
Sent: Tuesday, April 15, 2014 3:33 PM
To: Bonnie Tew
Subject: Finance Committee Question

Good Afternoon Bonnie,

One other item that I would like to mention. I contacted Cary Vaughn who is the audit manager at the Michigan Department of Treasury for local units of government. He acknowledged the issue, stated that there was no need to question the quality of the audit reports because of the omission (within the Independent Account's Report noted by the Finance Committee) as the omission inconsequential, and admitted that some of the audit reports that even the State of Michigan published had the exact same issue due to the relating timing of the AICPA standard with the related implementation guidance.

Again, please feel free to call if any further clarification is needed.

Thank you,

Joe Verlin, CPA, CGFM

Gabridge & Company

3940 Peninsular Drive SE Suite 130 / Grand Rapids, MI 49546

P 616-538-7100 x 17
F 616-538-2441
www.gabridgeco.com

Financial Advisors / Certified Public Accountants / Consultants

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Total Control Panel

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To: btew@cityofhillsdale.org [Remove](#) this sender from my allow list
From: jverlin@gabridgeco.com

You received this message because the sender is on your allow list.

Joe Verlin

From: Vaughn, Cary J. (Treasury) <VaughnC2@michigan.gov>
Sent: Friday, April 25, 2014 1:12 PM
To: Joe Verlin
Subject: RE: Clarity Standards

Joe,
Treasury will not require revised opinions or revised reports. Whether or not you update the reports for other purposes is up to you and your firm.
cary

Cary Jay Vaughn, CPA, Audit Manager, Audit Section
Michigan Department of Treasury, PO Box 30728, Lansing, Michigan 48909-8228
517-335-1206 (Direct) | 517-373-3227 (General) | 517-373-0633 (Fax)
vaughnc2@michigan.gov | [Audit & Accounting Guidance](#)
What Gets Measured, Gets Managed

From: Joe Verlin [<mailto:jverlin@gabridgeco.com>]
Sent: Friday, April 25, 2014 11:14 AM
To: Vaughn, Cary J. (Treasury)
Subject: Clarity Standards

Good Morning Cary,

I have been asked to confirm in writing a summary of our conversation from Tuesday, April 15, 2014. The summary is as follows:

- Gabridge & Company submitted four audit reports to the Michigan Department of Treasury that were missing the paragraph headings under the Clarity Standards.
- This issue (because the content, wording, scope, auditor / management responsibilities, opinion units, opinions, etc. are virtually identical between an auditor report with or without the Clarity Standards) is not considered a quality issue by the Michigan Department of Treasury given that the Clarity Standards have been implemented on a go-forward basis.
- Michigan Department of Treasury acknowledges the issue, and given the insignificance of the issue, there is no need to update previously issued reports.

Could you please confirm that the above statements represent the summarized details of our conversation?

Thank you!

Joe Verlin, CPA, CGFM

Gabridge & Company
3940 Peninsular Drive SE Suite 130 / Grand Rapids, MI 49546

P 616-538-7100 x 17
F 616-538-2441
www.gabridgeco.com

City of Hillsdale Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #9: Old Business B- City Manager Contract

BACKGROUND:

As you know, the City Manager's contract expires on May 15, 2014. There have been several meetings of the Operation & Governance Committee regarding this issue. The most recent meeting was held on April 28, 2014 where a recommendation was made to Council to award the contract as presented.

RECOMMENDATION:

This is the last Council meeting prior to the expiration of the existing contract. Accordingly, Council must take action if they, in fact, want to continue to have management services for the City. I will not be involved in this discussion and will refer to matter to the Chairperson of the Operation & Governance Committee.

Recommendation of the Operations & Governance Committee regarding a new contract with current City manager Linda Brown:

At its April 28th meeting, the Operations and Governance Committee heard public comments regarding the proposed contract with Linda Brown. Those speaking at the meeting and those indicating their feelings in letters submitted to the committee were overwhelmingly in favor of the proposed contract by a margin of 21-2, or 91%.

It was agreed by the Committee that Linda Brown has done a commendable job as Hillsdale's City manager for the past three years and that it is the committee's desire to keep her in that position if a contract can be agreed upon.

Reviewing all costs of the proposed contract with Linda Brown (\$113,340 year 1 / \$98,370 year 2) and all costs associated with the search, salary and benefits costs of seeking a new City Manager (\$127,947 year 1 / \$117,947 year 2) shows that approving the contract with Linda Brown would represent a cost savings of \$14,607 for the first year and \$19,577 the second year.

Given the overwhelming support expressed by the public, the committee's unanimous agreement on Linda's performance and the clear financial savings reflected in her contract, the Operations & Governance Committee recommends that **Council approve the contract with Linda Brown and authorize the Mayor and Clerk's signatures pending review and confirmation by the City Attorney that the terms of the new contract reflect the terms of the current contract, with the exception the changes indicated** below:

- **Length:** 1 year with an automatic 2nd year if neither party acts to negate the 2nd year.
- **Severance:** A severance amount equal to 6-months pay (\$45,500) or the balance of her remaining contract, which ever is less, should she be terminated "without cause".
- **1-time MERS Make-up payment:** ~~As previously indicated, all City employees are enrolled, by law, in the Municipal Employees Retirement System (MERS) program. Due to rules changes Linda was unable to participate in MERS during her previous contract- a fact that was unknown at the time of the contract negotiations. The amount of money the City would have paid into her account over the term of her previous contract was \$15,000. She is requesting this amount be deposited into her ICMA retirement account.~~

Omit

Respectfully submitted,



Brian Watkins
Ward 1 Councilman
O & G Committee Chairman

For additional consideration should the contract not be approved:

- Cost of city manager search estimated between \$10,00 to \$20,000
- The MML indicates a search takes an average of 75 days
- By Charter, Council has 60 days to hire a new City Manager
- Amounts for increased heal care cost (Estimated \$14,000) and legally required MERS contributions (Apx. \$5000) are currently not budgeted.
- Who will be leading the City on May 16th?

Proposed contract with current City Manager Linda Brown:

Her existing contract was a 2-year contract with an optional 3rd year. She would like a 1-year contract with an optional 2nd year.

- a. Her current contract does not include severance, though previous CM contracts did. She would like a severance clause of 6-months salary or the balance of her contract; whichever is less.
- b. Linda is asking that the amount that would have been paid into her MERS account (\$15,000) be provided in her contract as a one-time deposit into her International City Managers Association (ICMA) retirement fund. She is not seeking any further restitution for the MERS monies she will not be able to collect in the new contract period.

<p>Previous two City Manager contracts adjusted for inflation:</p> <p>Vagle:</p> <ul style="list-style-type: none"> • \$92,873/yr salary • \$10,500/yr health insurance • \$5260/yr MERS • 10% (\$9287) ICMA contribution <ul style="list-style-type: none"> ○ Total \$117,920 ○ Assistant: \$60,000 ○ Grand Total: \$177,920 <p>Mitchell</p> <ul style="list-style-type: none"> • \$93,250/yr salary • \$11,500/yr health insurance • \$5886/yr MERS • 10% (\$9325) ICMA contribution <ul style="list-style-type: none"> ○ Total \$119,961 ○ Assistant: \$65,000 ○ Grand Total: \$184,961 	<p>Linda's current contract:</p> <ul style="list-style-type: none"> • \$91,000/yr salary • \$1,000/yr in lieu of health insurance • 7% (\$6370) ICMA contribution <ul style="list-style-type: none"> ○ Total \$98,370 • <i>47% Lower than previously paid for same work (CM and Assistant)</i> • <i>18% Lower than previous CM contract</i>
<p>Michigan Municipal League:</p> <ul style="list-style-type: none"> • \$90,102/yr salary • \$15,569/yr benefits • \$3667/yr MERS • 9% (\$8109) ICMA contribution <p>Total \$117,447</p> <p>MML Estimated Search Cost¹: \$11,000</p> <p>Albion April 2014 Search Cost: \$10,000</p>	<p>Linda's requested contract:</p> <ul style="list-style-type: none"> • \$91,000/yr salary • \$1,000/yr in lieu of health insurance • 7% (\$6370) ICMA • \$15,000 one-time ICMA contribution <p>Total \$113,340</p> <ul style="list-style-type: none"> • Year 1: 15% increase from previous contract • Year 2: 0% increase from previous contract
	<p>Estimated Cost of New Hire:</p> <ul style="list-style-type: none"> • \$90,102 MML Average Salary • \$15,569 benefits • \$3667 MERS • \$8109 ICMA • \$10,500 MML CM Search <p>Total: \$127,947</p> <ul style="list-style-type: none"> • Year 1: 30% increase from previous contract • Year 2: 19% increase from previous contract

Recommendation:

As you can see in the table above, searching for and hiring a new City Manager is estimated to cost considerably more than retaining Linda Brown. While there is an increased cost for the first year of the contract by way of the \$15,000 ICMA deposit, that amount is less than the City would pay for health benefits for a new City Manager in the first year alone, representing a savings to the City. During her entire tenure as City

¹ 10% Salary plus advertising costs (estimated \$750) and background investigations (estimated 5 @ \$225)

Manager, Linda has saved the City over \$40,000 in health benefits costs. By forgoing health benefits and MERS contributions in the 2 years of her proposed contract, the City stands to save an additional \$34,000. An additional note is that the job Linda is currently performing for under \$100,000 was previously performed by two individuals at a cost of nearly \$200,000.

