FINAL AGENDA FOR THE COUNCIL MEETING
CITY OF PORTAGE
APRIL 23, 2019

7:00 p.m. Call to Order.

Invocation.

Pledge of Allegiance.

Roll Call.

Proclamations:

1. Global Love Day
2. Arbor Day

A. Consent Agenda: (To hear about items included on the Consent Agenda, visit: www.portagemi.gov/544/Podcasts)

1. Approval of City Council Meeting Minutes:
   a. Regular Meeting Minutes of April 9, 2019.
   b. Budget Review Session Meeting Minutes of April 16, 2019.
   c. Pre-Council Meeting of April 22, 2019.
2. Approval of the Accounts Payable Register of April 23, 2019 as presented.
3. Adopt the Resolution setting a public hearing on May 7, 2019 for the Fiscal Year 2019-2020 Proposed Budget and the proposed 2019 tax levy.
4. Adopt the:

   a. Bond Resolution authorizing the sale of Capital Improvement Bonds, Series 2019, in the amount of $4,890,000; and
   b. Resolution approving the Undertaking to Provide Continuing Disclosure by the City of Portage for Capital Improvement Bonds, Series 2019.
5. Minutes of Boards & Commissions:
   a. Historic District Commission of February 6, 2019.
   b. Youth Advisory Committee of March 18, 2019.
6. Materials Transmitted from April 9, 2019.

B. Petitions and Statements of Citizens:

C. Communications:

1. Calendar of Meetings;

   - City Council Budget Session #2, Tuesday, April 30, 2019, 5:00 p.m. in City Hall Room #1.
   - Historic District Commission, Wednesday, May 1, 2019, 8:15 a.m. in City Hall Room #2.
   - Park Board, Wednesday, May 1, 2019, 6:30 p.m. at West Lake Nature Preserve.
   - Human Services Board, Thursday, May 2, 2019, 6:30 p.m. in City Hall Room #1.
   - Planning Commission, Thursday, May 2, 2019, 7:00 p.m. in Council Chambers.
   - Committee of the Whole, Tuesday, May 7, 2019, 5:15 p.m. in City Hall Room #1.
2. Presentation by the Park Board regarding an annual update to goals and objectives.

D. Public Hearings:

1. Subsequent to the public hearing, approve Rezoning Application #18/19-5, 1700 East Centre Avenue.

2. Subsequent to the public hearing, adopt the:

    1. recommendation that the sewer commodity rate remain at $4.60 per 1,000 gallons of metered water;
    2. recommendation that the water commodity rate remain at $3.14 per 1,000 gallons of metered water;
    3. recommendation that adjustments be made to the sewer and water base quarterly charges as noted in the 2019 Utility Rate Financial Study;
    4. recommendation that the new rates become effective on July 1, 2019;
    5. recommended water and sewer franchise area fees and other service fees and charges as outlined in the 2019 Utility Rate Financial Study.

E. Regular Business Agenda:

F. Unfinished Business:

G. Council Committee Reports:

H. New Business:

I. Statements of Citizens:

J. Statements of City Council and City Manager.

Adjournment.

CITY OF PORTAGE
PROCLAMATION

GLOBAL LOVE DAY

WHEREAS, The Love Foundation Inc., a non-profit organization, has announced GLOBAL LOVE DAY to facilitate in establishing LOVE & PEACE on our planet; and

WHEREAS, GLOBAL LOVE DAY will establish a worldwide focus towards "unconditionally loving each other as we love ourselves;" and

WHEREAS, We are one humanity on this planet; and

WHEREAS, All life is interconnected and interdependent; and

WHEREAS, All share in the universal bond of love; and

WHEREAS, Love begins with self-acceptance and forgiveness; and

WHEREAS, With respect and compassion we embrace diversity; and

WHEREAS, Together we make a difference through love; and

WHEREAS, The Love Foundation Inc., invited mankind to declare May 1, 2019 as GLOBAL LOVE DAY, a day of forgiveness and unconditional love. GLOBAL LOVE DAY will act as a model for all of us to follow, each and every day.

NOW, THEREFORE, BE IT RESOLVED THAT I, Patricia M. Randall, as Mayor of Portage, hereby dedicate and proclaim May 1, 2019, as GLOBAL LOVE DAY in the City of Portage and invite all citizens to observe this day, which honors the public cause for Global Love, World Peace and Universal Joy.

Signed this 23rd day of April, 2019.

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Patricia M. Randall, Mayor

CITY OF PORTAGE
PROCLAMATION

National Arbor Day

WHEREAS, The importance of trees to the quality of the environment is recognized by designation of April 26th as National Arbor Day; and

WHEREAS, The National Arbor Day Foundation is a non-profit group committed to tree planting and conservation; and

WHEREAS, Trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, Trees in our City increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, The City of Portage has been designated as a Tree City USA by The National Arbor Day Foundation for its efforts in tree planting and tree conservation; and

WHEREAS, Officials from the Youth Advisory Committee and other City officials donated 250 trees to the community at-large-at an annual Earth Day event and provided trees to the Portage Central High School Gardening Club and Portage Northern High School Gardening Club for campus beautification.

WHEREAS, City Officials and officials from the Environmental Board and Youth Advisory Committee will be participating in planting 500 trees at the Gourdneck Lake State Game Area in celebration of Arbor Day.

NOW, THEREFORE, BE IT RESOLVED THAT I, Patricia M. Randall, Mayor of the City of Portage do hereby proclaim April 26, 2019 as Arbor Day in Portage and do hereby encourage all residents to plant trees at their homes and places of work.

Signed this 23rd day of April, 2019

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Patricia M. Randall, Mayor

CITY COUNCIL MEETING MINUTES FROM APRIL 9, 2019

The Regular Meeting was called to order by Mayor Randall at 7:00 p.m. The following members were present: Councilmembers Chris Burns, Richard Ford, Lori Knapp, Claudette Reid, Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Patricia Randall. Also in attendance were City Manager Larry Shaffer, Assistant City Attorney Matthew Quardokus and City Clerk Adam Herringa.

At the request of Mayor Randall, the audience observed a moment of silence to honor all religions and personal beliefs and as the city strives to make Portage an affordable and safe place for all families to live. Following the moment of silence, City Council and the audience recited the Pledge of Allegiance.

PROCLAMATION: At the invitation of Mayor Randall, Ms. Pat Maye of the Human Services Board read a proclamation in recognition of Fair Housing Month. Mayor Randall thanked Ms. Maye for the work of the Human Services Board in support of promoting fair housing in the community. Ms. Maye summarized the work of the Fair Housing Center of Southwest Michigan and the importance of education related to fair housing requirements.

CONSENT AGENDA: Mayor Randall shared where the public can access the meeting agenda and asked if any Councilmember or anyone in the audience would like an item removed from the Consent Agenda. Item A.5, Idaho Avenue Reconstruction Project, was removed. Motion by Knapp, seconded by Pearson, to approve the Consent Agenda as amended. Upon a roll call vote, motion carried 7 to 0.

APPROVAL OF MINUTES: Motion by Knapp, seconded by Pearson, to approve the Committee of the Whole and Regular Meeting Minutes of March 26, 2019 and Pre-Council of April 8, 2019. Upon a roll call vote, motion carried 7 to 0.

APPROVAL OF ACCOUNTS PAYABLE REGISTER OF APRIL 9, 2019: Motion by Knapp, seconded by Pearson, to approve the Accounts Payable Register of April 9, 2019. Upon a roll call vote, motion carried 7 to 0.

SETTING OF A PUBLIC HEARING ON WATER AND SEWER RATES: Motion by Knapp, seconded by Pearson, to establish a public hearing on April 23, 2019, to consider resolutions to adopt the recommendation that the sewer commodity rate remain at $4.60 per 1,000 gallons of metered water; recommendation that the water commodity rate remain at $3.14 per 1,000 gallons of metered water; recommendation that adjustments be made to the sewer and water base quarterly charges as noted in the 2019 Utility Rate Financial Study; recommendation that the new rates become effective on July 1, 2019; and recommended water and sewer franchise area fees and other service fees and charges as outlined in the 2019 Utility Rate Financial Study. Upon a roll call vote, motion carried 7 to 0.

ACCEPTANCE OF NEWLY CONSTRUCTED DEDICATED STREETS: Motion by Knapp, seconded by Pearson, to adopt a Resolution Accepting Newly Constructed Dedicated Streets as Public Streets and authorize the City Manager to execute all documents related to these actions on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

WATERPROOFING AT PUBLIC SAFETY POLICE ANNEX: Motion by Knapp, seconded by Pearson, to approve a contract in the amount of $110,392 to DeLoof Construction, Inc., of Kalamazoo, Michigan, for general contractor services for waterproofing at the Public Safety Police

Annex and authorize the City Manager to execute all documents related to this matter on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

ENGINEERING DESIGN AND BIDDING PHASE SERVICES FOR PORTAGE ROAD LANE RECONFIGURATION: Motion by Knapp, seconded by Pearson, to approve a contract amendment for engineering design and bidding phase services for the Portage Road lane reconfiguration from Lakeview Drive to Forest Drive in the not-to-exceed amount of $105,700; a feasibility study for a lane reconfiguration from Forest Drive to East Centre Avenue in an amount not to exceed $45,000, and authorize the City Manager to execute all documents related to the contract on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

UTILITY PUMP FROM XYLEM DEWATERING SOLUTIONS, INC.: Motion by Knapp, seconded by Pearson, to authorize the purchase of one Godwin Dri-Prime CD150M Critically Silenced Utility Pump from Xylem Dewatering Solutions, Inc., of Bridgeport, New Jersey, for a total cost of $52,254 and authorize the City Manager to execute all documents related to this purchase on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

SPECIAL LIQUOR LICENSE FOR MIXOLOGY CLASS: Motion by Knapp, seconded by Pearson, to approve a Michigan Liquor Control Commission (MLCC) application for a Special License for Beer, Wine & Spirit service on the premises at the Portage Senior Center (320 Library Lane), for a mixology class planned for Thursday, May 2, 2019 and authorize the City Manager to execute all documents on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

RESOLUTION OPPOSING CHANGES TO THE 1984 CABLE ACT: Motion by Knapp, seconded by Pearson, to adopt the Resolution to Oppose FCC Changes to the 1984 Cable Act. Upon a roll call vote, motion carried 7 to 0.

BOARD AND COMMISSION INTERVIEW SESSION: Motion by Knapp, seconded by Pearson, to set a Special Meeting on Tuesday, May 21, 2019, beginning at 5:15 p.m., to interview Board and Commission applicants. Upon a roll call vote, motion carried 7 to 0.

MINUTES OF BOARDS AND COMMISSIONS: Motion by Knapp, seconded by Pearson, to receive the minutes of the Park Board of May 6 and Human Services Board of May 7, 2019. Upon a roll call vote, motion carried 7 to 0.

COMMUNICATIONS:

CALENDAR OF MEETINGS: Motion by Knapp, seconded by Pearson, to receive the Calendar of Meetings. Upon a voice vote, motion carried 7 to 0.

ANNUAL PRESENTATION BY THE HUMAN SERVICES BOARD: At the invitation of Mayor Randall, Ms. Pat Maye, Chairperson of the Human Services Board, provided City Council with an overview of the activities and work of the Human Services Board (HSB) over the past year. Ms. Maye highlighted activities such as Red Ribbon Week, work associated with the Community Development Block Grant Program and review of applications for funding. With regard to the review of applications for city funding, Ms. Maye indicated that the HSB planned to review the application process.

Councilmember Ford inquired if there were any new applicants for funding and Ms. Maye responded that there was one new applicant and that this applicant generated healthy discussion amongst the HSB. Mayor Pro Tem Pearson pointed out that members of City Council worked with the HSB in the recent past on revising the scoring system for applicants. He inquired if the scoring system was working well. Ms. Maye responded in the affirmative. Councilmember Reid inquired if the HSB had received any complaints resulting from the City of Portage Non-Discrimination Ordinance. Ms. Maye responded that the HSB had not received any complaints but that one of this year's applicants was religious in nature and boardmembers had concerns about the applicant's positions related to gender identity and sexual orientation. This applicant, she stated, is the primary reason why the HSB is planning to review the application process. Motion by Knapp, seconded by Burns, to receive the presentation by HSB Chairperson Pat Maye.

REGULAR BUSINESS AGENDA:

IDAHO AVENUE RECONSTRUCTION: Mayor Randall invited Councilmember Reid to begin discussion. Councilmember Reid inquired as to why contract with Wightman & Associates was being amended instead of going out for a bid. City Manager Shaffer stated that Wightman & Associates had designed the project and it made sense for them to serve as construction engineers as well. In addition, Mr. Shaffer pointed to time constraints with going out for bid given deadlines associated with spending the state funding. He also expressed his confidence in the quality of the vendor and proposed cost. Councilmember Reid pointed to the need for engineering services for both design and construction and questioned why it was not packaged into a single bid. Mr. Shaffer shared that, given the availability of state funding, the project had expanded in scope. In addition, Mr. Shaffer commented that the original engineering plans were modified based on input from Portage Public Schools. However, Mr. Shaffer stated, construction inspection was not included in the design work contract. Councilmember Reid expressed her displeasure with contract amendments and shared that she would like to see engineering design and construction inspection incorporated into a single contract. Mr. Shaffer stated that Councilmember Reid makes a compelling point and City Administration would look at combining the two services into a single contract in the future.

Councilmember Burns pointed out that the original project was estimated to be around $500,000 in the last Capital Improvement Program but the estimate is now $800,000. Mr. Shaffer stated that the project will include "cross-laterals" to help bring water to unserved residences and meet current and future needs of the neighborhood. Ms. Kendra Gwin, Director of Transportation and Utilities, spoke and commented that the project is also being enhanced with the addition of curb and gutter. The resulting storm water that is captured, she continued, must be treated before being released because the area is in the vicinity of a wellfield. Finally, she commented that construction costs have also increased. Mr. Shaffer stated that reconstructing Idaho Avenue and work on Milham Avenue is proceeding with the goal of having them complete by the start of next school year and the opening of the new Portage North Middle School.

Mayor Randall inquired if Portage Public Schools was consulted regarding the project. Mr. Shaffer spoke in the affirmative and shared that a public forum on the project was actually held at a school facility. Mayor Randall inquired if surface water and mosquito problems associated with this area would be improved. Ms. Gwin commented that the addition of curb and gutter to the project should help to alleviate water ponding and related issues. Finally, Mayor Randall inquired as to the lighting in this neighborhood and Ms. Gwin commented that there would be some additional lighting and that trees around existing lighting would be trimmed. Motion by Reid, second by Burns, to award a construction contract to Kamminga and Roodvoets, Incorporated, of Grand Rapids, Michigan, for the Idaho Avenue Reconstruction project in an amount not to exceed $1,904,977.90;

amend a contract with Wightman & Associates, Incorporated, in the amount of $156,800 to provide construction engineering services for the Idaho Avenue Reconstruction project; amend the Fiscal Year 2018-2019 Capital Improvement Program Budget in the amount of $800,000; and authorize the City Manager to execute all documents related to the contracts on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

PRESENTATION OF THE PROPOSED FISCAL YEAR 2019-2020 BUDGET: Mayor Randall asked the City Manager to summarize the proposed 2019-2020 Budget. City Manager Shaffer began by thanking city staff for their hard work in preparing the proposed budget. He reviewed the amount of the overall budget, how it compares to last fiscal year and highlighted specific funds such as the General Fund, Capital Improvement Program (CIP) and Water Fund. He shared that the largest increase is in the CIP with making investments in the community. He next reviewed the plan to increase the number of public safety officers by three, proposed reductions in the water and sewer rates and slight reduction in the overall millage. Mr. Shaffer shared that the tax base in Portage is at a record high and that this has offset funding lost when the State of Michigan eliminated the Personal Property Tax. Mr. Shaffer concluded by summarizing the plan for reviewing the proposed budget. Mayor Randall commented that the budget would be available online on Wednesday and invited the public to attend the review sessions and provide feedback.

Councilmember Ford asked Mr. Shaffer to speak to the fact that the proposed budget is a balanced budget instead of a "deficit budget." Mr. Shaffer explained that, historically, the city proposed a deficit budget in which proposed expenditures exceeded revenues but that revenues would always come in higher than projected and spending less than projected. With this budget, Mr. Shaffer shared, revenues and expenditures have been balanced.

Motion by Knapp, seconded by Reid, to accept the presentation of the Proposed Fiscal Year 2019-2020 Budget. Upon a roll call vote, motion carried 7 to 0.