Given the dedication to the people of this City that she has displayed as City Manager over the past three years, the depth of experience she has complied while serving the City of Hillsdale since 2000, that her most recent evaluation shows her as performing at or above expectations in almost every area, that every communication to this Committee or Council regarding the pending contract has been a positive endorsement of her performance combined with the fact that every member of this Committee and Council have all publicly stated that they are satisfied with the job Linda is doing and that they do not desire to look for a new City Manager at this point, the question becomes one of numbers. Approving the proposed contract terms represents a considerable cost savings to the people of Hillsdale at a time when our budget is tighter than ever and cutting the budget has been a key priority of Council.

I recommend that the Operations & Governance Committee present the Council with the proposed contract and it's recommendation for approval at the May 5th Council meeting.



Brian Watkins
Ward 1 Councilman
O & G Committee Chairman

April 7, 2014

Hillsdale City Council
Hillsdale, MI 49242



Re: Linda Brown

We have watched with interest, the latest discussion regarding Linda Brown's job evaluation.

As an active non-profit volunteer group under the City of Hillsdale, we have had frequent contact with Ms. Brown on many levels. With her help, we were able to obtain a grant to fund needed renovations and repairs to the Mitchell building. Additionally, the addition of the Pulver Collection to the building has been a valuable asset to the community under her direction. She continues to assist us with social events to promote the Mitchell building on a daily basis. During the past years, Ms. Brown has supported our efforts to make the Mitchell Research Center a treasure of the community.

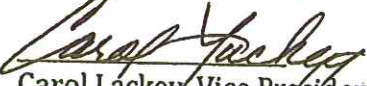
In every instance, Linda Brown's professional direction for the City of Hillsdale has been in service to the city whom she serves. During your deliberation of her job performance, we would ask to be heard as supporting the excellent job that she provides to the City of Hillsdale.

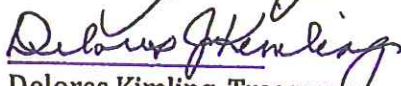
Please feel free to contact any of the undersigned volunteers of the Mitchell Research Center if you have questions.

Sincerely,

FRIENDS OF MITCHELL RESEARCH CENTER


Evelyn Jacob, President


Carol Lackey, Vice President


Delores Kimling, Treasurer


Claudia A. Mesarosh, Recording Secretary

Rosemary Easler
Rosemary Easler, Statistical Secretary

Richard Jones
Richard Jones, Sgt-at-Arms

Janis Reister

Mypna Milligan

Sandra Trombley

Mypna Bailey

Jean A. Dieterle

Linda M. Sitter

Bonnie C. McCosh

Jim McCosh

Joanne P. Miller

10 Elm Hill
Hillsdale MI 49242

April 9, 2014

Brian Watkins, Chair
Operation & Governance
City of Hillsdale
City Hall
Hillsdale MI 49242

Re: Linda Brown

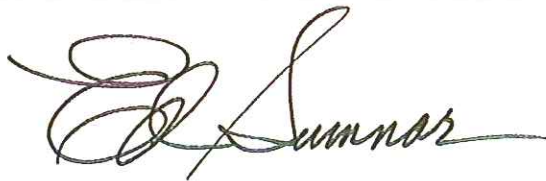
Dear Councilman Watkins:

It is my understanding that your committee is in the process of renewing Linda Brown's employment contract.

As a resident of Hillsdale for nearly fifty years I have had the pleasure of working with Linda on several City Boards. Her tremendous abilities never cease to amaze me. Linda is intelligent, thorough, fair, and honest. Additionally, she brings a wealth of legal knowledge to issues as a result of many years of employment working with the law.

I believe Linda Brown to be an exceptional City Manager and ask council to renew her contract so Hillsdale will have her oversight for many more years.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Sumnar". The signature is fluid and cursive, with a large initial "E" and "S".

Edmund J. Sumnar

Mr. Mayor and City Council Members:

My name is Judy Buzo. I have worked for the City of Hillsdale since Oct. 3, 1977, and I am presently employed as supervisor of the Hillsdale Dial-A-Ride transit system. During my employment, I have worked under six city managers, and I believe that my opinion should be considered in regards to the attributes of Linda Brown.

This information is important especially because there are 3 new Council Members who may not be aware of the management skills of Linda Brown.

My observation has shown me that Linda Brown has competent management abilities. She plays no favorites. Most of the employees hold Linda in high regard, which I think keeps their moral high while working on there jobs, in that they know, they will be treated fairly.

I have personally seen her resolve complaints from the public, bringing quickly the matter to a mutual satisfaction.

For the new members I want you to be aware that Linda Brown and Bonnie Tew worked as a team to spearhead the construction of our new Dial-A-Ride building, and saw it to completion. Our building, at the time of construction, was valued at \$798,413.10. I am sure it has increased in value since then. The only cost incurred by the city was a small engineering fee. It took a lot of time to work out all of the details, since Linda was trying to fund the building without expense to the city. Unfortunately only 2 City Council members came to inspect the building when it was completed.

There are many other subjects which I could bring to mind regarding Linda Brown, but I feel that these mentioned are sufficient enough to let the council know and be aware of the asset we have in Linda Brown as City Manager.

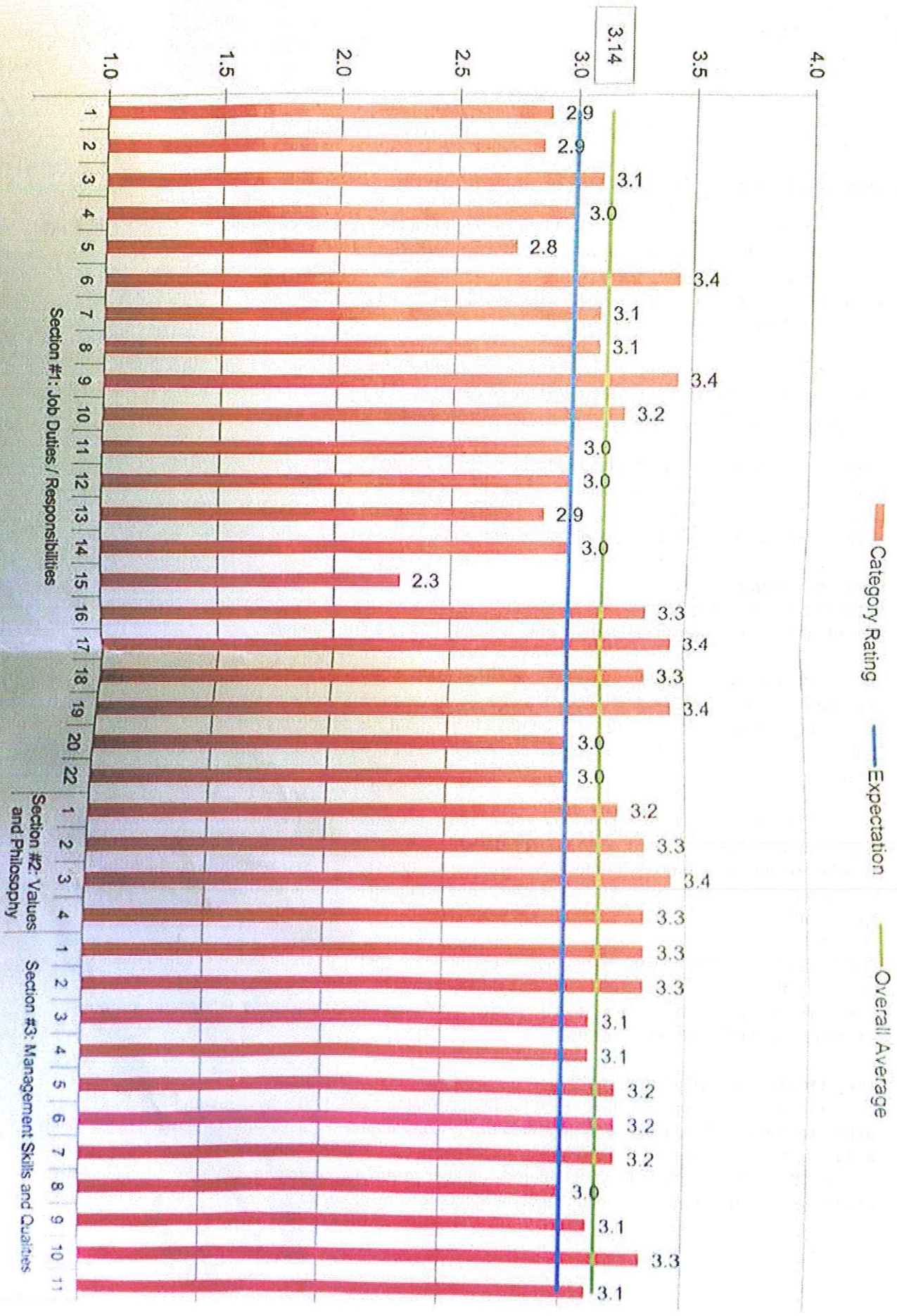
I've heard it said; that when someone or something works well ,don't try to fix it.

I trust you will consider my opinion.

Sincerely,

Judy Buzo, Dial-A- Ride Supervisor

Evaluation



OVERVIEW OF A TYPICAL EXECUTIVE SEARCH PROCESS

The Michigan Municipal League is committed to strengthening the quality of municipal government and administration in Michigan. In terms of executive search, we recognize that selecting effective leadership for an organization is critical to organizational success. Accordingly, we work closely with our clients to gain a full understanding of the priorities of the community and structure the search process to gain a complete picture of a candidate's experience, qualifications and management style. This helps to ensure the best possible employment match, resulting in a successful, long-term placement.

As a non-profit membership organization, we are able to offer our members and other public sector employers highly professional executive search services at a very competitive price. Further, our objective is clear: to find the best management professionals to serve our member communities.

A typical executive search includes the tasks detailed within this section. However, each search process is tailored to meet the specific needs of the client community. Typically a search project proceeds with the following activities and requires 60 to 90 days to complete depending upon timing of ad placement, availability of candidates and elected officials and other factors.

Develop Recruitment Profiles

In the first meeting, the search facilitator will facilitate a work session to develop a comprehensive recruitment profile. The recruitment profile typically has two components:

1. The Candidate Profile outlines in detail the qualifications, experience and professional characteristics required for employment, and is designed to reflect the goals and priorities of the community. The completed profile will be used throughout the selection process as an objective tool for determining the most appropriate candidates to be interviewed, and ultimately a final selection.
2. The Community Profile provides a detailed description of the position, the organization (i.e. organizational structure, services provided, etc.) and the community itself. This component is an excellent opportunity to promote the benefits of your city or region to prospective candidates (i.e. local and regional attractions, school systems, community strengths and cultural or entertainment opportunities.)

The recruitment profile is used to develop a recruitment brochure which is featured on the MML website in its entirety. The brochure is also emailed directly to hundreds of Managers, Assistant Managers, department heads and other municipal professionals as identified to directly promote awareness and interest in the position.

Targeted Outreach (Optional Task)

In some cases it is helpful for the search facilitator to also meet with other stakeholders to gain a fuller perspective of the needs and priorities of the community. This extended outreach ensures an inclusive, collaborative process and ideally takes place during development of the candidate profile. These stakeholder meetings may include individual or group meetings with department heads, city employees, community and business leaders, public forums or focus groups or others as identified.

Develop and Administer Recruitment and Outreach Campaign

In order to recruit and select the most qualified candidates, it is necessary to effectively market the position to the widest and most appropriate audience. To accomplish this, we will develop an outreach and advertising campaign that includes placing advertisements in various professional publications specific to the area of expertise being sought. Our advertising strategy will include both written and electronic publications as well as direct recruitment efforts that include some or all of the following:

- MML Classified Ads (website, features complete recruitment brochure)
- ICMA Newsletter
- ICMA Website
- Other professional associations as appropriate (i.e. MGFOA, Illinois or Ohio Public Manager's Association, etc.)
- Other public associations as appropriate (i.e. MTA, MAC, etc.)
- Direct email and fax campaign
- Direct personal contacts

The full recruitment brochure will be featured on the League's web site which receives an average of 4,000 hits per week. This practice provides an excellent opportunity to promote the position and the community to a wide range of prospective candidates.

In addition to advertising the position, we will utilize our extensive network of contacts to identify professionals in transition and managers who may have an interest in the opportunity. We focus the recruiting effort on attracting the most qualified candidates, including passive candidates whom we target with direct recruiting and contact to promote interest in the position.

These customized and comprehensive outreach and recruiting activities result in the highest quality candidate pool. Following the closing date for receipt of résumés, we will proceed with résumé review and interviews.

Screen Résumés and Narrow Field of Applicants

As résumés are received, we will review each applicant against the criteria established in the candidate profile and identify those candidates who most closely meet the city's requirements. As appropriate, we will conduct prescreening interviews to ensure a comprehensive initial screening process.

At the conclusion of this initial screening process, the facilitator will present the hiring authority with a summary of the applicants, including their education, experience and related professional strengths and accomplishments. This applicant summary serves as the basis for a suggested "short-list" of the strongest candidates for further consideration. After discussion and consideration, the hiring authority will determine the candidates to invite to a personal interview.

Preliminary Reference Review and Background Investigation

As the field of applicants is narrowed, we will conduct preliminary reference reviews to verify an applicant's prior work history and learn more about the candidates' experience, past performance, and management style.

We will also assist in identifying a third party vendor to perform an in-depth background check (credit history, driving record, criminal record, educational verifications, etc.) for the final candidate. This extensive background investigation is completed by a third party vendor, and we will provide options and suggestions related to this. We will coordinate the background investigation free of charge, but the actual cost of the investigation will be billed as a project expense.

This level of investigation typically begins once a conditional offer of employment is extended to the final candidate.

Interview and Selection Process

Once a list of final candidates has been developed, we will assist in coordinating and scheduling interviews. As well, we will assist the hiring authority in developing their interview questions, with a focus on management technique, problem solving strategies and other topics related to the priorities outlined in the candidate profile.

Further, we will offer guidance and advice concerning appropriate interview topics as well as those that should be avoided. While our executive search facilitators have extensive experience in the field of human resources, and specifically interview and selection, they are not attorneys. It is always advisable for the city attorney to be apprised of the proposed interview and selection process.

A search facilitator will attend and facilitate the interviews with each of the final candidates. At the conclusion of the interview process, we will facilitate discussion and evaluation of each candidate.

Keep in mind that our search facilitators do not presume to choose the best candidate for the position. That important decision is completely at the discretion of the hiring authority. Rather, we will aide in assessing interview responses and how they relate to the objective criteria established in the candidate profile and provide related guidance and expertise.

Typically our intensive prescreening and interview process is sufficient for a client to reach a decision on extending a conditional offer of employment. Further, timing is critical in an executive search and any delay in action can result in losing a highly sought candidate. However, in some cases, the client community desires a second interview, or may even wish to consider additional candidates from its original pool of applicants. We will arrange and facilitate additional interviews at no additional cost.

Contract Negotiation and Search Close Out

We will facilitate the process of negotiating an employment agreement with the selected candidate. This may include sample contract language, comparative pay recommendations, severance clause suggestions or other topics about which the hiring authority may have questions.

After the hiring authority has reached an agreement with the individual selected for the position, we will perform closing tasks, such as notification of unsuccessful candidates.

Typical project timeline

Activity	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Weeks 11 & 12
Initial Meeting: Establish meeting dates, create profiles, recruitment strategy, ad language	■										
Optional targeted outreach with individuals/groups		■	■								
Place ads		■	■								
Direct recruitment, active solicitation of candidates			■	■	■	■					
Application screening, initial reference checks			■	■	■	■					
Prepare short list, meet & review candidates						■	■	■			
Conduct first interviews							■	■	■		
2 nd interviews, "meet & greet," site visits, etc.								■	■	■	
Extend conditional offer, negotiate terms								■	■	■	
Background checks, pre-employment tests as needed								■	■	■	■
Close out activities									■	■	■

OUR SEARCH FACILITATORS

Our executive search facilitators have decades of experience in local government management and understand the unique skills and abilities required to succeed in this environment. A facilitator will be assigned to work with you based on your preference and their availability. Our facilitators include:

Robert A. Hamilton: Mr. Hamilton is the 2007 recipient of the prestigious Jack M. Patriarche award, the highest award given by the MLGMA in recognition of outstanding service in city management. He retired as City Manager from the City of Monroe and has over 25 years of experience in municipal management. Mr. Hamilton holds a Master's degree in public administration and has served as President of the Michigan Local Government Management Association.