COUNCIL COMMITTEE REPORTS: Councilmember Burns provided an update on a meeting of the Central County Transportation Authority (CCTA) that he and Mayor Pro Tem Pearson attended. Mr. Burns shared that audited financial statements, accounting practices and Other Post-Employment Benefit commitments for the CCTA were discussed. Mayor Pro Tem Pearson commented that the CCTA also discussed a millage renewal and millage reduction related to Metro Connect and Metro Share. Finally, Mayor Pro Tem Pearson shared instances in which Metro Transit was of tremendous help and value to the broader community and not simply transit users. Councilmembers Burns commented on the availability of vans for use by non-profits, senior centers and those with disabilities. Motion by Knapp, seconded by Ford, to receive the Council Committee Reports. Upon a voice vote, motion carried 7 to 0.

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Councilmember Burns thanked City Manager Shaffer and staff for hosting guests visiting the United States through the Colleagues International Program. Mr. Burns shared that the locker room at the police station had ongoing issues with water and moisture and City Council approved a solution as part of the Consent Agenda.

Councilmember Ford welcomed Assistant City Attorney Matthew Quardokus who was participating in his first City Council Meeting. Mr. Ford pointed out that construction season is beginning and highlighted upcoming work on Milham Avenue. He concluded by complimenting the Michigan State Men's Basketball Team on their successful season.

Councilmember Reid informed the audience that water and sewer rates would be discussed at the next City Council Meeting. She then read aloud the Calendar of Meetings agenda item and invited members of the public to attend the meetings of the various boards and commissions.

Councilmember Knapp pointed out that the latest *Portager* included the Parks and Recreation Spring and Summer Recreation Brochure. She pointed out that there a number of exciting events and activities coming up and shared that information is available on the city website and that timely event information and reminders will be available via the City of Portage Facebook Page.

Mayor Pro Tem Pearson cautioned residents regarding a scam in which automated callers impersonate the Social Security Administration. He reminded the audience that the Social Security Administration does not communicate via recorded messages but rather through the postal service.

Mayor Randall complimented city staff for their efforts related to the City of Portage Facebook Page and highlighted the recent video that was produced and shared which focused on the annual Mayor and City Council for the Day program. She reminded residents that the annual spring cleanup is about to begin and to be patient and use caution as construction season is upon us.

ADJOURNMENT: Mayor Randall adjourned the meeting at 7:48 p.m.

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Adam Herringa, City Clerk

MINUTES OF THE BUDGET WORK SESSION OF THE PORTAGE CITY COUNCIL
APRIL 16, 2019

Mayor Randall called the meeting to order at 5:00 p.m. The City Clerk called the roll and Councilmembers Chris Burns, Richard Ford, Lori Knapp, Claudette Reid and Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Patricia Randall were present. Also in attendance were City Manager Laurence Shaffer, Deputy City Manager Rob Boulis, Finance Director Bill Furry and City Clerk Adam Herringa.

At the request of Mayor Randall, City Manager Larry Shaffer began his presentation and recognized Bill Furry, Lauren VanderVeen, Rob Boulis and the various department heads for their efforts in putting together the proposed Fiscal Year 2019-2020 Budget. Mr. Shaffer then reviewed the proposed budget and highlighted changes from the current Fiscal Year 2018-2019 Budget. He also highlighted that the budget will be balanced, include a slight millage reduction and that positive economic growth in the community has resulted in a positive impact on the tax base.

City Manager Shaffer introduced Finance Director Bill Furry and Mr. Furry reviewed current and projected debt levels. He continued by reviewing the proposed budget for Finance, Purchasing and the City Council categories. Next, Mr. Furry reviewed the status and proposed budgets of various special funds such as Curbside Recycling, Leaf Pickup/Spring Cleanup, Debt Service and Cable Television. In response to an inquiry, Mr. Furry shared that funds associated with Cable Access are monitored and spent accordingly. Mr. Furry continued by emphasizing efforts to retire long-term debt that is affiliated with higher interest rates. In response to an inquiry, Mr. Furry stated that the city will be paying off $8 million in debt while adding $5 million with a net reduction of $3 million. He continued by stating that interest rates are low and now is a good time to borrow.

Mr. Furry next reviewed the financial health of the Downtown Development Authority (DDA) and Mr. Shaffer emphasized that it is a true success story with results far exceeding expectations. There was discussion regarding existing and potential developments in the DDA and what can be done with tax revenue that is generated once debt associated with establishing the DDA is paid off. In response to an inquiry from Councilmember Burns, Mr. Shaffer indicated that additional revenue related to State Revenue Sharing and settlements for delinquent taxes are yet to be realized this current fiscal year. With regard to a question about revenue associated with Personal Property Taxes, Mr. Furry indicated that the budget reflects a conservative approach. Mr. Furry also discussed positive news in the current fiscal year related to funds generated from building permits and Mr. Shaffer shared that a building permit for a Pfizer development may yet be realized this fiscal year and, if so, it would likely be the largest permit ever issued.

Following Mr. Furry, City Manager Shaffer introduced Shannon Hertz, Director of Human Resources. Ms. Hertz gave a brief overview of the operations of her department and proposed budget. There was discussion regarding employee retention and recruitment efforts and quality of candidates for city openings especially in the Fire Division and Police Division.

Mr. Shaffer introduced City Assessor Ed VanderVries. Mr. VanderVries complimented his staff and shared that the overall taxable value for the City of Portage had increased a healthy 3.6%. He continued by pointing out that the valuation of the tax base for the City of Portage has never been higher and that this is in spite of changes to Personal Property Tax in the State of Michigan. Mr. VanderVries next reviewed the Board of Review and trends for appeals over time indicating that there has been a consistent decrease. Mayor Randall complimented Mr. VanderVries and staff for their efforts in this regard. Mr. VanderVries next pointed out the continued diversification of the tax base and that Pfizer, despite recent construction efforts, now comprised 8.55% of the Portage tax base and compared this to prior years. Mayor Pro Tem Pearson inquired as to the health of the shopping mall. Mr. VanderVries indicated a downward trend and discussion followed regarding the health of the shopping mall and potential development opportunities and hurdles. Mr. VanderVries and City Council also discussed the vacancy of large "big box" stores, development trends for such stores and vacancy rates in general. Mr. Shaffer thanked Mr. VanderVries for his efforts and complimented staff in the Office of the City Assessor for their excellent work.

Kendra Gwin, Director of Transportation and Utilities, explained that her department is embarking on a busy construction season and reviewed major and local street projects to be undertaken both this summer and in the upcoming fiscal year. Ms. Gwin next reviewed use of the PASER rating in evaluating roadway conditions and Mr. Shaffer explained efforts to keep existing infrastructure maintained. In response to an inquiry from Councilmember Burns, Ms. Gwin commented that the PASER rating, like judging figure skating, is subjective. In response to an inquiry from Mayor Pro Tem Pearson, Ms. Gwin reviewed water quality testing as it relates to PFAS in general and PFAS testing in proximity to the airport. City Council next made inquiries regarding evaluation and acceptance of completed projects, such as Angling Road, and restoration of signage following project completion. Councilmember Ford inquired about the inclusion of replacing a water tower in the Capital Improvement Plan (CIP) and Mr. Shaffer indicated that a new water tower was highly unlikely. Instead, Mr. Shaffer pointed to rehabbing the existing water tower and running a water main underneath the airport property. He indicated that despite best efforts, water main installation would not occur this summer but that excellent progress had been made related to this project. Ms. Gwin concluded her segment by reviewing groundwater levels and that there has not been much groundwater infiltration into the city water system.

Deputy Public Works Director Ray Waurio spoke next and expressed the regrets of Director Rod Russell who was unable to attend. Mr. Waurio reviewed projects that have been completed and are on-going in the current fiscal year. Mr. Waurio highlighted efforts to bring some services back in-house instead of having them performed via contract and pointed to mowing at City Hall as an example. He reviewed other projects that have been performed in-house that would have traditionally been performed via a contract. He reviewed efforts being undertaken to maintain existing infrastructure. Next, Mr. Waurio reviewed snowplowing efforts of the Department of Public Works for this past winter. Mr. Waurio reviewed efforts related to the Curbside Recycling Program, Household Hazardous Waste, Spring Cleanup and Fleet Maintenance. In response to an inquiry regarding curbside recycling, Mr. Waurio offered suggestions as to how churches might be able to engage in the effort. Councilmember Urban inquired about the transition from having some services performed via contract that are now being brought in-house. Mr. Waurio explained that the department consistently does a cost-benefit analysis and finds that, with some frequency, the result is less expensive with better results when performed by staff especially when contract costs continue to increase.

Director of Parks, Recreation and Senior Citizen Services, Kathleen Hoyle, reviewed staffing changes in her department and use of seasonal employees. She next reviewed various special events that were held the past year and planned events and activities for the upcoming year. She continued by stating that the establishment of the not-for-profit Portage Parks Foundation was almost complete. Ms. Hoyle reviewed park development plans, playground equipment maintenance and installation, use of social media by her department, plans for the Celery Flats area and implementation of a bike share program. In response to an inquiry, Ms. Hoyle reviewed current plans for the State Game Area which will involve collaborative efforts of the Michigan Department of Natural Resources and City of Portage. Councilmember Reid inquired as to the development of the Betty Lee Ongley Nature Reserve. Ms. Hoyle reviewed the status of the park development and that the item was included in the next few years of the CIP. Kim Phillips, Senior Citizen Services Manager, shared that the Senior Center will be celebrating its 40th year. She indicated that her budget includes transitioning a current part-time employee into a full-time employee along with some funding for needed building maintenance. Finally, Ms. Phillips reviewed efforts to engage and keep members of the Senior Center.

Public Safety Director Nick Armold introduced staff members who were in attendance and spoke and reviewed efforts undertaken in the past fiscal year and related accomplishments. He continued by highlighting goals for the upcoming fiscal year and plans to use data, evaluation, technology and social media to help accomplish the goals. Mr. Armold reviewed staffing challenges that his department has been addressing and explained that the proposed budget includes the addition of three new police officers. He explained that, to cover staff shortages, special programs such as community policing, are put on hold. Next, he shared that the Police Division is looking to use data and predictive analytics to move away from a reactive policing model. Mr. Armold shared that his department is embarking on an effort in the upcoming fiscal year to offer training and support for the overall well-being of public safety professionals. In response to an inquiry, Mr. Armold indicated that participation in the health and wellness program is voluntary. He also explained that the union contracts in the Fire Division contain physical fitness provisions. Mayor Pro Tem Pearson inquired as to a particular line item in the proposed budget and overall transition to the Kalamazoo County Consolidated Dispatch Authority and whether there has been a savings to the City of Portage as a result. Mr. Shaffer indicated that he would review and report on this question close to the end of the current fiscal year once better figures can be obtained. Councilmember Reid inquired as to the justification for the three new officers and Mr. Armold reviewed staffing issues (largely related to on-duty injuries) that the department has been facing over the past few years and, to ensure staffing of the patrol division, the community policing officer and drug officer have to be pulled. He explained the detriment to the community and the department that results from the reassignment of these officers. Mr. Armold also explained that the Police Division is far below the nationwide average number of sworn officers per 1,000 residents. In response to inquiries, Mr. Armold explained that crime rates remain steady but that calls for service continue to increase. Mr. Shaffer emphasized that the addition of police officers in the proposed budget is a quality of life issue.

City Manager Shaffer introduced Director of Community Development Vicki Georgeau. Ms. Georgeau spoke to review the Legislative and Human Services aspect of the proposed budget. She stated that .65% of the General Fund Budget and the Community Development Block Grant Program provide the proposed $213,840 budget allocation. She continued by reviewing the process used by the Human Services Board (HSB) to review and allocate funding. She pointed out that one new funding applicant, Kalamazoo Youth for Christ, resulted in significant discussion by the HSB. Ms. Georgeau explained that Kalamazoo Youth for Christ is proposing to use the fund for a financial literacy program in Colonial Acres. She explained that the HSB discussed the applicant, Kalamazoo Youth for Christ, in the context of the City of Portage Non-Discrimination Ordinance (NDO). She continued by stating that Kalamazoo Youth for Christ had indicated they would not discriminate based on gender identity or sexual orientation when it came to the provision of services. Councilmember Burns expressed discomfort with awarding funding to Kalamazoo Youth for Christ in light of the NDO and information provided on the organization's website and in their application. Councilmember Burns suggested that the proposed funding be reallocated for the upcoming fiscal year and that funding for Kalamazoo Youth for Christ be given additional consideration in future years. Mayor Pro Tem Pearson and Mayor Randall also shared concerns with funding Kalamazoo Youth for Christ. Councilmember Reid concurred with concerns that had been expressed. Rather than City Council reallocating funding, Councilmember Reid suggested that the concerns of City Council be communicated with the HSB and that the HSB be responsible for reallocating the funding. Mayor Randall expressed support for the idea presented by Councilmember Reid. City Manager Shaffer reviewed his contractual authority and ability to review and sign most of the contracts resulting from the proposed FY 2019-2020 human and public service funding. Community Development Director Georgeau reviewed the Supplemental Budget document and highlighted the various sections including the section "Analysis of Impediments to Fair Housing." Ms. Georgeau discussed City of Portage efforts related to ensuring access and support of fair housing in the community. Councilmember Reid inquired if housing for individuals with disabilities, such as group homes, is a component of fair housing efforts. Ms. Georgeau spoke in the affirmative and emphasized the importance of education.

Community Development Director Georgeau next reviewed the proposed budget for her department. She pointed out that one major change is the proposal for an additional part-time administrative assistant and why the position is necessary. She continued by sharing that the vacant mechanical inspector position continues to be supported via contract and this arrangement seems to be working. Ms. Georgeau concluded by highlighting major projects that are completed, on-going or pending in the commercial, residential and industrial sectors.

City Manager Shaffer introduced Director of Technology Services Devin Mackinder. Mr. Mackinder reviewed highlights from FY 2018-19 and pointed out the extremely high level of satisfaction among city staff with the Information Technology (IT) Department. Mr. Mackinder next shared that a focus of the proposed 2019-20 Budget is network security. To demonstrate the importance of network security Mr. Mackinder reviewed various threats such as ransomware and malicious e-mails and showed a website that indicated real-time cyberattacks. Mr. Mackinder also highlighted the importance of disaster recovery and indicated that the proposed budget will assist in this regard. Another topic raised by Mr. Mackinder was the recent transition in how cable access television is provided in the city. He indicated that early indications are those of success. Councilmember Reid inquired as to the status of the creation of a 5G network in Portage. Mr. Mackinder shared that discussions are on-going but that a resolution is near that would allow for the installation of the network but limit the amount of additional infrastructure. Mr. Mackinder next reviewed the contract used to provide professional IT services. He indicated that he will be reviewing the cost of the contract vs. hiring full time employees.

Ms. Georgeau returned and reviewed the proposed Capital Improvement Plan (CIP). She shared that two items compose a large percentage of the proposed CIP and include Fire Station No. 2 and the Community Senior Center. Ms. Georgeau explained that, whenever possible, the city uses surplus funding to pay for projects instead of issuing new debt. Ms. Georgeau next reviewed proposed projects in each CIP category: Streets, Sidewalks & Bikeways, Water, Sanitary Sewer, Police, Fire, Public Facilities, Parks and Recreation and Debt Service. Ms. Georgeau highlighted the pending reconstruction of Idaho Avenue and expressed the rationale and reason for creating the project as an extension district. Mr.

Shaffer shared that the homes along Idaho Avenue utilized well water and the city is working to encourage and support their transition to city water.

Mayor Randall deferred to City Clerk Herringa and City Manager Shaffer regarding their planned departmental budgets. In response to an inquiry, Mr. Herringa confirmed there will be three elections in the next fiscal year.

There being no further presentations, Mayor Randall encouraged City Council to ask questions. Councilmember Reid pointed to the wellness program that will be implemented in the Department of Public Safety and inquired if the city still had a wellness program for employees. Deputy City Manager Boulis shared that the city's employee wellness program remains active and Ms. Reid expressed support for the program's continuation.

Mayor Randall inquired as to the installation of a water main under the airport runway and why it was not happening when the airport will be performing work on the runway this summer. Deputy City Manager Boulis explained that there remain several legal and procedural hurdles yet to overcome including the fact that the contractor who would perform the work will not be available at that time. However, Mr. Boulis indicated that the boring and casing work could be completed while the runway is active.

Mayor Randall pointed out that it was getting late and City Manager Shaffer confirmed that City Council intended to continue discussion of the budget at the Budget Review Session scheduled for April 30. City Council was encouraged to continue review of the budget documents and submit questions to Mr. Shaffer in advance of the next session.

Adjournment: There being no further comments, Mayor Randall adjourned the meeting at 9:27 p.m.

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Adam Herringa, City Clerk

MINUTES FROM THE PRE-MEETING
OF THE PORTAGE CITY COUNCIL
OF APRIL 22, 2019

Mayor Patricia Randall called the meeting to order at 8:00 a.m. Councilmembers Chris Burns, Richard Ford and Lori Knapp joined via the conference phone line. Councilmembers Claudette Reid and Terry Urban and Mayor Pro Tem Jim Pearson were absent with excuse. Also in attendance were City Manager Larry Shaffer, Deputy City Manager Rob Boulis and City Clerk Adam Herringa.