Bill Baldrige: Mr. Baldrige is the 2002 recipient of the prestigious Jack M. Patriarche award, the highest award given by the MLGMA in recognition of outstanding service in city management. A graduate of the prestigious Fels Institute of the University of Pennsylvania, he retired in 1994 after 20 years as City Manager of Royal Oak, MI. Mr. Baldrige has also served as President of the International City and County Management Association and the Michigan City Management Association.

Paul Preston: Retired City Manager of the City of Mount Pleasant, Mr. Preston has nearly 30 years of experience in municipal management. Throughout his distinguished career, Mr. Preston was extensively involved in the MML, ICMA and MLGMA, including many leadership roles.

Alan Bakalarski: Mr. Bakalarski has decades of experience as a professional City Manager, including serving the City of Alpena for many years and most recently holding the position of City Manager in Ishpeming. He has been involved in professional associations including the International City and County Management Association and the Michigan Local Government Management Association.

Joyce Parker: Ms. Parker has a Master's degree in Public Administration from the University of Michigan and over thirty years of experience in City Management for full-service communities in the State of Michigan and Illinois, including suburban and urban cities as well as charter townships undergoing rapid growth and development. She is active in the Michigan Local Government Management Association and International City and County Management Association.

Below are listed some of the municipalities that have utilized the executive search services of the League in recent years. Clients have included cities, villages, counties and townships of all sizes throughout the State.

Previous executive search clients

City of Albion	City of Hart	Village of Bellevue
City of Alpena	City of Highland Park	Village of Beverly Hills
City of Baraga	City of Howell	Village of Caro
City of Battle Creek	City of Huntington Woods	Village of Cass City
City of Belding	City of Inkster	Village of Cassopolis
City of Berkley	City of Iron Mountain	Village of Constantine
City of Big Rapids	City of Ironwood	Village of Douglas
City of Bloomfield Hills	City of Ishpeming	Village of Franklin
City of Boyne City	City of Keego Harbor	Village of Holly
City of Brown City	City of Lapeer	Village of Kalkaska
City of Buchanan	City of Leslie	Village of Kingsley
City of Caro	City of Marine City	Village of Lake Orion
City of Cass City	City of Marlette	Village of L'Anse
City of Cedar Springs	City of Menominee	Village of Mattawan
City of Chelsea	City of Milan	Village of Middleville
City of Clawson	City of Monroe	Village of Newberry
City of Clio	City of Mount Pleasant	Village of Oxford
City of Croswell	City of Muskegon Heights	Village of Paw Paw
City of Davison	City of Norton Shores	Village of Reese
City of Eastpointe	City of Norway	Village of Sparta
City of East Grand Rapids	City of Parchment	Village of Stockbridge
City of Escanaba	City of Plymouth	Village of Wolverine Lake
City of Evart	City of Portland	Brighton Township
City of Farmington	City of Rogers City	Delhi Township
City of Ferrysburg	City of Saint Clair	Huron Township

City of Frankenmuth
City of Frankfort
City of Grayling
City of Grosse Pointe
City of Grosse Pointe Woods
City of Hamtramck
City of Harper Woods
City of Hillsdale

City of Saline
City of Sandusky
City of Tecumseh
City of Three Rivers
City of Troy
City of White Cloud
City of Whitehall
City of Williamston
City of Woodhaven

Lyon Township
Oakland Township
Shelby Township
Hartland Township
Spring Lake Township
Ypsilanti Township
Coloma Township
County of Saint Joseph
White Lake Fire Authority
Saginaw County Road Commission
Western Washtenaw Recycling Auth.

PROJECT FEES AND EXPENSES

Professional Fees

The Michigan Municipal League's fee for executive search is typically 10% of the annual salary level for the position, but can be higher depending on the scope of search services undertaken. For example, including targeted outreach activities would result in higher fees. Most of our executive searches for member communities do not exceed 10%.

The Michigan Municipal League prefers to set a specific "not-to-exceed" dollar amount when the city has determined the scope of service it desires and a salary range for the position.

Project Expenses

In addition to professional fees, project expenses related to the executive search process are billed at actual cost and are estimated as follows:

- Actual cost of advertising: The number of ads placed and publications chosen are at the discretion of the hiring authority. We will provide information concerning rates for advertisements prior to ad placement. Typically advertising costs are around \$750, depending on the length of ad and number of publications.
- Actual cost of background investigation: The cost of investigation varies based on the items chosen, but typically range from \$150 to \$300 per candidate.
- Actual costs of travel and related out-of-pocket expenses incurred by the search facilitator: It should be noted that it is the policy of the League to minimize out-of-pocket expenses to the greatest extent possible. We charge the IRS rate for mileage reimbursement and make every effort to avoid overnight stay.

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #10: New Business A – BPU – Clean Water State Revolving Fund Project Plan

BACKGROUND:

I have attached a memo from BPU Director, Rick Rose detailing some significant issues regarding the wastewater treatment plant. As you can see from the memo, DEQ has worked with BPU to address some of their concerns, however, the EPA is now pressuring DEQ to take enforcement action against BPU including the possibility of a fine and the imposition of a consent order. Accordingly, a plan to address the concerns was sent to DEQ in mid-March proposing a timeline for compliance. That plan included application by July 1, 2014 to the State Revolving Fund including alternatives for making the corrections.

Mr. Rose is requesting that Council set a public hearing to be held in Council Chambers at 7:00 p.m. on Tuesday, June 10, 2014 at the BPU regular meeting. This will give the public opportunity to give input and comment regarding the project alternatives. He encourages Council to attend the meeting to hear the details presented.

Following the hearing, the Board will determine the most appropriate alternative and send it to Council in the form of a Resolution to formally adopt the plan at its meeting to be held on June 16, 2014.

RECOMMENDATION:

I recommend that Council set a public hearing for June 10, 2014 at 7:00 p.m. in Council Chambers to be held during the BPU meeting.

Memo

To: Mayor and Council
From: Rick J. Rose
CC: City Manager
Date: 4/29/2014
Re: Set Public Hearing for Clean Water State Revolving Fund Project Plan

For the last two years we have been working on improvements at our Waste Water Treatment Plant (WWTP), since some staff changes at that time brought significant deficiencies to light. We have greatly increased our operation & maintenance activities with an associated rise in spending. With all of the issues we face with a plant that has portions that are 67 years old, we are not keeping pace and treatment issues frequently arise. Last year Council passed a resolution to submit for a SAW Grant of \$111,000 for developing a plan to address the shortcomings at the WWTP and we are first in line for this grant in 2015.

Earlier this year we had a meeting with representatives of the Michigan Department of Environmental Quality (DEQ) where we were notified that that they were extremely concerned with ammonia violations of our NPDES permit that had occurred last summer and an untreated overflow due to equipment malfunction in the fall. They stated that they were under pressure from the EPA to take enforcement action on these events despite all of the things that we have been doing to upgrade and improve WWTP performance. We were informed that that they were considering a fine and imposition of consent order, which would impose legal time frames for compliance. We were given 30 days to reply with a written explanation about what we were doing to address the situation. A written response was sent out to the DEQ in mid-March that contained a proposed plan timeline.

Included in that plan timeline was a July 1, 2014 submittal of a State Revolving Fund application, which is a detailed action plan consisting of several project alternatives ranging from doing nothing to building an entirely new facility. Engineering estimates for basic plant upgrade is \$5,173,000, while another design utilizes a renewable combined heat and power component (CHP) and comes in at \$6,398,000. If we were to build a completely new facility that would cost \$24,326,000. I favor the CHP proposal due to the advantages of onsite generation using process generated methane, which could offer future opportunities to expand power generation at the plant.

As part of the SRF process we are required to hold a public hearing to present the alternatives to the public and a transcript of the public hearing needs to be attached to the SRF plan

proposal. With the time frame so tight we need to set the public hearing as soon as possible to meet the submittal deadline of July 1. The public notice needs to be published 30 days before the public hearing so it is imperative that the Hearing date be set ASAP. The timing on this is far from ideal, but the DEQ has indicated their support of the plan as outlined and will not pursue a consent order or fine if we act on this in good faith.