Mayor Randall inquired if someone would be present to read and receive the proclamations. Councilmember Knapp volunteered to read the "Global Love Day" proclamation and Director of Public Works Rod Russell will be present for the Arbor Day proclamation.

Regarding the annual Park Board presentation, City Clerk Herringa indicated that the chairperson of the board, Jonathan Peer, would be present.

Regarding Item D.2, water and sewer rates, City Manager Shaffer indicated that Transportation and Utilities Director Kendra Gwin would be present. Mayor Randall encouraged City Council representatives on the Water and Sewer Rate Committee to speak during the meeting and share their thoughts and deliberations regarding the proposed water and sewer rates.

ADJOURNMENT: Following a summary of the meeting, Mayor Randall adjourned the meeting at 8:04 a.m.

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Adam Herringa, City Clerk

PORTAGE
A Natural Place to Move

CITY COUNCIL AGENDA ITEM A.2.
APRIL 23, 2019

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager Laurence Shaffer

SUBJECT: Accounts Payable Register

SUPPORTING PERSONNEL: William Furry, Director of Finance

ACTION RECOMMENDED: Approval of the Accounts Payable Register of April 23, 2019 as presented.

The City Council reviews and approves the bi-weekly Accounts Payable Register which includes automated clearing house payments, paper checks and auto-pay payments. The attached Accounts Payable Register covers the period March 31, 2019 through April 14, 2019 and notes $686,885.57 in automated clearing house payments, $467,883.21 in paper checks and $61,027.31 in auto-pay payments for a grand total of $1,215,796.09.

FUNDING: N/A

Attachments: 1. Accounts Payable of April 23, 2019

Check Type: ACH Transaction

Check Date	Check	Vendor Name	Description	Amount
04/01/2019	10701(A)	A NEW LEAF	PLANT CARE	165.00
04/01/2019	10702(A)	BASIC CORPORATE	MAILING FEES	2,083.50
04/01/2019	10703(A)	BATTERIES PLUS	LIGHT BULBS	81.65
04/01/2019	10704(A)	C D W GOVERNMENT, INC.	MICROSOFT SOFTWARE	63,874.28
04/01/2019	10705(A)	CARLETON EQUIPMENT CO.	MOWER TRAILER	3,600.00
04/01/2019	10706(A)	CONTINENTAL LINEN SERVICES	MAT SERVICE	85.41
04/01/2019	10707(A)	DEER CONTRACTING & LANDSCAPE	STAIRWAY REPAIRS	945.00
04/01/2019	10708(A)	FARM N GARDEN	GATE REPAIR	1,120.00
04/01/2019	10709(A)	GAIL ANDRUS TRAVEL	VENDOR PAYMENT	820.00
04/01/2019	10710(A)	GRAHAM FORESTRY SERVICE, INC.	CONSULTANT FORESTRY	384.00
04/01/2019	10711(A)	GRIFFIN PEST SOLUTIONS, INC.	FIRE FACILITY MAINT	661.00
04/01/2019	10712(A)	HOWARD PRINTING	SUMMER BROCHURE 2019	8,994.00
04/01/2019	10713(A)	INDUSCO SUPPLY CO., INC.	FIRE MAINT SUPPLIES	185.28
04/01/2019	10714(A)	KENDALL ELECTRIC, INC.	LIGHT BULBS	288.40
04/01/2019	10715(A)	LAWSON PRODUCTS, INC	SOFTBALL FIELD SUPPLIES	383.07
04/01/2019	10716(A)	LEXISNEXIS RISK SOLUTIONS	MONTHLY ACCURINT	300.00
04/01/2019	10717(A)	M & M CUSTOM FABRICATING INC.	NAME BADGE	14.41
04/01/2019	10718(A)	MEJEUR ELECTRIC LLC	FIRE FACILITY MAINT	627.00
04/01/2019	10719(A)	MIDWEST ENERGY & COMMUNICATIONS	STREETLIGHT ENERGY	285.40
04/01/2019	10720(A)	NYE UNIFORMS	MISC UNIFORMS	1,199.66
04/01/2019	10721(A)	ONSTAFF USA INC	TEMPORARY EMPLOYEES	6,428.49
04/01/2019	10722(A)	PCM SALES, INC.	MONTHLY IT OUTSOURCING	42,422.00
04/01/2019	10723(A)	PREMIER SAFETY	FIRE SCBA MAINT	379.65
04/01/2019	10724(A)	PRINTING SERVICES INC	APRIL POSTER PRINTING	48.36
04/01/2019	10725(A)	QUADRANT II MARKETING, LLC	NEWSLETTER APRIL - MAY	2,083.40
04/01/2019	10726(A)	R W LAPINE INC.	PATCHBUGGY REPAIRS	6,425.00
04/01/2019	10727(A)	REFRIGERATION SERVICES	MPIR CHILLER SHUT DOWN	600.00
04/01/2019	10728(A)	ROE-COMM, INC.	FIRE COMM EQUIPMENT	2,743.98
04/01/2019	10729(A)	SEVERANCE ELECTRIC COMPANY,INC	T/S CABINET INSTALLATION	53,143.82
04/01/2019	10730(A)	SOS TECHNOLOGIES	FIRE EMS SUPPLIES	408.30

Check Date	Check	Vendor Name	Description	Amount
04/01/2019	10731(A)	UNIFIRST CORPORATION	CARPET RUNNER RENTAL	87.18
04/01/2019	10732(A)	WARNER NORCROSS & JUDD LLP	DEFINED BENEFIT	444.00
04/01/2019	10733(A)	WOLVERINE LAWN SERVICE, INC.	SNOW REMOVAL SERVICE	9,822.56
04/01/2019	10734(A)	WORLDPOINT ECC	HEARTSAVER CPR AED	1,932.00
04/05/2019	10735(A)	ABONMARCHE CONSULTANTS, INC	ENGINEERING SERVICES	2,175.85
04/05/2019	10736(A)	ALL CITY MANAGEMENT SERVICES, INC.	SCHOOL CROSSING GUARDS	3,244.48
04/05/2019	10737(A)	AMERICAN SAFETY & FIRST AID	EYE WASH SERVICE	54.25
04/05/2019	10738(A)	ANIMAL REMOVAL SERVICE, LLC	ANIMAL REMOVAL SERVICE	1,450.00
04/05/2019	10739(A)	B L HARROUN & SON INC.	FIRE FACILITY MAINT	512.00
04/05/2019	10740(A)	B S & A SOFTWARE	ASSESSING NET LEVEL	410.00
04/05/2019	10741(A)	BOGARD, SCOTT T	INTERVIEW & INTERROGATION	90.00
04/05/2019	10742(A)	BROWNELL'S INCORPORATED	WEAPON SUPPLIES	660.85
04/05/2019	10743(A)	C D W GOVERNMENT, INC.	ADOBE ACROBAT PRO 20	374.30
04/05/2019	10744(A)	C M P DISTRIBUTORS, INC.	ARMOR EXPRESS VEST	740.00
04/05/2019	10745(A)	C T S TELECOM, INC.	TELEPHONE SERVICES	3,374.77
04/05/2019	10746(A)	CARLETON EQUIPMENT CO.	AUGER RENTAL	2,392.93
04/05/2019	10747(A)	COLLIER, MICHAEL	NARCOTIC ENFORCE TRNG	153.91
04/05/2019	10748(A)	CONSUMERS CONCRETE CORP.	PROJECT SUPPLIES	93.00
04/05/2019	10749(A)	ESCAPE FIRE & SAFETY SERVICES, INC.	VACTOR REPAIRS	180.00
04/05/2019	10750(A)	ETNA SUPPLY, INC.	PCBP PROJECT	10,354.67
04/05/2019	10751(A)	FERGUSON WATERWORKS #3386	REPAIR SUPPLIES	332.44
04/05/2019	10752(A)	FIDELITY SECURITY LIFE INSURANCE CO	VISION INSURANCE	1,120.30
04/05/2019	10753(A)	GAIL ANDRUS TRAVEL	TRIP VENDOR PAYMENT	555.00
04/05/2019	10754(A)	GORDON WATER SYSTEMS	WATER COOLER COFFEE	94.45
04/05/2019	10755(A)	GREATER KALAMAZOO UNITED WAY	CONTRIBUTIONS	360.00
04/05/2019	10756(A)	HARTFORD LIFE INSURANCE COMPANY	LIFE & LTD INSURANCE	8,868.30
04/05/2019	10757(A)	HENSON, DEREK	FIRE MARSHAL MEMBERS	165.00
04/05/2019	10758(A)	HOWARD PRINTING	FISCAL YEAR 2018-2019	2,816.00
04/05/2019	10759(A)	INDUSCO SUPPLY CO., INC.	RESTROOM SUPPLIES	167.82
04/05/2019	10760(A)	KEHOE, EDWARD J	PROGRAM INSTRUCTOR	520.00
04/05/2019	10761(A)	LEWIS PAPER PLACE, INC.	19-HOLE PUNCH PAPER	41.50
04/05/2019	10762(A)	MAILFINANCE	MAILING SERVICES	733.77

Check Date	Check	Vendor Name	Description	Amount
04/05/2019	10763(A)	MANEY II, JOHN RAYMOND	DRUG INTERDICTION	90.00
04/05/2019	10764(A)	MARANA GROUP	METER PLUS - MARCH 2019	273.00
04/05/2019	10765(A)	MARTIN SPRING & DRIVE, INC.	REAR SPRINGS	1,612.00
04/05/2019	10766(A)	MCMILLAN, BRANDON	EMPLOYEE TRAINING	45.00
04/05/2019	10767(A)	MEEKHOF TIRE SALES & SERVICE INC.	TIRE FILL - #81	666.25
04/05/2019	10768(A)	MICHIGAN PAVING & MATERIALS CO.	2016 LOCAL STREETS	10,322.87
04/05/2019	10769(A)	NYE UNIFORMS	FIRE UNIFORMS	1,661.33
04/05/2019	10770(A)	ONSTAFF USA INC	TEMPORARY EMPLOYEES	6,685.70
04/05/2019	10771(A)	PARIS CLEANERS	UNIFORM CLEANING	1,424.64
04/05/2019	10772(A)	PECKELS, CHRISTINE	PROGRAM INSTRUCTOR	240.00
04/05/2019	10773(A)	PEOPLEFACTS, LLC	EMPLOYEE BACKGROUND	28.57
04/05/2019	10774(A)	PORTAGE FIREFIGHTERS	DUES FOR MARCH 2019	1,940.91
04/05/2019	10775(A)	PORTAGE ON-CALL FIREFIGHTERS	DUES FOR MARCH 2019	30.00
04/05/2019	10776(A)	PORTAGE POLICE OFFICERS ASSOC	DUES FOR MARCH 2019	602.00
04/05/2019	10777(A)	REPUBLIC SERVICES OF WEST MICHIGAN	WASTE SERVICES	580.23
04/05/2019	10778(A)	RIDGE AUTO NAPA	FIRE APPARATUS MAINT	823.14
04/05/2019	10779(A)	ROE-COMM, INC.	FIRE COMM EQUIPMENT	2,500.00
04/05/2019	10780(A)	SNELL, DEBRA	PROGRAM INSTRUCTOR	288.00
04/05/2019	10781(A)	SUEZ WATER ENVIRONMENTAL SERVICES	WATER SYSTEM CHEM	13,335.79
04/05/2019	10782(A)	TRUCK & TRAILER SPECIALTIES	FLEET MAINTENANCE	1.76
04/05/2019	10783(A)	UNIFIRST CORPORATION	CARPET RUNNER RENTAL	87.18
04/05/2019	10784(A)	UNITED AUTO. IMPLEMENT WORKERS 2290	DUES FOR MARCH 2019	426.54
04/05/2019	10785(A)	VERPLANK TRUCKING CO.	LIMESTONE	1,522.08
04/05/2019	10786(A)	W W GRAINGER INC	CHANGING STATIONS	915.20
04/05/2019	10787(A)	WEST MICHIGAN INT'L LLC	EQUIPMENT SERVICES	1,186.83
04/05/2019	10788(A)	WIGHTMAN	ENGINEERING SERVICES	24,160.99
04/05/2019	10789(A)	WINGFOOT COMMERCIAL TIRE	FIRE APPARATUS MAINT	68.97
04/08/2019	10790(A)	CIVICPLUS	CIVICPLUS ANNUAL FEE	6,825.00
04/12/2019	10791(A)	A NEW LEAF	PLANT CARE	85.00
04/12/2019	10792(A)	ALL-TRONICS, INC.	FIRE ALARM INSPECTION	160.00
04/12/2019	10793(A)	ANIMAL REMOVAL SERVICE, LLC	ANIMAL REMOVAL SERVICE	2,110.00
04/12/2019	10794(A)	BCHS-HELPNET	EMPLOYEE ASSISTANCE	1,642.65

Check Date	Check	Vendor Name	Description	Amount
04/12/2019	10795(A)	BLUE CARE NETWORK-GREAT LAKES	BCN INSURANCE - 2018	132,713.50
04/12/2019	10796(A)	CHARTER COMMUNICATIONS	CABLE TV	611.34
04/12/2019	10797(A)	COOPER, SYDNIE	TACTICAL ENCOUNTERS	80.00
04/12/2019	10798(A)	DEER CONTRACTING & LANDSCAPE	CELERY FLATS IMPROVE	2,287.00
04/12/2019	10799(A)	ENGINEERED PROTECTION SYSTEMS, INC.	FIRE FACILITY MAINT	1,003.58
04/12/2019	10800(A)	ETNA SUPPLY, INC.	SUPPLIES - PARKS DIV	296.00
04/12/2019	10801(A)	FARM N GARDEN	DPS GATE MAINTENANCE	527.00
04/12/2019	10802(A)	FISHBECK THOMPSON CARR & HUBER, INC	ENGINEERING SERVICES	4,287.41
04/12/2019	10803(A)	GORDON WATER SYSTEMS	WATER SERVICE	36.50
04/12/2019	10804(A)	GRIFFIN PEST SOLUTIONS, INC.	PEST CONTROL	68.00
04/12/2019	10805(A)	INDUSCO SUPPLY CO., INC.	PAPER PRODUCTS	562.20
04/12/2019	10806(A)	J-AD GRAPHICS, INC	NEWSLETTER APRIL - MAY	2,013.67
04/12/2019	10807(A)	JONS TO GO PORTABLE RESTROOM	PORTABLE RESTROOM	542.50
04/12/2019	10808(A)	KUSHNER & COMPANY, INC.	COBRA & FSA	375.80
04/12/2019	10809(A)	MATERIALS RESOURCES	LATEX GLOVES & MISC	139.17
04/12/2019	10810(A)	MCNALLY ELEVATOR CO.	ELEVATOR MAINTENANCE	134.21
04/12/2019	10811(A)	NEW FRESH CLEANING SERVICE	JANITORIAL SERVICES	1,188.00
04/12/2019	10812(A)	NYE UNIFORMS	MISC UNIFORMS	1,368.74
04/12/2019	10813(A)	ONSTAFF USA INC	TEMPORARY EMPLOYEES	6,593.57
04/12/2019	10814(A)	PCM SALES, INC.	CUSTOM PC AND MONITOR	3,238.93
04/12/2019	10815(A)	PROFESSIONAL BUILDING SERVICES LLC	JANITORIAL SERVICES	4,226.77
04/12/2019	10816(A)	R W LAPINE INC.	HVAC MAINTENANCE SER	923.25
04/12/2019	10817(A)	SAFETY SERVICES, INC.	SAFETY SUPPLIES	356.61
04/12/2019	10818(A)	SEVERANCE ELECTRIC COMPANY,INC	TRAFFIC SIGNAL REPAIR	4,403.00
04/12/2019	10819(A)	SIMPLIFILE LLC	RECORDING OF DOCUMENTS	368.40
04/12/2019	10820(A)	SOS TECHNOLOGIES	FIRE EMS SUPPLIES	70.40
04/12/2019	10821(A)	SUEZ WATER ENVIRONMENTAL SERVICES	UTILITY SYSTEM OPER	174,553.53
04/12/2019	10822(A)	TECHNOLOGY SOLUTIONS	LEGACY DATA PROJECT	1,937.50
04/12/2019	10823(A)	UNIFIRST CORPORATION	CARPET RUNNER RENTAL	87.18
04/12/2019	10824(A)	UNITED PETROLEUM	FUEL SYSTEM MAINTENANCE	352.50
04/12/2019	10825(A)	WEST MICHIGAN INT'L LLC	MAINTENANCE SUPPLIES	3,426.19
04/12/2019	10826(A)	WEST MICHIGAN STAMP & SEAL,INC	14 6"X6" BUILDING SIGNS	415.10

Check Date	Check	Vendor Name	Description	Amount
04/12/2019	10827(A)	WOLVERINE LAWN SERVICE, INC.	SNOW REMOVAL SERVICE	255.00
			Total ACH Transactions:	**686,885.57**

Check Type: Paper Check

04/01/2019	309359	CAPITOL STRATEGIES, LLC	SENIOR CENTER FUNDING	10,100.00
04/05/2019	309360	ALLEGRA PRINT & IMAGING	BUSINESS CARDS	39.00
04/05/2019	309361	AR ENGINEERING LLC	ENGINEERING SERVICES	4,746.06
04/05/2019	309362	BLACKBURN, DARNELL Z.	RESPECTING DIFF SPEAKER	6,000.00
04/05/2019	309363	CINTAS CORP.	UNIFORM RENTAL	7.13
04/05/2019	309364	CITY OF KALAMAZOO TREASURER	SANITARY SEWER CHARGES	192,411.14
04/05/2019	309365	CLASSIC GLASS, INC.	WINDSHIELD - 220	688.66
04/05/2019	309366	CLEAR CHANNEL AIRPORTS	AIRPORT ADVERTISING	888.00
04/05/2019	309367	COOK, THOMAS	TRIP REFUND	30.00
04/05/2019	309368	COSTAR REALTY INFORMATION, INC.	COSTAR REALTY BLANKET	351.42
04/05/2019	309369	CUMMINS INC.	GENERATOR	34,537.00
04/05/2019	309370	EICHAKER, RONALD	TRIP REFUNDS	1,176.00
04/05/2019	309371	EICHAKER, RONALD	PROGRAM REFUND	14.00
04/05/2019	309372	EMERGENCY VEHICLE PRODUCTS	FIRE APPARATUS MAINT	25,561.58
04/05/2019	309373	FRIENDS OF PORTAGE SENIOR CENTER	REIMBURSEMENT	1,600.00
04/05/2019	309374	GREATER KALAMAZOO FOP LODGE 98	DUES FOR MARCH 2019	2,910.76
04/05/2019	309375	HOME DEPOT	MISC BUILDING SUPPLIES	103.96
04/05/2019	309376	INT'L ASSOC OF ASSESSING OFFICERS	2019 IAAO CONFERENCE	645.00
04/05/2019	309377	KZOO TIRE COMPANY	TIRES AND TIRE REPAIR	3,051.35
04/05/2019	309378	LEADERSHIP BRIEFINGS	LEADERSHIP BRIEFINGS	179.00
04/05/2019	309379	M.M.A.A.O.	MMAAO 2019 MEMBERSHIP	20.00
04/05/2019	309380	MCDONALD'S TOWING & RESCUE, INC.	TOWING SERVICES	75.00
04/05/2019	309381	MFCI, LLC	DISSEMINATION AGENT FEE	750.00
04/05/2019	309382	MICH MUNICIPAL POLICE & FIRE REPAIR	MAJOR REPAIRS - 239	9,175.23
04/05/2019	309383	MICHIGAN ASSESSOR ASSOCIATION	MEMBERSHIP RENEWAL	160.00
04/05/2019	309384	MML UNEMPLOYMENT FUND	1ST QTR 2019 UNEMPLOYMENT	4,970.89
04/05/2019	309385	MORRIS, SHARON	TRIP REFUND	65.00

Check Date	Check	Vendor Name	Description	Amount
04/05/2019	309386	NATIONAL MINORITY UPDATE	ONLINE JOB ADVERTISISING	295.00
04/05/2019	309387	O'REILLY AUTO PARTS	FIRE APPARATUS MAINT	457.23
04/05/2019	309388	OFFICE DEPOT, INC.	OFFICE SUPPLIES 2018	169.53
04/05/2019	309389	PEARSON, BARBARA HEMPHILL	TRIP REFUND	84.00
04/05/2019	309390	PEDAL BICYCLES	RANGER BIKE MAINT	455.97
04/05/2019	309391	PEERLESS, INC.	FIRE MAINT. SUPPLIES	237.50
04/05/2019	309392	PETRULIO, MARY LOU	TRIP REFUND	400.00
04/05/2019	309393	PETTY CASH-COLEEA CANDERS	REPLENISHMENT CHECK	210.19
04/05/2019	309394	PLAINWELL SENIOR EXPO	PLAINWELL SENIOR EXP	75.00
04/05/2019	309395	RICHMOND, DONNA	TRIP REFUND	50.00
04/05/2019	309396	SHERMAN TOOL / CORNWELL TOOLS	TRQ WRENCH/BRKR BAR	599.95
04/05/2019	309397	SMITH, JEFF	BAND EQUIPMENT REPAIR	105.00
04/05/2019	309398	SMITH, RICHARD & KATHLEEN	TRIP REFUND	345.00
04/05/2019	309399	STEENSMA LAWN & POWER EQUIPMENT	SMALL EQUIPMENT REPAIR	1,424.91
04/05/2019	309400	TODD ARBANAS ENTERPRISES INC.	TREE REMOVAL	4,550.00
04/05/2019	309401	TRAINED UP LLC	TRAFFIC STOP & COUNTER	750.00
04/05/2019	309402	TURK, NANCY	TRIP REFUND	200.00
04/05/2019	309403	U S POSTMASTER	PORTAGER POSTAGE	8,000.00
04/05/2019	309404	U S POSTMASTER	2019 0320 PERMIT	235.00
04/05/2019	309405	UNITED PARCEL SERVICE	WEEKLY DELIVERY	12.00
04/05/2019	309406	VERIZON WIRELESS SERVICES, LLC	CELL PHONES	3,247.66
04/05/2019	309407	W. S. DARLEY & CO.	FIRE REPAIR SUPPLIES	297.85
04/12/2019	309408	A T & T	TELEPHONE SERVICE	11,141.39
04/12/2019	309409	ALLEGRA PRINT & IMAGING	RETURN ENVELOPES	707.00
04/12/2019	309410	AR ENGINEERING LLC	ENGINEERING SERVICES	11,763.56
04/12/2019	309411	BAY AREA TOUCHLESS CARWASH LLC	2018/19 POLICE VEHICLES	306.00
04/12/2019	309412	BINDER PARK ZOOLOGICAL SOCIETY, INC	APRIL BINDER PARK PROG	200.00
04/12/2019	309413	BLUE CROSS/BLUE SHIELD OF MICH	BCBSM INSURANCE	65,005.18
04/12/2019	309414	C T ELECTRICAL SERVICES, INC.	ELECTRICAL SERVICES	2,100.00
04/12/2019	309415	CARTRIDGE WORLD	PRINTER SERVICES	1,763.33
04/12/2019	309416	CINTAS CORP.	UNIFORM RENTAL SERV	166.99
04/12/2019	309417	COCHRAN GLASS AND DOOR, LLC	DOOR REPLACEMENT	1,926.40

Check Date	Check	Vendor Name	Description	Amount
04/12/2019	309418	D L GALLIVAN INC.	COPY MACHINE USAGE	358.29
04/12/2019	309419	FADER EQUIPMENT, INC.	CONCRETE BLANKETS	440.00
04/12/2019	309420	FLETCHER ENTERPRISES	PAINTING SERVICES	200.00
04/12/2019	309421	FOUNE WELL DRILLING, INC.	WATER WELL SERVICES	7,170.00
04/12/2019	309422	GILCHRIST, PAMELA	TRIP REFUND	163.00
04/12/2019	309423	GROSSMAN LAW, PC	PORTAGE PUBLIC SAFETY	1,047.00
04/12/2019	309424	HOME DEPOT	SUPPLIES - PARKS DIV	61.94
04/12/2019	309425	HOME DEPOT	MISC BUILDING SUPPLIES	239.34
04/12/2019	309426	KALAMAZOO INSTITUTE OF ARTS	PORTAGE COMMUNITY AWARD	1,000.00
04/12/2019	309427	KIESER & ASSOCIATES, LLC	RAMONA WETLAND	3,040.00
04/12/2019	309428	LADIES LIBRARY ASSOCIATION	TRIP VENDOR PAYMENT	1,436.50
04/12/2019	309429	MLIVE MEDIA GROUP	MARCH LEGAL NOTICES	1,989.28
04/12/2019	309430	MORTGAGE 1, INC	OVERPAYMENT REFUND	9.86
04/12/2019	309431	NATIONAL COUNCIL ON THE AGING	MEMBERSHIP RENEWAL	145.00
04/12/2019	309432	NDEBE, DR. M.	RENTAL REFUND	100.00
04/12/2019	309433	PETTY CASH-BARBARA GARLOW	REPLENISHMENT CHECK	538.07
04/12/2019	309434	PORTAGE GLASS & MIRROR	REPLACEMENT WINDOWS	22,149.00
04/12/2019	309435	SAFEBUILT MICHIGAN, LLC	FILL IN INSPECTIONS	3,255.00
04/12/2019	309436	STATE SYSTEMS RADIO, INC	12 MONTHS OF TOWER LEASE	1,551.67
04/12/2019	309437	SUPERIOR PLUMBING SERVICES INC	REFUND BD PERMIT	355.00
04/12/2019	309438	U S POSTAL SERVICE	REFILL POSTAGE	5,000.00
04/12/2019	309439	VERIZON WIRELESS SERVICES, LLC	WIRELESS SERVICES	96.44
			Total Paper Checks:	**467,883.21**

Check Type: Auto-Pay Payments

Check Date	Check	Vendor Name	Description	Amount
04/04/2019	7774	CONSUMERS ENERGY	GAS-ELECTRIC	44,418.73
04/09/2019	7779	CONSUMERS ENERGY	GAS-ELECTRIC	9,607.80
04/11/2019	7788	CONSUMERS ENERGY	GAS-ELECTRIC	1,011.22
04/12/2019	7797	CONSUMERS ENERGY	GAS-ELECTRIC	5,989.56
			Total Auto-Pay Payments:	**61,027.31**
			Grand Total:	**1,215,796.09**

PORTAGE
A Natural Place to Move

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager Laurence Shaffer

SUBJECT: Public Hearing on Fiscal Year 2019-2020 Budget

SUPPORTING PERSONNEL: William Furry, Director of Finance

ACTION RECOMMENDED: Adopt the Resolution setting a public hearing on May 7, 2019 for the Fiscal Year 2019-2020 Proposed City Budget and the proposed 2019 tax levy.

In order to permit adoption of the Fiscal Year 2019-2020 Proposed Budget on May 23, 2019, as well as to satisfy the requirements of the City Charter and Public Act 5 of 1982, known as the Truth in Taxation Act, a public hearing must be held at the regular Council meeting of May 7, 2019.

Public Act 5 of 1982 requires that any millage rate above the "base tax rate" be identified separately in the Notice of Public Hearing on the proposed 2019 tax levy. The "base tax rate" as defined by Public Act 5 of 1982 is the prior year operating millage adjusted for the inflationary growth in the Taxable Value of property in the city. Adopting the millage rate through the budget hearing precludes the need for a Truth In Taxation hearing. The proposed millage rate for 2019 is 10.8200.

It is therefore recommended that City Council adopt the Resolution setting a public hearing on May 7, 2019 for the Fiscal Year 2019-2020 Proposed Budget.

FUNDING: N/A

Attachments: 1. City of Portage Hearing Resolution

CITY OF PORTAGE

RESOLUTION OF CITY OF PORTAGE

Minutes of a regular meeting of the City Council for the City of Portage, Michigan held on April 23, 2019 at 7:00 p.m. local time at the Council Chambers in the City of Portage, Michigan.

Present:____

Absent: ____

The following resolution was offered by:

Councilmember __________________________, and supported by:

Councilmember __________________________.

NOW THEREFORE, BE IT RESOLVED:

That the City of Portage set a public hearing for 7:00 p.m., or as soon thereafter as may be heard, on May 7, 2019, on the proposed 2019-2020 City budget as required by Chapter Seven of the City Charter and state law.

Be it further resolved:

That notice, in substantially the following form, be published in a newspaper of general circulation within the City, giving notice of the City's intent to set the public hearing.

CITY OF PORTAGE, MICHIGAN

NOTICE OF PUBLIC HEARING

ON PROPOSED CITY BUDGET AND

PROPOSED PROPERTY TAXES

The City Council of the City of Portage will hold a public hearing at 7:00 p.m., or as soon thereafter as may be heard, on May 7, 2019 in the Council Chambers at 7900 South Westnedge Avenue on the proposed 2019-2020 City budget and on the proposed 2019 City tax levy. Copies of the proposed budget are available for public inspection during regular business hours in the offices of the City Clerk and the Director of Finance.

The hearing is being held for the purpose of receiving testimony and discussing the proposed levy of the millage needed to support the proposed budget.

Public comments, oral or written, are welcome at the hearing on the proposed City budget and the proposed millage rate.

This notice published by: CITY OF PORTAGE

7900 SOUTH WESTNEDGE AVENUE

PORTAGE, MICHIGAN 49002

(269) 329-4412

Dated: ______________, 2019 __________________________

City Clerk

AYES: Councilmember ____

NAYS: Councilmember ____

ABSENT: Councilmember____

RESOLUTION DECLARED ADOPTED:____

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan held on April 23, 2019, the original of which is in the official proceedings of the City Council.

____

City Clerk

Approved as to form:

____

John R. Axe, Clark Hill PLC

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager

SUBJECT: Adoption of Bond Resolution

SUPPORTING PERSONNEL: William Furry, Director of Finance

ACTION RECOMMENDED: Adopt the:

1. Bond Resolution authorizing the sale of Capital Improvement Bonds, Series 2019, in the amount of $4,890,000; and
2. Resolution approving the Undertaking to Provide Continuing Disclosure by the City of Portage for Capital Improvement Bonds, Series 2019.

The issuance of bonds in the amount of $4,890,000 is being proposed as a funding mechanism to pay for projects programmed in the 2018-2028 Ten-Year Capital Improvement Program (CIP). Funding of certain projects in the 2018-2028 CIP will come from available cash reserves. The total borrowed is $4.845 million less than the $9.735 million in debt issuance originally budgeted in the 2018-2028 CIP. In the 2018-2019 Fiscal Year, $8.270 million in debt principal will be retired, with the addition of the new debt, total debt will be reduced $3.380 million to an overall balance of $55.585 million.

The attached bond resolutions provide for the initiation of the legal process required to issue bonds for funding the Fiscal Year 2018-2019 CIP projects. The resolutions were prepared by the city's Bond Counsel, John Axe.

Projects for which the bonds are to be issued include the following:

Park Restroom/Shelter Improvements	$ 150,000
Major Street Reconstruction	2,773,000
City Hall Improvements	460,000
Celery Flats Events/Visitors Center	500,000
South Westnedge Avenue Traffic Signal System Upgrade	300,000
Portage Road / Lakeview Drive Intersection Improvements	185,000
West Centre Avenue Reconstruction, South 12th Street to Oakland Drive	147,000
Portage Road Sidewalk, Mandigo Avenue to a point 1,700 feet north	375,000
Total bond issue:	**$4,890,000**

Projects funded with General Fund Excess - FY 2017-2018

Portage Road Trailway	$ 590,000
Park Parking Lot/Walkway Improvements	126,000
Total internally funded:	**$ 716,000**

FUNDING: N/A

Attachments:
1. Bond Resolution - City of Portage CIP Series 2019
2. Portage CIP 2019 Debt Service Draft
3. Portage Continuing Disclosure Resolution 2019

CITY OF PORTAGE

At a ______________ meeting of the City Council of the City of Portage, Michigan, held on the ___ day of ________________, 2019, at __:__ _.m., Eastern Time, at the City Hall in Portage, Michigan there were:

PRESENT: ____

____

____

ABSENT: ____

The following preambles and resolution were offered by ____________________________ and seconded by ____________________________:

BOND RESOLUTION
City of Portage
Capital Improvement Bonds, Series 2019

WHEREAS, there have been prepared and presented to the City Council (the "Council") of the City of Portage, Michigan (the "City"), a description of improvements to the City of Portage (the "Capital Improvement Project"), all as more fully described in EXHIBIT A, of the Notice of Intention included in the fourth "WHEREAS" clause below, pursuant to the terms of Act No. 34, Public Acts of Michigan, 2001 as amended ("Act 34"); and

WHEREAS, it has been estimated that the period of usefulness of the Capital Improvement Project is not less than 20 years and that the total cost of the Capital Improvement Project and issuing the Bonds will not exceed $7,000,000 to be provided by the proceeds from the sale of bonds by the City pursuant to Act 34; and

WHEREAS, the City proposes to undertake the Capital Improvement Project and to incur taxable or tax-exempt debt (the "Reimbursement Obligations") to finance all or a portion of the costs of the Capital Improvement Project; and

WHEREAS, on March 26, 2019, the City Council approved a form of notice entitled "NOTICE OF INTENTION OF THE CITY OF PORTAGE TO ISSUE CAPITAL IMPROVEMENT BONDS AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON" (the "Notice of Intention"), which has been published April 4, 2019, in the Kalamazoo Gazette in Kalamazoo, Michigan, which describes the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTAGE, MICHIGAN, AS FOLLOWS:

1. **Bond Details**: Pursuant to Act 34, the bonds of the City, aggregating not to exceed the principal sum of $4,890,000, shall be issued for the purpose of defraying the City's

portion of the cost of the Capital Improvement Project. The bonds shall be known as "City of Portage Capital Improvement Bonds, Series 2019" (the "Bonds") and shall be dated as of the date of delivery as the Finance Director of the City ("Finance Director") shall provide in the Award Order. The Bonds shall be fully registered Bonds, both as to principal and interest, in any one or more denominations of $5,000 or a multiple of $5,000 numbered from 1 upwards as determined by the Finance Director, regardless of rate and maturity date. The Bonds will mature on October 1 in each year as follows:

YEAR	AMOUNT	YEAR	AMOUNT	YEAR	AMOUNT
2020	180,000.00	2027	225,000.00	2034	275,000.00
2021	185,000.00	2028	230,000.00	2035	285,000.00
2022	190,000.00	2029	235,000.00	2036	295,000.00
2023	200,000.00	2030	245,000.00	2037	305,000.00
2024	205,000.00	2031	250,000.00	2038	310,000.00
2025	210,000.00	2032	260,000.00	2039	325,000.00
2026	215,000.00	2033	265,000.00		

The Bonds shall be in substantially the form attached hereto as Exhibit B with such changes, additions or deletions as are not inconsistent with this resolution.