Cost for this upgrade will have an impact on rates, but some of the improvements will qualify for energy efficiency grants and green reserve debt forgiveness so the overall project costs will be reduced. Our engineers estimate the new plant will cost about \$125,000 per year to operate and an average customer should only see a \$3.00 to \$4.00 per month on their bill.

I am requesting that the Council set a Public Hearing to give the public an opportunity to hear about and comment on the proposed project plan scheduled on Tuesday, June 10, 2014 at 7:00 PM in the Council Chambers of City Hall. This is a regular BPU Board meeting night and the Board will conduct the hearing as part of its meeting. I would encourage Council members to attend and hear the details presented and take part in the opportunity to comment.

At the end of the public hearing the BPU Board will determine the alternative to be pursued and send on to Council a Resolution to formally adopt the project plan and implement the selected alternative so that Council can act on this at its June 16, 2014 meeting. This will allow us to meet the July 1, 2014 submittal deadline.

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #10: New Business B – Requests for Street Closures – Hillsdale College

BACKGROUND:

Two requests were hand-delivered from Hillsdale College on April 29, 2014 for street closures. The first request is to close N. West Street between College Street and Galloway/Barber Drive from approximately 1:00 p.m. to 4:00 p.m. on Friday, May 9, 2014 for a ground breaking ceremony.

The second request is to close Hillsdale Street between College Street and Galloway/Barber Drive from 10:00 a.m. to 6:00 p.m. on Saturday, May 10, 2014 for the commencement ceremony.

Inasmuch as these requests involve the public rights of way, it will be necessary for a representative from the College to appear before Council and convince Council that the closures are for public purposes. In the event of approval there will be required temporary traffic control orders and a right-of-way permits.

The college is also requesting barricades and signage to be provided by DPS but have indicated College personnel will pick the requested items up at DPS and deliver them back following the events. They have also indicated their staff will place, remove and attend to all necessary barricades and traffic control signs.

RECOMMENDATION:

I recommend that Council listen to the College representative provide its reasoning for why the closures are for public purposes and if satisfied, authorized the closures.

City of Hillsdale

Agenda Item Summary

Meeting Date: May 5, 2014

Agenda Item #10: New Business C – Airport Expansion – Contract for Professional Engineering Services (Resolution)

BACKGROUND:

At its April 21 meeting Council authorized signatures on an agreement between the City and MDOT-Aero which put the funding in place for the next phase of the project. Before that contract is returned, I need to have a blanket resolution designating the individuals authorized to sign contracts on behalf of the City. I have included the resolution for your consideration.

Now that the agreement is in place to fund the next phase, I have received a contract for Professional Engineering Services from the City's consultant. The project covered by the contract is for design services for the partial parallel taxiway and the entrance road design. As you can see, the fee for the services is \$83,500.00. The contract with MDOT is for \$90,000.00 so there is adequate funding for the proposed services.

RECOMMENDATION:

I recommend that Council pass the enclosed Resolution and then authorize signatures on the contract with RS&H Michigan, Inc. subject to legal review.

October 2008

CONTRACT FOR PROFESSIONAL ENGINEERING SERVICE

This Contract is made and entered into this _____ day of _____, in the year 20____ by
and between the Airport Owner, hereinafter referred to as SPONSOR,

City of Hillsdale

97 Broad Street

Hillsdale, Michigan 49242

and the Engineer, hereinafter referred to as the CONSULTANT,

RS & H Michigan, Inc

827 Willow Run Airport, 2nd Floor

Ypsilanti, Michigan 48198

for the following PROJECT:

Location: Hillsdale Municipal Airport

Hillsdale, Michigan

Description: Parallel Taxiway and Entrance Road Design

(See Attachment D - Sketch for Location of Work Areas.)

WHEREAS, the SPONSOR desires to engage the CONSULTANT to perform professional engineering services for the described project;

WHEREAS, the SPONSOR has caused a review to be made of the qualifications of the CONSULTANT and is satisfied the CONSULTANT is competent and qualified;

WHEREAS, the CONSULTANT is willing and able to accomplish the services provided and set forth hereinafter in this Contract;

WHEREAS, the SPONSOR will compensate the CONSULTANT, in accordance with the terms and conditions set forth in this Contract.

NOW, THEREFORE, the parties agree to the following:

ARTICLE 1 – DESCRIPTION OF WORK TO BE DONE

The services to be furnished by the CONSULTANT to the SPONSOR, as set forth in Attachment E, Scope of Work/Services, together with obligations of the SPONSOR or the SPONSOR's Agent (Michigan Department of Transportation (MDOT), Office of Aeronautics), hereinafter referred to as AERO, will contain certain information and data which will consist of the following described elements. Additional explanations are included in Attachment E.

DESIGN PHASE (1)

Element 1.11 - Pre-Design Conference

A pre-design conference called by the SPONSOR will be held between the SPONSOR, the CONSULTANT, and any other participating or regulatory governmental agency. This pre-design conference will be held for the express purpose of having the CONSULTANT ascertain from responsible representatives of each group, the SPONSOR and all participating governmental agencies, their individual project requirements affecting the scope of work, budget, design standards, presentation of final plans, and documents. The requirements set forth in this pre-design conference will be confirmed in writing by the CONSULTANT to the SPONSOR, with copies to each participating unit of government.

Element 1.12 - Engineering Survey

The CONSULTANT will determine the areas to be covered and make the necessary engineering field surveys to determine existing and topographical conditions, earth work, drainage, pavement conditions, structural elevations, and field testing as may be required to complete plans and specifications.

Element 1.13 - Detailed Construction Plans and Specifications

Plans and specifications will be certified by the CONSULTANT for compliance with current Federal Aviation Administration (FAA) and AERO requirements in effect at the time the plans and specifications are prepared. The CONSULTANT will prepare and furnish to the SPONSOR and AERO, in paper format, one copy of the final detailed construction plans and specifications for the work described above, presented on drawings (22" x 34") and other necessary documentation (8-1/2" x 11"). This will include but is not limited to; grading, drainage, paving, lighting, turf establishment, structures, construction safety phasing, etc. The documents will set forth, in detail, requirements for prospective bidders to submit proposals and the successful bidder to construct the project. Plans and specifications will comply with the requirements established in the pre-design conference, if applicable, together with the common practice of design and ethical practices of professional engineers. The CONSULTANT will also furnish one set of review plans if requested.

All projects bid through the MDOT letting will also include two electronic files in portable document format (pdf) along with a signed and sealed paper title sheet. The electronic files will be set up to print clearly in scalable 11" x 17" and 22" x 34" plan sheets.

Element 1.14 - Estimate of Probable Construction Cost

The CONSULTANT will prepare and submit to both the SPONSOR and AERO one copy of a detailed estimate of construction costs based upon the detailed plans and specifications prepared under Element 1.13. This statement of probable construction cost prepared by the CONSULTANT represents the CONSULTANT's best judgment as a design professional at the

time the estimate is finalized. This estimate will include the estimated amount for CONSULTANT services during construction. It is recognized, however, that neither the CONSULTANT nor the SPONSOR has any control over the cost of labor, materials, or equipment; over the contractor's method of determining bid prices; or over competitive bidding or market conditions. Accordingly, the CONSULTANT cannot and does not guarantee that bids will not vary from any statement of Probable Construction Cost or other cost estimates prepared by the CONSULTANT.

Element 1.15 - Engineering Report

The CONSULTANT will prepare and furnish to both the SPONSOR and AERO one copy of an engineering report which relates to the SPONSOR and participating governmental agencies the fundamental considerations and concepts used in design of the project. This report will include the basic design factors for drainage, pavement design, and scheduling of the various phases of the project during construction as may be required to maintain both ground and air traffic. Deviation in design and construction standards will be included in the engineering report.

Element 1.16 - Users Conference (if required)

The CONSULTANT will prepare for the SPONSOR an estimated time schedule to be followed during the construction period. This estimated time schedule of construction will be presented by the SPONSOR and the CONSULTANT in a meeting with airport users. The CONSULTANT will furnish one copy of the estimated time schedule to the SPONSOR for printing and disbursement to the users by the SPONSOR. However, it is recognized that neither the CONSULTANT nor the SPONSOR has absolute control over the estimated time schedule presented to any person, group, or organization.