2. **Discount**: The Bonds may be offered for sale at a price of not less than 99% or more than 102% of the face amount thereof, and the Finance Director is authorized, in his or her discretion, to provide for a higher minimum purchase price in the Request for Proposal for the Bonds.

3. **Interest Payment and Date of Record**: The Bonds shall bear interest payable October 1, 2019 and each April 1 and October 1 thereafter, until maturity, which interest shall not exceed 6% per annum. Interest shall be paid by check or draft mailed to the registered owner of each Bond as of the applicable date of record, provided, however, that the Finance Director may agree with the bond registrar on a different method of payment. If interest is paid differently, the Bond form attached as EXHIBIT A and Official Notice of Sale form attached as EXHIBIT B shall be changed accordingly.

The date of record for each interest payment shall be the 15th day of the calendar month preceding the date such payment is due.

4. **Prior Redemption:** Bonds maturing prior to October 1, 2027, shall not be subject to redemption prior to maturity. Bonds maturing on and after October 1, 2027 shall be subject to redemption in whole or in part on any date on and after October 1, 2026, and in any order, at the option of the City, at par, plus accrued interest to the date fixed for redemption.

With respect to partial redemptions, any portion of a bond outstanding in a denomination larger than the minimum authorized denomination may be redeemed provided such portion and the amount not being redeemed each constitutes an authorized denomination. In the event that less than the entire principal amount of a bond is called for redemption, upon surrender of the Bond to the bond registrar, the bond registrar shall authenticate and deliver to the registered owner of the Bond a new bond in the principal amount of the principal portion not redeemed.

Notice of redemption shall be sent to the registered holder of each Bond being redeemed by first class mail at least thirty (30) days prior to the date fixed for redemption, which notice shall fix the date of record with respect to the redemption if different than otherwise provided in the resolution authorizing the issuance of the Bonds. Any defect in such notice shall not affect the validity of the redemption proceedings. Bonds so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the bond registrar to redeem the same.

5. **Capitalized Interest**: As the Finance Director so orders, prior to the time of delivering the Bonds, up to two years of the interest payable on the Bonds is to be capitalized.

6. **Reduction in Aggregate Amount of Bonds**: In the event the cost of acquiring and constructing the Capital Improvement Project shall be less than the current cost estimates and after this bond resolution has been adopted it shall be determined by the Finance Director that the Capital Improvement Project cost shall be less than such estimates, the Finance Director shall reduce the principal amount of the Bonds by $5,000 denominations, one such denomination for each maturity in any order of maturity, to the extent required to avoid the issuance of more Bonds than will be required in light of the proposals received, and the Official Notice of Sale shall be correspondingly altered.

7. **Bond Registrar and Paying Agent/Book Entry Depository Trust**: The Finance Director shall designate, and may enter into an agreement with, a bond registrar and paying agent for the Bonds (sometimes referred to as the “Bond Registrar”) which shall be a bank or trust company located in the State of Michigan which is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The Finance Director from time to time as required may designate a similarly qualified successor bond registrar and paying agent. The Bonds shall be deposited with a depository trustee designated by the Finance Director who shall transfer ownership of interests in the Bonds by book entry and who shall issue depository trust receipts or acknowledgments to owners of interests in the Bonds. Such book entry depository trust arrangement, and the form of depository trust receipts or acknowledgments, shall be as determined by the Finance Director after consultation with the depository trustee. The depository trustee may be the same as the Bond Registrar otherwise named by the Finance Director, and the Bonds may be transferred in part by depository trust and in part by transfer of physical certificates as the Finance Director may determine.

8. **Transfer or Exchange of Bonds**: Any bond shall be transferable on the bond register maintained by the Bond Registrar with respect to the Bonds upon the surrender of the Bond to the Bond Registrar together with an assignment executed by the registered owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned Bond the Bond Registrar shall authenticate and deliver a new Bond or Bonds in equal aggregate principal amount and like interest rate and maturity to the designated transferee or transferees.

Bonds may likewise be exchanged for one or more other Bonds with the same interest rate and maturity in authorized denominations aggregating the same principal amount as the

Bond or Bonds being exchanged. Such exchange shall be effected by surrender of the Bond to be exchanged to the Bond Registrar with written instructions signed by the registered owner of the Bond or his or her attorney in form satisfactory to the Bond Registrar. Upon receipt of a Bond with proper written instructions the Bond Registrar shall authenticate and deliver a new Bond or Bonds to the registered owner of the Bond or his or her properly designated transferee or transferees or attorney.

Any service charge made by the Bond Registrar for any such registration, transfer or exchange shall be paid for by the City, unless otherwise agreed by the City and the Bond Registrar. The Bond Registrar may, however, require payment by a bondholder of a sum sufficient to cover any tax or other governmental charge payable in connection with any such registration, transfer or exchange.

9. **Mutilated, Lost, Stolen or Destroyed Bonds**: In the event any Bond is mutilated, lost, stolen or destroyed, the Mayor and the Clerk of the City may, on behalf of the City, execute and deliver, a new Bond having a number not then outstanding, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed.

In the case of a mutilated Bond, a replacement Bond shall not be delivered unless and until such mutilated Bond is surrendered to the Bond Registrar. In the case of a lost, stolen or destroyed Bond, a replacement Bond shall not be delivered unless and until the City and the Bond Registrar shall have received such proof of ownership and loss and indemnity as they determine to be sufficient, which shall consist at least of (i) a lost instrument Bond for principal and interest remaining unpaid on the lost, stolen or destroyed Bond; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the Bond lost, stolen or destroyed and the circumstances under which it was lost, stolen or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the City and the Bond Registrar against loss due to the lost, stolen or destroyed Bond and the issuance of any replacement Bond; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the City and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the City.

10. **Execution and Delivery**: The Mayor (or the Mayor Pro Tem, in the absence of the Mayor) and the Clerk of the City are hereby authorized and directed to execute the Bonds for and on behalf of the City by manually executing the same or by causing their facsimile signatures to be affixed. If facsimile signatures are used, the Bonds shall be authenticated by the Bond Registrar before delivery. The Bonds shall be sealed with the City's seal or a facsimile thereof shall be imprinted thereon. When so executed and (if facsimile signatures are used) authenticated, the Bonds shall be delivered to the Finance Director, who is hereby authorized and directed to deliver the Bonds to the purchaser upon receipt in full of the purchase price for the Bonds.

11. **Source of Repayment:** The City agrees to pledge its full faith and credit for the repayment of the Bonds and will pledge sufficient amounts of City taxes levied each year provided that the amount of taxes necessary to pay the principal and interest on the Bonds,

together with the other taxes levied for the same year, shall not exceed the limit authorized by law.

12. **Principal and Interest Fund**: All monies set aside by the City toward the cost of the Capital Improvement Project shall be kept by the City in a separate fund hereby established, to be known as the "Principal and Interest Fund." All moneys in the Principal and Interest Fund shall be kept in a separate depository account with one or more banks or trust companies where the principal of and interest on the bonds are payable, and such moneys shall be used solely for the payment of the principal of and interest on the Bonds and expenses incidental thereto. All accrued interest and the premium, if any, received from the purchaser of the Bonds shall be deposited in the Principal and Interest Fund upon receipt. Capitalized interest, as determined pursuant to Section 6, shall be deposited in the Principal and Interest Fund.

13. **Acquisition and Construction Fund**: There is hereby established an Acquisition and Construction Fund into which all proceeds of the borrowing shall be deposited, except the accrued interest on the Bonds and premium, if any, received from the purchaser of the Bonds and any capitalized interest. All moneys in the Acquisition and Construction Fund shall be used solely for the payment in full of costs of the Capital Improvement Project, including the costs of issuing the Bonds. Surplus moneys remaining in the Acquisition and Construction Fund after completion of the Capital Improvement Project and payment in full of the costs of the Capital Improvement Project (or provision for such payment) shall be deposited in the Principal and Interest Fund.

14. **Investments**: Moneys in the Principal and Interest Fund and the Acquisition and Construction Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Finance Director which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Principal and Interest Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bonds, and (b) in the case of the Acquisition and Construction Fund, the estimated dates when moneys in such fund will be required to pay costs of the Capital Improvement Project. Obligations purchased as an investment of moneys in the Principal and Interest Fund or the Acquisition and Construction Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

15. **Depositories**: All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Principal and Interest Fund shall only be deposited in such banks where the principal of and interest on the Bonds are payable. The Finance Director shall select the depository or depositories to be used from those banks authorized in this Section.

16. **Arbitrage and Tax Covenants**: Notwithstanding any other provision of this resolution, the City covenants that it will not at any time or times:

(a) Permit any proceeds of the Bonds or any other funds of the City or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bonds to be includible in gross income for federal income tax purposes, cause the interest on the Bonds to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bonds to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bonds and the interest thereon from the State of Michigan income taxation.

17. **Qualified Tax-Exempt Obligations**: The Bonds are designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code, unless, at the time the Official Notice of Sale is published, the Bonds have been determined to be ineligible to be so designated on the basis of the City's reasonable expectations at the time of such circulation. In such event, the Notice of Sale shall be changed appropriately and the Bond shall there be so designated.

18. **Defeasance or Redemption of Bonds**: If at any time,

(a) the whole amount of the principal of and interest on all outstanding Bonds shall be paid, or

(b) (i) sufficient moneys, or Government Obligations (as defined in this Section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on all outstanding Bonds as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such Bonds as and when due, and (ii) in the case of redemption prior to maturity, all outstanding Bonds shall have been duly called for redemption (or irrevocable instructions to call such Bonds for redemption shall have been given) then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the City shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bonds (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to the City and considered excess proceeds of the Bonds. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within 30 days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be given to the registered holders hereof not more than sixty (60) days nor less than forty-five (45) days prior to the redemption setting forth the date or dates, if any, designated for the redemption of the Bonds, a description of the moneys or Government Obligations so held by it and that the City has been released from its obligations under this Resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of, premium, if any, and interest on the Bonds at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by resolution of the City, and (c) at the time of its appointment and so long as it is serving as such, have at least $25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

19. **Filing with Municipal Finance Division**: If necessary the City Manager, or if there is no City Manager, the Mayor is authorized and directed to:

(a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bonds;

(b) file with such application all required supporting material; and

(c) pay all fees required in connection therewith.

20. **Public Sale – Official Notice of Sale:** The City hereby authorizes its Bond Counsel to publish a Notice of Sale at least seven days prior to the date fixed for receipt of bids for the purchase of the Bonds. The Notice of sale shall be in substantially the form set forth in Appendix C attached hereto as is consistent with this resolution and is approved by the Finance Director. The Financial Consultant is hereby designated to act for and on behalf of the City to receive bids for the purchase of the Bonds recommend the low bid and to take all other steps necessary in connection with the sale and delivery thereof.

The Finance Director shall sign an award order awarding the Bonds to the lowest bidder after advice from the Financial Consultant.

21. **Conflicting Resolutions**. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

22. **Effective Date**. This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the City as soon as practicable after adoption.

A roll call vote on the foregoing resolution was then taken, and was as follows:

YES: ____

____

NO: ____

ABSTAIN: ____

The resolution was declared adopted.

STATE OF MICHIGAN)
)ss.
CITY OF PORTAGE)

The undersigned, being the duly qualified and acting Clerk of the City of Portage, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the City of Portage City Council at its ____________ meeting held on the ______ day of April, 2019, at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the City. I further certify that the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and will be or have been made available as required thereby.

____
Clerk, City of Portage

DATED: ___________________, 2019

EXHIBIT A

[FORM OF BOND]

UNITED STATES OF AMERICA - STATE OF MICHIGAN -
COUNTY OF KALAMAZOO

CITY OF PORTAGE
CAPITAL IMPROVEMENT BOND, SERIES 2019

No. ___

RATE	**MATURITY DATE**	**DATE OF ISSUANCE**	**CUSIP**
		_________ 1, ____	

==

REGISTERED OWNER:

PRINCIPAL AMOUNT:

==

FOR VALUE RECEIVED, the City of Portage, County of Kalamazoo (the "City"), State of Michigan, hereby acknowledges itself indebted and promises to pay (but only from the sources referred to herein) on the Maturity Date specified above, unless paid prior thereto as hereinafter provided, to the Registered Owner specified above, or its registered assigns, the Principal Amount specified above upon presentation and surrender of this Bond at the principal corporate trust office of ______________________, _______, Michigan, as paying agent and bond registrar (the "Bond Registrar"), together with interest thereon to the Registered Owner of this Bond, as shown on the books of the City maintained by the Bond Registrar, on the applicable date of record from the Date of Issuance specified above, or such later date through which interest has been paid, at the Rate per annum specified above, commencing _________ 1, ____, and semiannually thereafter on the first day of ________ and _______ in each year to and including the Maturity Date or earlier redemption of this Bond. The date of record for each payment of interest shall be the 15th day of the month preceding the date such payment is due. Interest is payable by check or draft mailed by the Bond Registrar to the Registered Owner at the address shown on the books of the City maintained by the Bond Registrar on the applicable date of record and shall be calculated on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

This Bond is one of a series of bonds of like date and tenor except as to denomination, date of maturity and interest rate, numbered from 1 upwards, aggregating the principal sum of ____ Dollars ($_________), issued by the City, pursuant to and in full conformity with the Constitution and Statutes of the State of Michigan and especially Act No. 34, Public Acts of Michigan, 2001, as amended (the "Act"), for the purpose of

____

____

___________________________________ which is located in _________, Michigan (the "Capital Improvement Project").

This Bond and the series of which this is one are payable as follows:____
____ which are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the bonds. To secure payment of the principal of, premium, if any, and interest on the bonds. The ____________________ pledged to the payment of the principal of, premium, if any, and interest on the bonds shall be and remain subject to the statutory lien until the principal of, premium, if any, and interest on the bonds have been paid in full. The limited tax full faith and credit of the City has been pledged for the making of such payments, and the City is obligated to levy ad valorem taxes in such amounts as shall be necessary for the making of such Bond payments. HOWEVER, NO TAXES MAY BE LEVIED IN EXCESS OF CONSTITUTIONAL AND STATUTORY LIMITS.

Bonds maturing prior to _____ 1, ____ shall not be subject to redemption prior to maturity. Bonds maturing on or after _____ 1, _____ shall be subject to redemption prior to maturity at the option of the City, in any order, in whole or in part, on any interest payment date on or after _____ 1, ____. Bonds so called for redemption shall be redeemed at par, plus accrued interest to the date fixed for redemption.

With respect to partial redemptions, any portion of a bond outstanding in a denomination larger than the minimum authorized denomination may be redeemed provided such portion as well as the amount not being redeemed each constitutes an authorized denomination. In the event that less than the entire principal amount of a bond is called for redemption, upon surrender of the bond to the Bond Registrar, the Bond Registrar shall authenticate and deliver to the Registered Owner of the bond a new bond in the principal amount of the principal portion not redeemed.

Notice of redemption shall be sent to the registered holder of each bond being redeemed by first class mail at least thirty (30) days prior to the date fixed for redemption, which notice shall fix the date of record with respect to the redemption, if different than otherwise provided in the resolution authorizing the issuance of the bonds. Any defect in such notice shall not affect the validity of the redemption proceedings. Bonds so called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Bond Registrar to redeem the same.

This Bond shall be transferable on the books of the City maintained by the Bond Registrar upon surrender of this Bond to the Bond Registrar together with an assignment executed by the Registered Owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned bond, the Bond Registrar shall authenticate and deliver a new bond or bonds in authorized denominations in equal aggregate principal amount and like interest rate and maturity to the designated transferee or transferees.

This Bond may likewise be exchanged for one or more other bonds with the same interest rate and maturity in authorized denominations aggregating the same principal amount as the bond or bonds being exchanged. Such exchange shall be effected by surrender of the bond to be exchanged to the Bond Registrar with written instructions signed by the Registered Owner of the bond or his or her attorney in form satisfactory to the Bond Registrar. Upon receipt of a bond with proper written instructions the Bond Registrar shall authenticate and deliver a new bond or bonds to the Registered Owner of the bond or his or her properly designated transferee or transferees or attorney.

The Bond Registrar is not required to honor any transfer or exchange of bonds during the fifteen (15) days preceding an interest payment date. Any service charge made by the Bond Registrar for any such registration, transfer or exchange shall be paid for by the City (subject, however, to reimbursement by the City pursuant to the Lease), unless otherwise agreed upon by the City and the Bond Registrar. The Bond Registrar may, however, require payment by a bondholder of a sum sufficient to cover any tax or other governmental charge payable in connection with any such registration, transfer or exchange.

This Bond and the bonds of this series have ___ been designated as "qualified tax-exempt obligations" for purposes of Paragraph 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit until the certificate of authentication hereon has been duly executed by the Bond Registrar, as authenticating agent.

It is hereby certified, recited and declared that all things, conditions and acts required to exist, happen and be performed precedent to and in connection with the issuance of this Bond and the other bonds of this series, existed, have happened and have been performed in due time, form and manner as required by the Constitution and Statutes of the State of Michigan, and that the total indebtedness of the City, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Portage, State of Michigan by its City Council has caused this Bond to be executed in its name with the facsimile signatures of its Mayor and its Clerk and has caused a facsimile of its seal to be affixed hereto, and has caused this Bond to be authenticated by the Bond Registrar, as the City's authenticating agent, all as of the Date of Issuance set forth above.

CITY OF PORTAGE

By:
Mayor

[SEAL]

By:
Clerk

DATE OF AUTHENTICATION:

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the series of bonds designated "City of Portage Capital Improvement Bonds, Series 2019."

____
_______, Michigan
as Bond Registrar and Authenticating Agent
By:
Authorized Representative

CERTIFICATE

The above is a true copy of the legal opinion of Clark Hill PLC, a true copy of which was delivered on the date of delivery of the Bonds to which it relates.

BY:
Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ____________________ this Bond and all rights hereunder and hereby irrevocably constitutes and appoints __________________________ attorney to transfer this Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: ____________________________

Signature:

____

Notice: The signature(s) to this assignment must correspond with the name as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

The transfer agent will not affect transfer of this Bond unless the information concerning the transferee requested below is provided:

Name and Address: _______________________________
____
____
(Include information for all joint owners if bond is held by joint account)

PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF TRANSFEREE
(Insert number for first named transferee if held by joint account)

EXHIBIT B

OFFICIAL NOTICE OF SALE
$4,890,000
CITY OF PORTAGE
County of Kalamazoo, State of Michigan
CITY OF PORTAGE CAPITAL IMPROVEMENT BONDS, SERIES 2019

SEALED OR ELECTRONIC PROPOSALS: Sealed written proposals for the purchase of the bonds described herein (the "Bonds") will be received by the undersigned on behalf of the City of Portage (the "City" or "Issuer"), 7900 South Westnedge Avenue, Portage, Michigan 49024, at the office of the Finance Director, on _______________, 2019, until 11:00 a.m., Eastern Daylight Savings Time, at which time and place the bids will be publicly opened and read.

In the alternative, sealed written bids will also be received on the same date and until the same time by an agent of the undersigned at the Municipal Advisory Council of Michigan, Buhl Building, 535 Griswold, Suite 1850, Detroit, Michigan 48226, where they will be publicly opened simultaneously. Bids received at Portage, Michigan will be read first followed by bids received at the alternate location. Bidders may choose either location to present bids and good faith checks, but not both locations.

Any bidder may submit a bid in person to either proposing location. However, no bidder is authorized to submit a FAX bid to Portage, Michigan.

Also in the alternative, electronic bids will also be received on the same date and until the same time by an agent of the undersigned Bidcomp/PARITY. Further, information about Bidcomp/PARITY, including any fee charged, may be obtained from Bidcomp/PARITY, Eric Washington, 1359 Broadway, 2nd Floor, New York, New York, 10018, (212) 849-5021. In addition, for further information about PARITY, potential bidders may contact MFCI, LLC at (313) 782-3011.

If any provision of this Official Notice of Sale shall conflict with information provided by Bidcomp/Parity as the approved provider of electronic proposing services, this Official Notice of Sale shall control.

The Bonds will be awarded or all bids will be rejected by the City's Finance Director at a proceeding to be held within twenty-four hours of the sale.

BOND DETAILS: The Bonds will be dated the date of delivery and will be known as "City of Portage Capital Improvement Bonds, Series 2019". The Bonds will be fully registered Bonds in any one or more denominations of $5,000 or a multiple of $5,000, numbered from 1 upwards and will bear interest from their date payable October 1, 2019 and semi-annually thereafter until maturity. The Bonds will mature on the 1st day of October in each year as follows:

YEAR	AMOUNT	YEAR	AMOUNT	YEAR	AMOUNT
2020	180,000.00	2027	225,000.00	2034	275,000.00
2021	185,000.00	2028	230,000.00	2035	285,000.00
2022	190,000.00	2029	235,000.00	2036	295,000.00
2023	200,000.00	2030	245,000.00	2037	305,000.00
2024	205,000.00	2031	250,000.00	2038	310,000.00
2025	210,000.00	2032	260,000.00	2039	325,000.00
2026	215,000.00	2033	265,000.00		

PRIOR REDEMPTION: The Bonds maturing prior to October 1, 2027 shall not be subject to redemption prior to maturity. Bonds maturing on or after October 1, 2027 shall be subject to redemption prior to maturity at the option of the City, in any order, in whole or in part on any date on or after October 1, 2026. Bonds called for redemption shall be redeemed at par, to the date fixed for redemption.

With respect to partial redemptions, any portion of a refunding bond outstanding in a denomination larger than the minimum authorized denomination may be redeemed provided such portion as well as the amount not being redeemed each constitute an authorized denomination. In the event that less than the entire principal amount of a bond is called for redemption, upon surrender of the Bond to the bond registrar, the bond registrar shall authenticate and deliver to the registered owner of the Bond a new bond in the principal amount of the principal portion not redeemed.

Notice of redemption shall be sent to the registered holder of each bond being redeemed by first class mail at least thirty (30) days prior to the date fixed for redemption, which notice shall fix the date of record with respect to the redemption if different than otherwise provided in the resolution authorizing the issuance of the Bonds. Any defect in such notice shall not affect the validity of the redemption proceedings. Bonds so called for redemption shall not bear interest after the redemption date, provided funds are on hand with the bond registrar to redeem the same.

INTEREST RATE AND BID DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 6% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one bond shall be at one rate only. All bonds maturing in any one year must carry the same interest rate. THE INTEREST RATE BORNE BY BONDS MATURING IN ANY YEAR SHALL NOT BE AT A RATE LOWER THAN THE RATE BORNE BY BONDS MATURING IN ANY PRECEDING YEAR. No bid for the purchase of less than all of the Bonds, at a price less than 99% of their par value or at more than 102% of their par value or at an interest rate or rates that will result in a net interest cost exceeding 6%, will be considered.

TERM BOND OPTION: Bonds maturing in any years, inclusive, are eligible for designation by the original purchaser at the time of sale as serial bonds or term bonds, or both. There may be more than one term bond maturity. However, principal maturities designated as term bonds shall be subject to mandatory redemption, in part, by lot, at par. Each maturity of term bonds and serial bonds must carry the same interest rate. Any such designation must be made at the time the bids are submitted.

BOOK-ENTRY-ONLY: The Bonds will be issued in book-entry-only form as one fully-registered bond per maturity and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchase of the Bonds will be made in book-entry-only form, in the denomination of $5,000 or any multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. The book-entry-only system is described further in the nearly final official statement for the Bonds.

BOND REGISTRAR, PAYING AGENT AND DATE OF RECORD: The HUNTINGTON NATIONAL BANK, Grand Rapids, Michigan has been selected as paying agent and bond registrar (the "Bond Registrar") for the Bonds. The Bond Registrar will keep records of the registered holders of the Bonds, serve as transfer agent for the Bonds, authenticate the original and any re-issued bonds and pay interest by check or draft mailed to the registered holders of the Bonds as shown on the registration books of the City kept by the Bond Registrar on the applicable date of record. The date of record for each interest payment shall be the 15th day of the month before such payment is due. The principal of and redemption premium, if any, on the Bonds will be paid when due upon presentation and surrender thereof to the Bond Registrar. As long as DTC, or its nominee CEDE & CO., is the registered owner of the Bonds, payments will be made directly to such registered owner. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of DTC participants and indirect participants as described in the Preliminary official statement for the Bonds. The City may from time to time as required designate a successor bond registrar and paying agent.

PURPOSE AND SECURITY: The Bonds are being issued pursuant to Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34") for the purpose of acquiring various capital improvements by the City. The Bonds are payable from the City's general fund. The City hereby pledges its full faith and credit for the payment of the Bonds when due and agrees that it will levy each year such ad valorem taxes as shall be necessary for the payment of such Bonds, which taxes, however, will be subject to applicable constitutional and statutory limitations on the taxing power of the City, and which shall not be in an amount or at a rate exceeding that necessary to pay the principal and interest due on the Bonds. If the City, at the time prescribed by law for the making of its annual tax levy, shall have other funds on hand which have been set aside and earmarked for payment of its obligations under this Bond Resolution for which a tax levy would otherwise have to be made, then the tax levy shall be reduced by the amount of such other funds. Such other funds may be raised from any lawful source.

ADJUSTMENT IN PRINCIPAL AMOUNT: The aggregate principal amount of this issue has been determined as the amount necessary to acquire the capital improvements and pay a portion or all of the costs of issuance of the Bonds, assuming certain conditions and events exist on the date of sale. The City reserves the right to decrease the total par amount of the Bonds by any amount prior to the sale or following the opening of bids. The decrease may be made in any one or more maturities. The purchase price will be adjusted proportionately to the decrease in issue size, but the interest rates specified by the successful proposer for all maturities will not change. The successful bidder may not withdraw the bid as a result of any changes made within these limits.

ADJUSTMENT IN DISCOUNT: In the event the principal amount of this issue is decreased, the premium or discount bid, if any, will be adjusted upwards or downwards so that it is the same percent as the premium or discount originally proposed.

AWARD OF THE BONDS – TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be single interest rate (compounded on October 1, 2019 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment dates to the date of delivery in an amount equal to the price bid, excluding accrued interest. June 27, 2019 is the anticipated date of delivery of the Bonds.

BOND INSURANCE AT PURCHASER'S OPTION: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the proposer/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser. Any additional rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a wire transfer in an amount equal to 2% ($________) of the face amount of the Bonds, and payable to the order of the City will be required of the successful bidder as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. If a check is used, it must accompany each bid. If a wire transfer is used, the successful bidder is required to wire the good faith deposit not later than Noon, prevailing Eastern Time, on the next business day following the sale using the wire instructions provided by Municipal Financial Consultants. The good faith deposit will be applied to the purchase price of the Bonds. No interest shall be allowed on the good faith checks, and checks of each unsuccessful bidder will be promptly returned to such bidder's representative or by registered mail. The good faith check of the successful bidder will be cashed immediately, in which event, payment of the balance of the purchase price of the Bonds shall be made at the closing.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Clark Hill PLC, attorneys of Detroit, Michigan (the "Bond Counsel") a copy of which opinion will be printed on the reverse side of each bond and the original of which will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Bond Counsel for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue such opinion and as described in the official statement, Bond Counsel has not been requested to examine or review and has not examined or reviewed any financial documents, statements or other materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and therefore, has not expressed and will not express an opinion with respect to the accuracy or completeness of the official statement or any such financial documents, statements or materials. **The Issuer reserves the right to reject any bid conditioned upon any other legal review or any other condition of the transaction if it is made a condition of the bid.**

TAX MATTERS: It is the opinion of Clark Hill PLC, Bond Counsel, based on its examination of the documents described in its opinion, under existing law as enacted and construed on the date of the initial delivery of the Bonds, the interest on the Bonds is excluded from gross income for federal income tax purposes. Interest on the Bonds is not an item of tax preference for purposes of the individual federal alternative minimum tax. For corporations with tax years beginning after December 31, 2017, the corporate alternative minimum tax was repealed by Public Law No. 115-97 (the "Tax Cuts and Jobs Act") enacted on December 22, 2017, effective for tax years beginning after December 31, 2017. For tax years beginning before January 1, 2018, interest on the Bonds is not an item of tax preference for purposes of the corporate alternative minimum tax in effect prior to enactment of the Tax Cuts and Jobs Act; however, interest on the Bonds held by a corporation (other than an S Corporation, regulated investment company, or real estate investment trust) may be subject to the federal alternative minimum tax for tax years beginning before January 1, 2018 because of its inclusion in the adjusted current earnings of a corporate holder. The opinion set forth above is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds and the interest thereon.

In the opinion of Clark Hill PLC, Bond Counsel, based on its examination of the documents described in its opinion, under existing law as enacted and construed on the date of the initial delivery of the Bonds, the Bonds and the interest thereon are exempt from all taxation by the State of Michigan or a political subdivision thereof, except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

"QUALIFIED TAX EXEMPT OBLIGATIONS": The Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986.

CERTIFICATE REGARDING "ISSUE PRICE": The winning bidder shall assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form provided by Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. All actions to be taken by the Issuer under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(1) the Issuer is disseminating this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid**.**

In the event that competitive sale requirements are satisfied, the winning bidder shall be expected to certify as to the reasonably expected initially offering price of the Bonds to the public.

In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer shall treat (i) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as of the sale date as the issue price of that maturity and (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds not satisfying the 10% test as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. Any maturity of the Bonds (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) that does not satisfy the 10% test as of the date and time of the award of the Bonds shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that any maturity of the Bonds is subject to the hold-the-offering-price rule. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

By submitting a bid, each bidder confirms that, except as otherwise provided in its bid, it has an established industry reputation for underwriting new issuances of municipal bonds, and, further, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Issuer when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The Issuer acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to comply with the hold-the-offering-price rule if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to comply with the hold-the-offering-price rule if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Bonds are awarded by the Issuer to the winning bidder.

DELIVERY OF BONDS: The City will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the Purchaser. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, Eastern Time, on the 45th day following the date of receipt of bids or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its bid by serving written notice of cancellation on the undersigned, in which event the City shall promptly return the good faith deposit. Payment for the Bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the Bonds shall be paid by the Purchaser at the time of delivery. Notwithstanding the foregoing, the successful bidder will be required to pay for and accept delivery of the Bonds on June 27, 2019.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE: In order to assist Bidders in complying with SEC Rule 15c2-12, as amended, the City will covenant to undertake (pursuant to a resolution adopted or to be adopted by its governing body), to provide annual reports and timely notice of certain events for the benefit of beneficial owners of the Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the City, a form of which is included in the nearly final official statement and in the final official statement.

OFFICIAL STATEMENT:

Hard Copy

A copy of the Preliminary official statement (the "Preliminary Official Statement") may be obtained by contacting Municipal Financial Consultants Incorporated at the address listed below. The Preliminary Official Statement is in a form deemed final as of its date by the City for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion of a final official statement (the "Final Official Statement"). The successful bidder shall supply to the City, within twenty-four (24) hours after the award of the Bonds, all pricing information and any underwriter identification determined by Bond Counsel to be necessary to complete the Final Official Statement.

Internet

In addition, the City has authorized the preparation and distribution of a Preliminary Official Statement containing information relating to the Bonds via the Internet. The Preliminary Official Statement can be viewed and downloaded at www.i-dealprospectus.com or at www.tm3.com.

The City will furnish to the successful bidder, at no cost, 10 copies of the Final Official Statement within seven (7) business days after the award of the Bonds. Additional copies will be supplied upon the proposer's agreement to pay the cost incurred by the City for those additional copies.