Element 1.17 - Obligations of SPONSOR or AERO to CONSULTANT

When requested by the CONSULTANT, one copy of all existing data applicable to this project and in the possession of the SPONSOR or AERO or any other agency of government will be furnished at no cost to the CONSULTANT. Existing data will include but not be restricted to the following:

- 1) As-constructed plans.
- 2) Pavement design data/pavement condition index.
- 3) Soil borings, analysis, and classification.
- 4) Drainage design data.
- 5) Topographic notes and maps.
- 6) Approach data and zoning maps.
- 7) Property maps, including fee ownership and easements, and land descriptions.
- 8) All local, state, federal ordinances, regulations, or laws affecting the project.
- 9) Aerial photography, prints, topographic maps, etc.

The SPONSOR or AERO will furnish for projects bid by MDOT, at no cost to the CONSULTANT, standard contract documents for bidders, including but not restricted to the following:

- 1) Notice to contractors (including advertising charges).
- 2) Instructions to bidders.
- 3) All federal, state, or local wage rates as applicable to this project.

- 4) General provisions of the contract.
- 5) Supplemental provisions of the contract.
- 6) Special provisions of the contract (except as may be supplemented by the CONSULTANT).
- 7) Standard construction specifications (except as may be supplemented by the CONSULTANT).
- 8) Standard supplemental specifications (except as may be supplemented by the CONSULTANT).
- 9) Standard testing requirements (except as provided by the CONSULTANT).
- 10) Proposal.
- 11) Construction contract.
- 12) Form of performance and lien bond.
- 13) Reproducible copies of all standard plans to be incorporated in the contract plans and documents.

The SPONSOR or AERO, at no cost to the CONSULTANT, will furnish the location for the receipt of bids, the tabulation and recording of bids, the disbursement of information before and after the bid process, and the award of construction contracts.

All such services, data, information, and documents furnished by the SPONSOR or AERO will be furnished at the SPONSOR's expense.

Element 1.18 - Conferences and Meetings

The following conferences and meetings will be attended by the CONSULTANT and the SPONSOR at the location indicated for the purpose of coordination, information, and understanding.

- 1) Pre-Design Conference as provided under Element 1.11 to be called by the SPONSOR and to be held at the project site.
- 2) Progress meetings to be determined by the SPONSOR will be held at the office of the SPONSOR and attended by the CONSULTANT to apprise the SPONSOR of progress, to resolve any problems, to answer questions, and for general coordination.
- 3) Upon completion by the CONSULTANT of final plans, specifications, cost estimates, and engineering report, the CONSULTANT will submit copies to the participating governmental agencies for approvals as required. After reasonable time for review by the SPONSOR and participating governmental agencies, a meeting called by the SPONSOR may be held to review final plans with the SPONSOR and participating governmental agencies at the project site.
- 4) Upon determination of the estimated construction time schedule, a users conference as provided under Element 1.16 is to be called by the SPONSOR, to be held at a location designated by the SPONSOR.
- 5) Upon advertising the project for bids, the CONSULTANT and the SPONSOR or AERO will hold a pre-bid meeting or briefing with the prospective bidders at the project site to explain the project to the bidders and answer questions from prospective bidders. Any addendum information necessary will be submitted in a timely manner to the bidding agency by the CONSULTANT. In addition, any bids over the engineers' construction estimate by ten (10) percent or more will be sufficiently justified before proceeding with award or recommended rejected by the CONSULTANT.

CONSTRUCTION PHASE (2)

Element 1.20 - Sufficient Personnel

The CONSULTANT will provide sufficient personnel and services necessary to comply with AERO Project Engineers Manual, the latest revision at the time this Contract is awarded.

Element 1.21 - Pre-Construction Conference

A pre-construction conference called by the SPONSOR or AERO will be held between the SPONSOR, the FAA (if applicable), AERO, any other participating or regulatory governmental agencies, the Contractor(s) and the CONSULTANT. This pre-construction conference will be held for the Contractor and CONSULTANT to receive instructions from the SPONSOR and participating/regulatory governmental units, to develop construction schedules, and to coordinate construction.

Element 1.22 - General Information and Coordination

The CONSULTANT will provide information and coordination to the SPONSOR and Contractor as to the understanding of the plans and specifications. The CONSULTANT will not guarantee the performance of the Contractor but will report to the SPONSOR any work and materials which, in the opinion of the CONSULTANT, do not meet the requirements of the plans and specifications. The CONSULTANT will not be responsible for any acts of the Contractor whatsoever but will only pay the contractor for work performed that meets the requirements of the plans and specifications.

Element 1.23 - Engineering Survey and Layout as May be Applicable

The CONSULTANT will take original ground elevations in areas of excavation for the purpose of determining pay quantities for excavation. The CONSULTANT will stake out the work for line and grade. The stake out will consist of one set of earth grade stakes spaced not more than one hundred feet apart, with cut or fill from top of stake to the earth grade marked on the stake; slope stakes around the perimeter of grade; one set of offset stakes for drainage spaced not more than twenty-five (25) feet apart with offset distance to center of pipe and flowline of pipe marked on the stake; one set of blue top stakes driven to grade spaced not more than fifty (50) feet apart for finish base course or pavement grade; and one offset line along the edge of pavement denoting location of each light fixture. All bench marks and alignment P.O.T.'s will be available to the Contractor for his reference and checking of the CONSULTANT's stakes. The CONSULTANT will not be responsible for setting stakes other than described above, for any stakes disturbed, and any stakes set by others including bench marks and P.O.T.'s.

Element 1.24 - Materials Testing and Shop Drawings

The CONSULTANT will review and approve material testing reports submitted by the Contractor to determine if test reports meet the requirements of the specifications and will submit two copies of material testing reports to the SPONSOR or AERO. The CONSULTANT will review and approve shop drawings to determine compliance with plans and specifications and will submit two copies of all shop drawings to the SPONSOR or AERO.

Element 1.25 - Field Tests and Grade Inspection as May be Applicable

The CONSULTANT will make periodic field tests and grade inspection at the project site to

determine, in the opinion of the CONSULTANT, if materials and workmanship conform to the plans and specifications. Field tests will include compaction tests for soils in place; gradation tests for aggregates; extraction tests for bituminous mixtures and compaction tests for in-place bituminous pavements; and slump, entrained air, and yield tests for concrete pavement.

Element 1.26 - Cost Estimate and Change Orders/Contract Modifications

The CONSULTANT will prepare periodic cost estimates, change orders/contract modifications, and stop and start orders as may be applicable during the construction period and present three copies of the same to the SPONSOR or AERO for approval and processing. All projects bid through MDOT lettings will have all estimates and contract modifications processed using the FieldManager computer program.

Element 1.27 - Weekly Reports

The CONSULTANT will prepare FAA Form 5370-1, Construction Progress and Inspection Report or FieldManager inspector daily reports, and submit copies to the SPONSOR or AERO weekly during the construction period.

Element 1.28 - Final Inspection

The CONSULTANT will be present at final inspection, together with the SPONSOR, AERO, participating governmental units, and the Contractor.

Element 1.29 - Final Quantities - As-Constructed Plans

The CONSULTANT will compute final pay quantities, prepare as-constructed plans, and update all plan sheets of the current Airport Layout Plan (ALP) that shows work constructed under the project. The As-Constructed Plans will be submitted to the SPONSOR and AERO for approval in an electronic pdf file. The updated ALP will be submitted in paper (22"x 34") and in an electronic pdf file to the SPONSOR and AERO.

Element 1.30 - Equipment

The CONSULTANT will furnish all necessary surveying and field testing equipment to accomplish the above named work.

SUBCONSULTANT SERVICES (3)

Element 1.31 - Subconsultant Service

Any services to be provided by subconsultants will be provided for in a subconsultant agreement, which will meet the written approval of the SPONSOR. Costs of subconsultant services will be included in Element 3.1 – Fee. The CONSULTANT will not apply a fixed fee on any of the costs for subconsultant services.

ARTICLE 2 – TIME OF BEGINNING AND COMPLETION

DESIGN PHASE (1)

Element 2.11 - Time of Beginning

Upon acceptance of this Contract by both the SPONSOR and the CONSULTANT, the CONSULTANT will have seven (7) days from the date of notification to proceed in which to

organize and actually commence work.

Element 2.12 - Time for Completion

The estimated time for the CONSULTANT to complete the work named in Element 1.11 through Element 1.18 of this Contract, and to submit final plans to the SPONSOR for the SPONSOR's approval is Sixty (60) calendar days from the date the CONSULTANT actually starts work. The CONSULTANT will report his progress to the SPONSOR at the monthly progress meetings, as required under Element 1.18, to keep the SPONSOR informed of progress and any adjustments to the estimated time schedule which may be necessary because of information supplied to the CONSULTANT by the SPONSOR or AERO, as provided under Element 1.17, or any other reasons beyond the control of either the SPONSOR or the CONSULTANT. Changes in time for completion will be in accordance with Element 4.4.

CONSTRUCTION PHASE (2)

Element 2.21 - Time of Beginning

Provided the Notice to Proceed is issued sufficiently in advance of the start of construction, the CONSULTANT will begin work seven (7) days prior to the effective date of the Notice to Proceed to the Contractor. If not, the CONSULTANT will coordinate the beginning of work with the work of the construction contractor.

Element 2.22 - Time for Completion

The CONSULTANT will finish all work under this Contract within thirty (30) days after final acceptance of the construction work by the SPONSOR.

ARTICLE 3 – PAYMENT

Element 3.1 - Fee

The SPONSOR agrees to pay the CONSULTANT as full compensation for services rendered as set forth in this Contract as follows:

Phase 1 Design

Elements 1.11, 1.12, 1.13, 1.14, 1.15, 1.16, 1.18 and 1.31 a firm fixed fee of \$83,500.00. A breakdown of the cost is included as Attachment C. .

The SPONSOR will compensate the CONSULTANT for requested printed materials in excess of those identified, in accordance with the following:

Black Print Plan sheets (22" x 34")	\$2.50 /sheet
Black Print on White Paper (11" x 17")	\$0.50 /sheet
Black Print on White Paper (8.5" x 11")	\$0.25 /sheet

Phase (2) Construction

Elements 1.20, 1.21, 1.22, 1.23, 1.24, 1.25, 1.26, 1.27, 1.28, 1.29, 1.30, and 1.31 a firm fixed fee of _____ (to be negotiated as an Amendment to this Contract, upon completion of design and advertising for bids).

The fee described above will be considered payment in full by the SPONSOR to the CONSULTANT for all services rendered except as hereinafter provided under Article 4 - Element 4.3 - Changes in Work and Element 4.4 - Delays and Extensions. Phase (2) Construction may not be needed if it is determined by the SPONSOR to terminate this Contract at the completion of Phase (1) Design.

Element 3.2 - Progress Payments

Phase (1) Design/Phase (2) Construction

Progress payments for completed work will be based on the following schedule of payments:

All charges for service will be due and payable upon receipt of invoice by SPONSOR. In the event Phase (1) Design is completed but bids are not received, final payment will be due and payable sixty (60) days after completion of Phase (1) Design.

The CONSULTANT will submit periodic invoices for services rendered. Each invoice will be based upon the proportion of the total service actually completed at the time of billing. The final invoice will be a minimum of 10% of the total contract amount. Payment on this invoice will be retained by AERO until all Contract requirements have been completed. The SPONSOR will make prompt payments in response to the CONSULTANT's periodic statements.

The CONSULTANT agrees to pay each subconsultant for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the CONSULTANT receives from the State of Michigan or SPONSOR. The CONSULTANT agrees further to return retainage payments to each subconsultant within ten (10) calendar days after the subconsultant's work is satisfactorily completed. Any delay or postponement of payment from these time frames may occur only upon receipt of written approval from the SPONSOR or AERO. These requirements are also applicable to all sub-tier subconsultants and will be made a part of all subconsultant agreements.

This prompt payment provision is a requirement of 49 CFR, Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a subconsultant against the SPONSOR or the State of Michigan. This provision applies to both Disadvantaged Business Enterprise (DBE) and non-DBE subconsultants.

The CONSULTANT further agrees that it will comply with 49 CFR, Part 26, as amended, and will report any and all DBE subconsultant payments to AERO semi-annually in the format set forth in AttachmentG, dated June 1, 2001, attached hereto and made a part hereof, or any other format acceptable to the SPONSOR or AERO.

At the end of the State of Michigan fiscal year, the CONSULTANT will submit estimated payment amounts for both the CONSULTANT and contractors working on projects the CONSULTANT is supervising. These amounts will be submitted to the State of Michigan to establish a payable account.

ARTICLE 4 - MISCELLANEOUS PROVISIONS

Element 4.1 - Miscellaneous Provisions

The CONSULTANT will follow, insofar as applicable and reasonable and as approved by the SPONSOR, current design standards set forth by the SPONSOR, AERO and other participating governmental agencies in effect at the time the work herein provided is started. In the event design standards change after the CONSULTANT has completed that portion of the work to which a particular standard may apply, and in the event the CONSULTANT is required by the SPONSOR to make revisions to completed work to meet revised standards and certification requirements, the CONSULTANT will be entitled to additional compensation as provided under Element 4.3 - Changes in Work.

Design standards, standard plans, specifications, special conditions, contract documents, and requirements developed by the SPONSOR, AERO, or other participating governmental agency and required to be incorporated in the final plans and documents will not be the responsibility of the CONSULTANT. All liability to third parties, for loss or damage as a result of claims, demands, costs, or judgments arising out of activities, to be carried out by the SPONSOR in the performance of this contract will be the responsibility of the SPONSOR, and not the responsibility of the CONSULTANT, if the liability, loss, or damage is caused by or arises out of, the action or failure to act on the part of the SPONSOR, or any elected or appointed officer, employee or agent of the SPONSOR, provided that nothing herein will be construed as a waiver of any governmental immunity that has been provided to the SPONSOR, or any elected or appointed officer, employee or agent of the SPONSOR by statute or court decision.

Element 4.2 - Ownership of Documents

Completed original documents, such as final contract plans, maps and specifications prepared or obtained by the CONSULTANT as provided under the terms of this Contract will be submitted in final form. The final form of the originals will be delivered to and become the property of the SPONSOR. Original basic survey notes, sketches, charts, drawings, partially completed drawings, computations, quantities and other data will remain in the possession of the CONSULTANT as instruments of service but will be made available, upon request, to the SPONSOR without restriction or limitation on their use.

In the event any of the above documents are revised by the SPONSOR, the nameplates of the CONSULTANT will be removed and the SPONSOR will assume full responsibility for the reuse of these documents.

The original signed and sealed title sheet for projects bid through MDOT will be retained in AERO files. The CONSULTANT will be provided a scanned .tif electronic file for use in completing the as-constructed plan sheets.

Element 4.3 - Changes in Work

By mutual acceptance of both the SPONSOR and the CONSULTANT, changes in work from that work described in this Contract, including changes in original design standards and changes in previously completed final plans may be accomplished by amendment to this Contract. Each amendment will describe the revision or addition of work in detail. The associated cost of the revised or additional work will be defined in a fixed dollar amount, and an adjustment to the payment schedule (if applicable) contained in this Contract will be provided. Any change to the

contract time will also be defined in each amendment. Each amendment must be signed and dated by both the SPONSOR and the CONSULTANT.

Element 4.4 - Delays and Extensions

Changes in the estimated time schedule as may be required by the SPONSOR or the CONSULTANT will be in writing, setting forth the reason for delay or extension, and the estimated time adjustment necessary or as provided in Element 4.3 - Changes in Work.

Element 4.5 - Insurance and Liability

The CONSULTANT will maintain worker's compensation and public liability insurance as required by law and will, upon request, show proof of compliance with this requirement.

Element 4.6 - General Compliance with Laws

Unless otherwise specified, this Contract will be governed by the laws of the principal address of the SPONSOR. The CONSULTANT agrees to comply with all federal, state and local laws applicable to the work.

Element 4.7 - Subletting, Assignment and Transfer

The SPONSOR and the CONSULTANT each binds themselves, their partners, successors, assignees and legal representatives to the other party to this Contract and to the partners, successors, assignees, and legal representatives of such other party with respect to all covenants of this Contract. Neither the SPONSOR nor the CONSULTANT will assign, sublet, or transfer their interest in this Contract without the written consent of the other.

Element 4.8 - CONSULTANT's Endorsement

The CONSULTANT will seal and sign all final plans and specifications furnished to the SPONSOR.

Element 4.9 - Disputes

All disputes concerning a question of fact in connection with work not disposed of by agreement between the SPONSOR and the CONSULTANT will be settled through standard court actions.

Element 4.10 - Responsibility for Claims and Liability

The CONSULTANT will save harmless the SPONSOR, AERO, FAA, or other governmental agencies from all claims and liability due to negligence of the CONSULTANT or its subcontractors, except as provided in Element 4.1.

Element 4.11 - Assignment of Antitrust Rights

With regard to claims based on goods or services that were used to meet the CONSULTANT's obligation to the SPONSOR or AERO under this Contract, the CONSULTANT hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the MDOT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or MDOT.