The City shall deliver, at closing, an executed certificate to the effect that as of the date of delivery the information contained in the Final Official Statement, including revisions, amendments and completions as necessary, relating to the City and the Bonds is true and correct in all material respects, and that such Final Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers nor any improperly printed number shall constitute cause for the purchaser to refuse to accept delivery of or to pay for the Bonds. All expenses for printing CUSIP numbers on the Bonds shall be paid for by the City, except that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser.

BIDDER CERTIFICATION: NOT "IRAN-LINKED BUSINESS": By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 17, Public Acts of Michigan, 2012; MCL 129.311 et seq.

ADDITIONAL INFORMATION: Further information may be obtained from the undersigned at the address specified above or from Steven A. Burke, Municipal Financial Consultants, 400 north Main Street, Suite 304, Milford MI 48381, telephone (313) 782-3011.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES: Envelopes containing the bids should be plainly marked "Bid for City of Portage Capital Improvement Bonds, Series 2019."

________________Finance Director
City of Portage

City of Portage

Capital Improvement Bonds, Series 2019

Dated: 06/27/2019
Delivered: 06/27/2019

Yearly Debt Service

$4,890,000.00

Fiscal Yr	Date	Principal	Rate	April Interest	October Interest	Yearly Debt Service
2019	10/1/2019				40,648.47	40,648.47
2020	10/1/2020	180,000.00	3.000	77,837.50	77,837.50	335,675.00
2021	10/1/2021	185,000.00	3.000	75,137.50	75,137.50	335,275.00
2022	10/1/2022	190,000.00	3.000	72,362.50	72,362.50	334,725.00
2023	10/1/2023	200,000.00	3.000	69,512.50	69,512.50	339,025.00
2024	10/1/2024	205,000.00	3.000	66,512.50	66,512.50	338,025.00
2025	10/1/2025	210,000.00	3.000	63,437.50	63,437.50	336,875.00
2026	10/1/2026	215,000.00	3.000	60,287.50	60,287.50	335,575.00
2027	10/1/2027	225,000.00	3.000	57,062.50	57,062.50	339,125.00
2028	10/1/2028	230,000.00	3.000	53,687.50	53,687.50	337,375.00
2029	10/1/2029	235,000.00	3.000	50,237.50	50,237.50	335,475.00
2030	10/1/2030	245,000.00	3.000	46,712.50	46,712.50	338,425.00
2031	10/1/2031	250,000.00	3.000	43,037.50	43,037.50	336,075.00
2032	10/1/2032	260,000.00	3.000	39,287.50	39,287.50	338,575.00
2033	10/1/2033	265,000.00	3.000	35,387.50	35,387.50	335,775.00
2034	10/1/2034	275,000.00	3.500	31,412.50	31,412.50	337,825.00
2035	10/1/2035	285,000.00	3.500	26,600.00	26,600.00	338,200.00
2036	10/1/2036	295,000.00	3.500	21,612.50	21,612.50	338,225.00
2037	10/1/2037	305,000.00	3.500	16,450.00	16,450.00	337,900.00
2038	10/1/2038	310,000.00	3.500	11,112.50	11,112.50	332,225.00
2039	10/1/2039	325,000.00	3.500	5,687.50	5,687.50	336,375.00
		4,890,000.00		**923,375.00**	**964,023.47**	**6,777,398.47**

True Interest Cost (TIC)	**2.9904822**	*Arbitrage Yield Limit (AYL)*	**2.9904822**
Net Interest Cost (NIC)	**3.0563357**	*Arbitrage Net Interest Cost (ANIC)*	**2.9941285**

CITY OF PORTAGE

At a ______________ meeting of the City Council of the City of Portage held at the ___________________ in Portage, Michigan on __________________, 2019, at __:__ _.m., Eastern Time, there were:

PRESENT: ____

____

ABSENT: ____

The following preamble and resolution were offered by Council Member __________________ and seconded by Council Member _______________________:

RESOLUTION APPROVING THE UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE BY THE CITY OF PORTAGE

WHEREAS, the City of Portage (the "City") by resolution of its City Council has approved the issuance of the City of Portage Capital Improvement Bonds, Series 2019 in the total principal amount of $4,890,000 (the "Bonds"); and

WHEREAS, Bond Counsel has prepared this resolution and Continuing Disclosure Certificate (the "Disclosure Certificate") which Disclosure Certificate is attached as Appendix A.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTAGE as follows:

1. This City Council, for and on behalf of the City of Portage, hereby covenants and agrees, for the benefit of the beneficial owners of the Bonds to be issued by the City of Portage, to enter into a written undertaking (the "Undertaking") required by Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"") to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be substantially in the form attached hereto as Appendix A. The Undertaking shall be enforceable by the beneficial owners of the Bonds or by the Underwriter on behalf of such beneficial owners (provided that the Underwriter's right to enforce the provisions of the Undertaking shall be limited to a right to obtain specific enforcement of the City's obligations hereunder and under the Undertaking), and any failure by the City to comply with the provisions of the Undertaking shall not be deemed a default with respect to the Bonds.

The Finance Director, or Clerk shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the terms of the City’s Undertaking.

2. The Disclosure Certificate attached as Appendix A is hereby approved as is the execution thereof by the designated officials.

3. All resolutions, or portions thereof, insofar as they may be in conflict with the foregoing, are hereby rescinded.

A vote on the foregoing resolution was taken and was as follows:

YES: ____

____

NO: ____

ABSTAIN: ____

The Resolution was declared adopted.

CERTIFICATION

The undersigned, being the duly qualified and acting Clerk of the City of Portage, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City at a _____________ meeting held on ______________, 2019, at which meeting a quorum was present and remained throughout, (2) that an original thereof is on file in the records of the City, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended), and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

____
Portage City Clerk

APPENDIX A

[CONTINUING DISCLOSURE CERTIFICATE]

Minutes of Boards & Commissions

City of Portage
Historic District Commission
Wednesday, February 6, 2019

Meeting Called to Order: 8:25 A.M.

Members Present: Forrest, Custer, Duniphin, Lopez, vanLonkhuyzen, Grunert, Barton, Nemeth.

Members Excused: Maytnier

Staff: Kyle Mucha, Zoning & Codes Administrator.

Guest(s): None

Approval of Minutes: Duniphin moved, seconded by Nemeth, to approve the December 5, 2018 meeting minutes. Motion approved 8-0.

New Business:

a. Proposal to Modify Regular Meeting Date & Time: staff member Mucha provided a brief overview of the proposal regarding modifying the meeting date and/or time of the Portage Historic District Commission, which might be more accommodating to students from the Portage Youth Advisory Council and interested area residents.

   Commissioner Grunert stated that 3:30 p.m. on the same Wednesday as the current meetings might be an option. Grunert commented that anything late in the evening, 7:00 p.m., would run the risk of conflict with children and student extra-curricular activities. Commissioner vanLonkhuyzen acknowledged the validity of Grunerts' statement. Additionally, Commissioner Duniphin expressed support for a proposed time of 3:30 p.m. compared to 7:00 p.m.

   Commissioner Lopez stated a proposed move to 3:30 p.m. on Wednesdays would not permit her to attend due to a previous work commitment at that same time.

   Commissioner Forrest stated that to change the meeting time and/or day to gain two students from the Youth Advisory Committee, and possibly lose one to three Commission members does not seem plausible.

   Commissioner Grunert moved, seconded by Commissioner Custer, to keep the Portage Historic District Commission regularly scheduled meetings at the same time and day. Motion passed 8-0.

Community Outreach: Commissioner Duniphin provided an update regarding the May 2019 Event. Upon discussion, Commissioner Duniphin inquired about setting a capped spending budget for materials and supplies. The capped budget would allow Commissioner Duniphin to order supplies and materials without having to seek approval and/or reimbursement for every item. Commissioner Custer moved, seconded by Commissioner Lopez, to pre-approve a capped budget for Commissioner Duniphin at $400.00 (four hundred); to have Commissioner Duniphin as the point person related to expenses for the May Event; any additional expenditures required above the pre-approved $400.00 to need authorization by the Historic District Commission. Motion passed 8-0.

Member Comments: Commissioner Barton informed the Commission of the recent site visit with the property owner – Philip Vergunst – at 5720 Oakland Drive. Commissioners Barton, Forrest & Custer discussed storage of barn materials and long-term goals/plans for the property with Mr. Vergunst.

Adjournment: There being no further comments or business, vanLonkhuyzen adjourned the Historic District at 9:28 a.m.

Respectfully submitted,

Kyle Mucha

Kyle Mucha
Zoning & Codes Administrator

Youth Advisory Committee Minutes

March 18, 2019 – 6:00 p.m.

I. Call to order

II. Introductions and Attendance

III. Approval of the February 18th Meeting Minutes

IV. Report from Liaisons
   a. Park Board:
      - Working to repair boardwalk
      - Redoing Lakeview Park
      - Dam removal at the Portage Creek
         - Volunteers needed (16 years or older, need to sign waiver)
      - Volunteers needed to escort Mr. Crispy
      - Looking to contact the social media committee
   b. Senior Center Board:
      - Working on new mission statement, to become more exclusive
      - Creating plan for their future

V. MLK, Jr. Event – Review/Report
   a. AirZoo was underprepared for how many people showed up
      i. Needed more chairs
   b. Event was very long
   c. Record turnout
   d. Location of AirZoo increased turnout

VI. Historic District Commission Presentation
   a. Annual Preservation Month Celebration
      i. Volunteers needed (2 hour shifts)
         1. Parking
         2. Cleanup
         3. Direction guide
         4. Food line attendant
         5. Setup
   b. May 18th from noon – 4pm (Setup beings at 10:00 a.m.)
   c. Wetherbee Farm on Portage Road
   d. Volunteer Opportunities

VII. Green-a-Thon 2019
   a. Saturday, April 13th from 11:00 a.m. until 3:00 p.m.
   b. Exhibitors: Aligned Care Chiropractic, Substance Abuse Task Force, Bath Fitter, Better World Builders, Gordon Water, Kalamazoo Conservation District, Oakland Drive

Pediatric Dentistry and Orthodontics, Young Living Essential Oils, Smoked Down BBQ & Specialty Cheesecake Co.

c. Advertising – March and April Portage
   - Call for venders
d. Ideas for Music – PCHS & PNHA bands
   - Reach out to 103.3 radio
   - Kasey will reach out to music teachers at PNHS
   - Reach out to music teachers at PCHS
e. T-shirts: New Design
   - Everyone needs one, tally shirt sizes
   - Will be ordered soon
f. Volunteers needed
   - Sign up will go out soon
   - Face painting
   - Someone handing out trees
   - Oversee ghost table
   - Parks Fishing Games
   - Ladder Ball, Corn Hole - just in case

VIII. Spreading the Word about YAC

a. Informational meetings
   i. At school, tables set up during lunch
   ii. School announcements, shout out YAC social media pages
   iii. Advertise in the Portager
   iv. Feedback from members planning to return to YAC next year
      1. Interview will be Tuesday, May 7th at 5:15 p.m.

IX. Environmental Board check-in

X. Park Board "Summer Campout at Ramona Park"

a. Saturday, June 22 at 5:00 p.m.
b. YAC partnering
c. Games, entertainment, pig roast, bonfire, movie (Parent Trap)

XI. Substance Abuse task Force

a. No "Sticker Shock" last year
   i. Lost their funding, no event planned for this year
   ii. Reach out to old advisor to get updates
   iii. Contact sponsors to promote Sticker Shock in the next years

XII. Summer Movie Event – Friday, Aug. 2

a. Spider Man: Into the Spider Verse

XIII. Next Meeting: April 15, 6:00 p.m.

PORTAGE
A Natural Place to Move

MATERIALS TRANSMITTED

Tuesday, April 9, 2019

1. Communication from Bill Furry, Finance Director, regarding the March, 2019 Monthly Financial Report, **Agenda Item A.13.** – Information Only
2. Proposed Fiscal Year 2019 – 2020 Budget, **Agenda Item E.1** – Information Only

Laurence Shaffer

Laurence Shaffer, City Manager

cc: Rob Boulis, Deputy City Manager

7900 South Westnedge Avenue ▪ Portage, Michigan 49002 ▪ (269) 329-4400
www.portagemi.gov

PORTAGE
A Natural Place to Move

MATERIALS TRANSMITTED
April 5, 2019

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager

SUBJECT: Monthly Financial Report

SUPPORTING PERSONNEL: Bill Furry, Finance Director

Prudent practices require that the governing body be periodically apprised of the ongoing financial status of city operations. Attached is a report of revenue and expenditure levels as compared to budget for the most recently completed month.

Attachments: 1. March 2019 Financial Report

04/05/2019 BUDGET REPORT FOR CITY OF PORTAGE
Calculations as of 03/31/2019

FUND	DESCRIPTION	ORIGINAL BUDGET	2018-19 AMENDED BUDGET	2018-19 ACTIVITY	Percent of Amended Collected/Used
REVENUES					
Totals for dept 0000 -		23,254,733	23,254,733	21,555,594	93%
Totals for dept 1501 - District Court		70,000	70,000	52,500	75%
Totals for dept 1720 - City Manager		500	500	500	100%
Totals for dept 2053 - Finance Treasury		1,000	1,000	1,135	114%
Totals for dept 2110 - Technology Services		0	0	5,000	0%
Totals for dept 2415 - City Clerk		64,400	64,400	109,248	170%
Totals for dept 2491 - City Clerk Elections		25,000	25,000	0	0%
Totals for dept 2865 - Parks Maintenance		1,000	1,000	2,193	219%
Totals for dept 2876 - Cemeteries		55,000	55,000	39,040	71%
Totals for dept 2877 - Parks & Rec - Parks		66,000	66,000	30,470	46%
Totals for dept 2878 - Parks & Rec - Kalamazoo In Bloom		0	0	0	0%
Totals for dept 2882 - Parks & Rec - Team Sports		132,510	132,510	85,578	65%
Totals for dept 2885 - Parks & Rec - Programs		18,300	18,300	16,812	92%
Totals for dept 2886 - Parks & Rec - Ramona Park		53,300	53,300	37,158	70%
Totals for dept 2887 - Parks & Rec - Special Events		61,200	61,200	35,470	58%
Totals for dept 2888 - Parks & Rec - Millenium Park		49,500	49,500	47,162	95%
Totals for dept 3005 - Police Administration		155,700	161,195	158,117	98%
Totals for dept 3010 - Police Patrol		1,000	1,000	5,480	548%
Totals for dept 3021 - Police Training-Grant Funded		9,000	9,000	4,926	55%
Totals for dept 3030 - Police Public Safety Dispatch/ts		31,000	31,000	50,196	162%
Totals for dept 3035 - Police 911 Cmrs PSAP		40,000	40,000	57,150	143%
Totals for dept 3050 - Police Drug Law Enforcement		1,000	1,000	0	0%
Totals for dept 3065 - Police Facility Management		0	0	0	0%
Totals for dept 3310 - Fire Admin		1,250	1,250	14	1%
Totals for dept 3340 - Fire Prevention		900	900	395	44%
Totals for dept 3710 - Comm Dev Building Services		750,000	750,000	587,477	78%
Totals for dept 3720 - Comm Dev Planning & Development		50,050	50,050	50,222	100%
Totals for dept 3730 - Comm Dev Neighborhood Services		193,000	193,000	181,294	94%
Totals for dept 6720 - Senior Center		157,700	165,900	68,929	42%
Totals for dept 6721 - Senior Center Trips		300,000	300,000	273,755	91%
Totals for dept 6722 - Senior Center Activities		15,000	15,000	5,391	36%
Totals for dept 6725 - Aging Mastery Program		1,500	1,500	920	61%
TOTAL REVENUES - GENERAL FUND		25,559,543	25,573,238	23,462,126	92%