The CONSULTANT will require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the MDOT with regard to claims based on goods or services that were used to meet the

CONSULTANT's obligation to the MDOT under this Contract due to any violation of 15 USC, Sections 1 - 15 and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or MDOT as a third-party beneficiary.

The CONSULTANT will notify the SPONSOR if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the CONSULTANT's obligation to the SPONSOR or AERO under this Contract may have occurred or is threatened to occur. The CONSULTANT will also notify the SPONSOR or AERO if it becomes aware of any persons intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services that were used to meet the CONSULTANT's obligation to the SPONSOR or AERO under this Contract.

Element 4.12 - Prohibition of Discrimination in State Contracts

The CONSULTANT hereby agrees to comply with the requirements of Appendix A, attached hereto and made a part hereof.

Element 4.13 – Additional Provisions

Additional provisions of this Contract are included as Attachment B.

Element 4.14 – Non-Construction Requirements

The CONSULTANT hereby agrees to comply with the requirements of the Non-construction requirements of Attachment F, attached hereto and made a part hereof.

IN WITNESS WHEREOF the parties hereto have fixed their hand this day and date first written above.

ACCEPTED BY THE SPONSOR

Witness: _____

City of Hillsdale
SPONSOR

97 Broad Street
Street Address

Hillsdale, Michigan 49242
City, State & Zip Code

BY: _____

Authorized Representative of SPONSOR

.....
ACCEPTED BY THE CONSULTANT


Witness: _____

RS&H Michigan, Inc.
CONSULTANT

827 Willow Run Airport, 2nd Floor
Street Address

Ypsilanti, Michigan 48198
City, State & Zip Code

BY: _____


Authorized Representative

Resolution No. _____

WHEREAS, the City of Hillsdale has the authority to contract with the Michigan Department of Transportation for State and/or Federal funds for airport related services; and

BE IT FURTHER RESOLVED that the Mayor and Clerk are authorized to enter into and execute on behalf of the City of Hillsdale all Contracts and Project Authorizations with the Michigan Department of Transportation for Airport related services pursuant to Contract No. 2014-0345.

Passed in open Council the 5th day of May, 2014.

Scott Sessions- Mayor

Robilyn Swisher- Clerk

CERTIFICATE

This undersigned duly qualified Clerk of the City of Hillsdale certifies the foregoing is a true and correct copy of a Resolution adopted at a legally convened meeting of the Council of the City of Hillsdale held on May 5, 2014.

Robilyn Swisher- Clerk

Dated: May __, 2014.

APPOINTMENTS

Carol Lackey

Cemetery Board

Term Starting: May 2014

Term Ending: May 2019



FOR IMMEDIATE RELEASE
APRIL 29, 2014

Contact: Michael Shore
517-335-4590
Shorem2@michigan.org

Bob Evans Farms expanding in Hillsdale, adding 17 new jobs

LANSING, Mich. – Bob Evans Farms will be expanding and adding jobs in Michigan with support from the Michigan Economic Development Corporation, the MEDC announced today. The expansion is expected to generate up to \$4.1 million in new capital investment and create 17 new jobs in Michigan.

“Bob Evans’ investment and growing presence here demonstrate Michigan’s leadership in agriculture and food production, and we thank the company for continuing to expand in Michigan,” said MEDC President and CEO Michael A. Finney. “It is through the efforts of the City of Hillsdale and the Economic Development Partnership of Hillsdale County that this expansion is taking place, and we are very pleased to support this collaboration.”

Bob Evans Farms, headquartered in Columbus, OH, is a category leader in fresh sausage, refrigerated mash potatoes, and side dishes. It also owns nearly 600 full-service restaurants in 19 states. The company plans to refurbish and expand an existing packaging facility in the **City of Hillsdale**, investing up to \$4.1 million and creating 17 new jobs. The Michigan Economic Development Corporation is supporting the project with a six mill State Education Tax exemption estimated at \$119,000.

“On behalf of the City of Hillsdale, it is a great honor for me to be able to thank Bob Evans Farms for expanding its facility, growing its operation, and creating more much-needed employment opportunities in Hillsdale,” said City of Hillsdale Mayor Scott Sessions. “It is a very exciting time for all of Hillsdale, and I am grateful to the Bob Evans Corporation for selecting the Hillsdale facility for its expansion. I hope this is just the beginning of greater employment growth and better economic times for the City of Hillsdale.”

“A 12-year PA 198 IFT tax abatement from the City of Hillsdale will result in \$523,000 in property tax savings for Bob Evans Farms,” said City Manager Linda Brown. “The tax abatement will help the company increase its productivity and output of product, and ultimately increase employment opportunities for Hillsdale residents.”

South Central Michigan Works!, in coordination with the Hillsdale Economic Development Partnership of Hillsdale County, regional Michigan Works! partners, local colleges, MEDC, and other partners, will provide hiring and training assistance.

“Bob Evans’ expansion highlights the continued growth of Michigan’s food and agriculture sector,” said Michigan Department of Agriculture and Rural Development Director Jamie Clover Adams. “The food and agriculture industry in the state, across the country, and around the world knows that Michigan is open for business.”

“The Economic Development Partnership of Hillsdale County is very focused on our agricultural sector and extremely pleased that Bob Evans has chosen to invest in our county,” said Economic Development Partnership of Hillsdale County Executive Director Susan M. Smith. “The EDP works diligently in partnership with the MEDC, the Michigan Department of Agriculture, Hillsdale County, South Central Michigan works and the City of Hillsdale to support the growth of Bob Evans Farms in any way possible.”

Job applicants can apply for open positions at <http://employment.bobevans.com/>.

Pure Michigan is a brand representing business, talent and tourism initiatives across Michigan. These efforts are driven by the Michigan Economic Development Corporation, which serves as the state’s marketing arm and lead advocate for business growth, jobs and opportunity with a focus on helping grow Michigan’s economy.

For more on the MEDC and its initiatives, visit: MichiganBusiness.org. For Michigan travel news, updates and information, visit michigan.org. Michigan residents interested in seeking employment with any of Michigan’s growing companies should check mitalent.org, where more than 73,000 jobs are currently available in a variety of industries.

###

Linda Brown

From: Michigan Dept of Transportation <MDOT@govsubscriptions.michigan.gov>
Sent: Wednesday, April 30, 2014 8:17 AM
To: Linda Brown
Subject: NEWS - MDOT's Reality Check: "Roads like Ohio"



FOR IMMEDIATE RELEASE

WEDNESDAY, APRIL 30, 2014

CONTACT: Jeff Cranson, MDOT Director of Communications, 517-335-3084

MDOT's Reality Check: "Roads like Ohio"

April 30, 2014 -- "We need to find out how Ohio builds roads that are so much better than Michigan's."

The latest "Reality Check" video and fact sheet from the Michigan Department of Transportation (MDOT) examines why Ohio's roads are in better shape than Michigan's: greater investment.

"The heart of this myth isn't that Ohio's roads are better than Michigan's – they are – it's about why they're better," said State Transportation Director Kirk T. Steudle. "It's not some secret formula. Ohio simply invests \$1 billion more each year in its roads than Michigan does."

The video and fact sheet outline how, per capita, every other state in the country invests more in its roads than Michigan does. Among its Midwestern neighbors, Michigan spends \$60 to \$376 less per capita on transportation each year.

Reality Check #4: Build Roads Like Ohio

Myth: Ohio's roads are so much better than Michigan's. MDOT needs to learn how they do it so they can build better roads.

Reality: There's no secret to why Ohio's roads are better than Michigan's. They spend \$1 billion more each year on them.

Throughout the year, MDOT will continue to take on more transportation myths. Future topics will include issues like: why signs are replaced when they are, the safety of roundabouts, truck weights, road-

building standards, and the effect of gas prices on fuel tax revenues. The first four myths, and the facts that create them, are available at www.michigan.gov/realitycheck. Media outlets are welcome to link to the fact sheets, or broadcast the videos.

###

Roadway Work Zone Safety - We're All in This Together.

- [Reality Check Fact Sheet 4 - Roads like Ohio.pdf](#)

The Michigan Department of Transportation:
Providing the highest quality integrated transportation services for economic benefit and improved quality of life.
For more information, go to www.michigan.gov/mdot.

[Questions?](#)
[Contact Us](#)

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This email was sent to lbrown@cityofhillsdale.org using GovDelivery, on behalf of: Michigan DOT · 425 W. Ottawa St. · Lansing, MI 48909 · 517-373-2090

Total Control Panel

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