04/05/2019 BUDGET REPORT FOR CITY OF PORTAGE
Calculations as of 03/31/2019

FUND	DESCRIPTION	ORIGINAL BUDGET	2018-19 AMENDED BUDGET	2018-19 ACTIVITY	Percent of Amended Collected/Used
EXPENDITURES					
Totals for dept 1001-City Council		117,300	117,300	72,138	61%
Totals for dept 1085-City Council-Human Services		164,687	164,687	104,254	63%
Totals for dept 1501-District Court		63,000	63,000	50,254	80%
Totals for dept 1720-City Manager		673,471	687,893	426,792	62%
Totals for dept 2001-Finance Accounting		438,790	438,790	274,282	63%
Totals for dept 2002-Finance & Budget		295,119	295,119	191,666	65%
Totals for dept 2053-Finance Treasury		146,176	146,176	97,556	67%
Totals for dept 2110-MIS		847,043	857,038	697,033	81%
Totals for dept 2133-MIS Public Information		54,212	54,212	40,678	75%
Totals for dept 2209-Assessor		467,381	467,381	277,846	59%
Totals for dept 2247-Assessor Board Of Review		35,135	35,135	15,156	43%
Totals for dept 2310-Attorney		226,728	226,728	169,290	75%
Totals for dept 2415-City Clerk		168,291	168,291	99,889	59%
Totals for dept 2416-City Clerk Records Management		67,302	67,302	43,329	64%
Totals for dept 2491-City Clerk Elections		192,819	192,819	153,477	80%
Totals for dept 2610-Human Resources		459,857	459,857	278,305	61%
Totals for dept 2733-Purchasing		82,523	82,523	56,808	69%
Totals for dept 2734-Purchasing Risk Management		28,243	28,243	13,637	48%
Totals for dept 2865-Parks Maintenance		1,246,521	1,255,521	809,050	64%
Totals for dept 2876-Cemeteries		65,819	65,819	40,610	62%
Totals for dept 2877-Parks & Rec - Parks		645,690	643,690	389,459	61%
Totals for dept 2878-Parks & Rec - Kalamazoo In Bloom		8,000	8,000	8,000	100%
Totals for dept 2880-Parks & Rec Rec - Admin		184,711	186,341	128,780	69%
Totals for dept 2882-Parks & Rec Rec - Team Sports		57,500	57,000	30,252	53%
Totals for dept 2885-Parks & Rec - Programs		18,850	19,400	19,213	99%
Totals for dept 2886-Parks & Rec Rec - Ramona Park		97,062	94,462	55,727	59%
Totals for dept 2887-Parks & Rec Rec - Special Events		102,200	107,250	84,927	79%
Totals for dept 2888-Parks & Rec - Ice Rink		93,302	91,172	64,167	70%
Totals for dept 3005-Police Administration		856,415	861,910	590,580	69%
Totals for dept 3006-Police Youth Services		494,984	494,984	335,603	68%
Totals for dept 3007-Police Investigation		692,955	692,955	451,614	65%
Totals for dept 3010-Police Patrol		5,312,798	5,299,798	3,559,691	67%
Totals for dept 3020-Police Training		196,900	209,900	141,774	68%
Totals for dept 3021-Police Training-Grant Funded		9,000	9,000	7,536	84%
Totals for dept 3030-Police Public Safety Dispatch/ts		960,377	960,377	659,414	69%
Totals for dept 3031-Police Emergency Sirens		18,676	18,676	0	0%
Totals for dept 3035-Police 911 Cmrs PSAP		205,188	205,188	72,702	35%

04/05/2019 BUDGET REPORT FOR CITY OF PORTAGE
Calculations as of 03/31/2019

FUND	DESCRIPTION	ORIGINAL BUDGET	2018-19 AMENDED BUDGET	2018-19 ACTIVITY	Percent of Amended Collected/Used
Totals for dept 3040-Police Records & PST		473,237	473,237	383,061	81%
Totals for dept 3050-Police Drug Law Enforcement		315,214	315,214	237,733	75%
Totals for dept 3065-Police Facility Management		114,800	114,800	45,767	40%
Totals for dept 3090-Police KCCDA support		756,793	756,793	756,793	100%
Totals for dept 3310-Fire Admin		669,034	669,034	431,016	64%
Totals for dept 3320-Fire Operations		4,099,141	4,099,141	2,636,784	64%
Totals for dept 3330-Fire On Call Firefighters		95,850	95,850	52,633	55%
Totals for dept 3331-Fire Emergency Operations		4,700	4,700	1,746	37%
Totals for dept 3340-Fire Prevention		139,383	139,383	90,998	65%
Totals for dept 3350-Fire Training		189,413	189,413	107,199	57%
Totals for dept 3365-Fire Facility Management		95,150	95,150	33,338	35%
Totals for dept 3710-Comm Dev Building Services		532,215	532,215	376,631	71%
Totals for dept 3720-Comm Dev Planning & Development		314,151	314,151	208,229	66%
Totals for dept 3730-Comm Dev Neighborhood Services		228,481	228,481	149,949	66%
Totals for dept 3765-Comm Dev Building Maintenance		218,611	221,531	158,039	71%
Totals for dept 4210-General Public Services		477,492	477,492	358,191	75%
Totals for dept 6720-Senior Center		346,415	355,099	228,237	64%
Totals for dept 6721-Senior Center Trips		310,874	310,874	270,018	87%
Totals for dept 6725-Aging Mastery Program		1,500	1,500	75	0%
Totals for dept 6740-Fundraising		0	75,000	42,573	0%
Totals for dept 9610-Transfers Out		1,286,338	1,286,338	1,286,338	100%
TOTAL EXPENDITURES - GENERAL FUND		26,463,817	26,589,333	18,366,837	69%
202	Major Street Fund - Revenues	4,169,800	4,825,778	3,067,905	64%
	Major Street Fund - Expenditures	4,223,030	4,999,535	2,963,250	59%
203	Local Streets Fund - Revenues	1,486,120	1,486,120	945,372	64%
	Local Streets Fund - Expenditures	1,480,456	1,480,456	826,407	56%
204	Municipal Streets Fund - Revenues	1,484,610	1,484,610	1,449,599	98%
	Municipal Streets Fund - Expenditures	1,640,000	1,640,000	0	0%
223	Curbside Recycling - Revenues	680,100	680,100	663,962	98%
	Curbside Recycling - Expenditures	688,081	688,081	435,858	63%
226	Leaf Pickup/Spring Cleanup - Revenues	744,000	744,000	724,948	97%
	Leaf Pickup/Spring Cleanup - Expenditures	837,813	837,813	504,636	60%

04/05/2019 BUDGET REPORT FOR CITY OF PORTAGE
Calculations as of 03/31/2019

FUND	DESCRIPTION	ORIGINAL BUDGET	2018-19 AMENDED BUDGET	2018-19 ACTIVITY	Percent of Amended Collected/Used
230	CDBG Program Income Fund - Revenues	125,000	125,000	122,982	98%
	CDBG Program Income Fund - Expenditures	125,000	125,000	60,961	49%
252	West Lake Weed Mgmt - Revenues	32,120	32,120	19,697	61%
	West Lake Weed Mgmt - Expenditures	32,120	32,120	4,625	14%
296	Community Development Block Grant - Rev	210,000	214,000	83,677	39%
	Community Development Block Grant - Exp	210,000	214,000	127,291	59%
298	Cable Television Fund - Revenues	836,000	836,000	594,345	71%
	Cable Television Fund - Expenditures	867,709	867,709	557,151	64%
400	Capital Improvement General - Revenues*	18,578,000	26,682,734	9,849,619	37%
	Capital Improvement General - Expenditures*	18,578,000	31,721,679	10,044,195	32%
490	Capital Improvement Sewer - Revenues*	1,020,000	4,881,837	851,837	17%
	Capital Improvement Sewer - Expenditures*	1,020,000	2,687,531	99,050	4%
491	Capital Improvement Water - Revenues*	1,325,000	6,213,775	0	0%
	Capital Improvement Water - Expenditures*	1,325,000	6,498,610	586,391	9%
590	Sewer Fund - Revenues	9,012,000	9,262,000	7,725,951	83%
	Sewer Fund - Expenditures	7,149,273	7,399,273	4,920,595	67%
591	Water Fund - Revenues	6,719,300	6,719,300	5,956,653	89%
	Water Fund - Expenditures	5,588,159	5,588,159	4,293,367	77%
TOTAL REVENUES - ALL FUNDS **		71,981,593	89,760,612	55,518,673	62%
TOTAL EXPENDITURE - ALL FUNDS **		70,228,458	91,369,299	43,790,614	48%

** The Capital Improvement Program uses project-length budgets, original is current fiscal year, amended includes budgets of prior year projects continued.*
*** Debt Service and Internal Service Funds not included.*

PORTAGE
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MATERIALS TRANSMITTED

Friday, April 5, 2019

1. **CONFIDENTIAL** Communication regarding two MTT Appeal Settlements.

Laurence Shaffer

Laurence Shaffer, City Manager

cc: Rob Boulis, Deputy City Manager

CITY OF PORTAGE

Park Board
7900 South Westnedge Avenue, Portage, MI 49002

Date: 6 March 2019

RE: Proposed Park Board Goals for FY 2019/20

Honorable Mayor and City Council:

During the March 6, 2019 meeting, the Portage Park Board recommended the following 2019-2020 fiscal year goals for Council consideration:

1. Assist and advise the newly created Portage Parks Foundation through their initial growth stages; Additionally, to work with them on pursuing their goals and fundraising efforts in alignment with the Portage 2025 goals.
2. Continue the Heritage Festival event at Celery Flats to educate citizens on the different cultural heritages represented in the City.
3. Continue the Great American Campout event at Ramona Park to engage citizens with outdoor activities and bringing them into the park for an immersive camping event.
4. Continue cooperative assistance with Youth Advisory Committee and Environmental Board for the Green-a-Thon event, building upon the framework developed for previous years' event.
5. Continue our involvement in the National Night Out event with the Neighborhood Association for Lexington-Green Park to further their community commitment.
6. Continue to assist the city with their events including Pig Out with Public Safety, Monster Mash, the Traditional Holiday Tree Lighting Ceremony and other events as needed.
7. Work with the Parks and Recreation Department to investigate new recreational and cultural programming for the parks.
8. Work with the Environmental Board to investigate opportunities to address invasive species challenges and educational opportunities in the parks.
9. Advise the City Council in areas/subjects under the purview of the Park Board.
10. Forward update to goals for FY 2018/19 (November 2018 and April 2019) and to recommend goals for FY 2019-20(April 2019).
11. Present an annual verbal report to the City Council.

Sincerely,

Jonathan Peer, Chairperson
City of Portage Park Board

PORTAGE
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CITY COUNCIL AGENDA ITEM D.1.
APRIL 23, 2019

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager Laurence Shaffer

SUBJECT: Rezoning Application #18/19-5, 1700 East Centre Avenue

SUPPORTING PERSONNEL: Vicki Georgeau, Director of Community Development

ACTION RECOMMENDED: Subsequent to the public hearing, approve Rezoning Application #18/19-5, 1700 East Centre Avenue.

An application has been received from Newells Lane Partners, LLC requesting the rezoning of 1700 East Centre Avenue from R-1B, one family residential to OS-1, office service. The zoning change is being requested to facilitate an office redevelopment project.

In a report dated March 1, 2019, the Department of Community Development concluded the proposed OS-1, office services zoning district is consistent with the Comprehensive Plan, Future Land Use Map and surrounding land use/zoning pattern. For these reasons, staff is supportive of the proposed OS-1, office service district.

The Planning Commission convened public hearings on February 21 and March 7, 2019 to consider the request. Walt Hansen (representing the prospective buyer) and Chad Vliek (representing Newells Lane Partners, LLC) were present to explain the project and support the zoning change. Two citizens spoke during the February 21 hearing, but did not oppose the zoning change. No additional citizens spoke during the public hearing and no written communications have been received.

After careful consideration, the Planning Commission voted 9-0 to recommend to City Council the approval of Rezoning Application #18/19-5 and rezoning of 1700 East Centre Avenue from R-1B, one family residential to OS-1, office service. The Planning Commission found that the OS-1 district is appropriate in this area of the city and is consistent with the Comprehensive Plan, Future Land Use Map and surrounding land use/zoning pattern along East Centre Avenue.

Attached are the Planning Commission transmittal, Department of Community Development report and related materials for review. It is recommended that subsequent to the public hearing, City Council approve Rezoning Application #18/19-5, 1700 East Centre Avenue.

FUNDING: Not applicable

Attachments:
1. March 15, 2019 Planning Commission transmittal
2. February 21, and March 7, 2019 Planning Commission meeting minutes
3. March 1, 2019 Community Development staff report
4. Ordinance Amendment

TO: Honorable Mayor and City Council

FROM: Planning Commission

DATE: March 15, 2019

SUBJECT: Rezoning Application #18/19-5, 1700 East Centre Avenue

The Planning Commission convened a public hearing during the February 21st and March 7th, 2019 meetings to consider the rezoning application submitted by Newells Lane Partners, LLC to rezone 1700 East Centre Avenue from R-1B, one family residential to OS-1, office service. Walt Hansen (representing the prospective buyer) was present during the February 21st meeting and Chad Vliek (representing Newells Lane Partners, LLC) was present at the March 7th to speak in support of the rezoning request and explain the proposed office redevelopment project. Two citizens spoke during the February 21st meeting asking several questions about the planned office project, but were not opposed to the zoning change. No additional citizens spoke during the public hearings and no written communications have been received.

After careful consideration, a motion was made by Commissioner Patterson, seconded by Commissioner Corradini, to recommend to City Council that Rezoning Application #18/19-5 be approved and 1700 East Centre Avenue be rezoned from R-1B, one family residential to OS-1, office service. The motion included a finding that the OS-1 district is appropriate in this area of the City and is consistent with the Comprehensive Plan, Future Land Use Map and surrounding land use/zoning pattern along East Centre Avenue. The motion was unanimously approved 9-0.

Sincerely,

Wayne Stoffer

Wayne Stoffer
Chairman

DRAFT

PLANNING COMMISSION

March 7, 2019

The City of Portage Planning Commission meeting of March 7, 2019 was called to order by Chairman Stoffer at 7:00 p.m. in Council Chambers of Portage City Hall, 7900 South Westnedge Avenue. Three citizens were in attendance.

PLEDGE OF ALLEGIANCE:

Chairman Stoffer led the Commission, staff and citizens in the Pledge of Allegiance.

IN ATTENDANCE:

Christopher Forth, Deputy Director of Planning, Development & Neighborhood Services; Michael West, Senior City Planner and Matthew Quardokus, Assistant City Attorney.

ROLL CALL:

Mr. Forth called the role: Fries (yes); Patterson (yes); Corradini (yes); Stoffer (yes); Schimmel (yes); Joshi (yes); Harrell-Page (yes); Baldwin (yes); and Pezzoli (yes). All Commissioners were present.

APPROVAL OF MINUTES:

Chairman Stoffer referred the Commission to the February 21, 2019 meeting minutes contained in the agenda packet. A motion was made by Commissioner Harrell-Page, seconded by Commissioner Corradini, to approve the minutes as submitted. The motion was unanimously approved 9-0.

SITE/FINAL PLANS:

None.

PUBLIC HEARING:

1. Final Report: Rezoning Application #18/19-5, 1700 East Centre Avenue. Mr. West summarized the March 1, 2019 final staff report regarding a request from Newells Lane Partners, LLC to rezone property located at 1700 East Centre Avenue from R-1B, one family residential to OS-1, office service. Mr. West indicated the zoning change is being requested to facilitate an office redevelopment project. Mr. West stated the proposed OS-1 district was consistent with the Comprehensive Plan and Future Land Use Map designations, as well as the evolving land use/zoning pattern along East Centre Avenue. Mr. West also discussed the Zoning Code restrictions and requirements for the proposed office redevelopment project given its proximity adjacent to single family residential zoning. For these reasons, Mr. West indicated that staff was recommending approval of the zoning change.

Chad Vliek (Newells Lane Partners, LLC) was present to support the rezoning application. Mr. Vliek stated he has a purchase agreement to sell the property for development of a dental clinic. The public hearing was reconvened by Chairman Stoffer. No citizens spoke regarding the proposed rezoning. A motion was then made by Commissioner Baldwin, seconded by Commissioner Corradini, to close the public hearing. The motion was unanimously approved 9-0.

After a brief conversation, a motion was made by Commissioner Patterson, seconded by Commissioner Corradini, to recommend to City Council that Rezoning Application #18/19-5 be approved and 1700 East Centre Avenue be rezoned from R-1B, one family residential to OS-1, office service. The motion included a finding that the OS-1 district is appropriate in this area of the City and is consistent with the Comprehensive

DRAFT

Plan, Future Land Use Map and surrounding land use/zoning pattern along East Centre Avenue. The motion was unanimously approved 9-0.

2. Special Land Use Permit: Cole Buick-GMC-Cadillac, 6600 and 6660 South Westnedge Avenue. Mr. Forth summarized the March 1, 2019 staff report regarding a request from GCG Portage LLC to expand the existing Cole Buick-GMC-Cadillac dealership from 6600 South Westnedge Avenue onto the adjacent property addressed as 6660 South Westnedge Avenue. Mr. Forth indicated the applicant is proposing to remove the drive-thru lanes on the former Old National Bank parcel and establish vehicle display areas along the north and south sides of the parcel. Mr. Forth indicated that no use of the former Old National Bank building was proposed by the Cole Buick-GMC-Cadillac dealership, however, the building would be marketed for a low intensity office user with employee/customer parking reserved along the south side of the building. Mr. Forth indicated the proposal satisfies the 12 conditions outlined in Section 42-261.C.4 of the Zoning Code and was recommended for approval.

Curt Aardema (GCG Portage LLC representative) was present to support the request and explain the project. Mr. Aardema provided a brief history of the car dealership establishment along South Westnedge Avenue back in the 1990s and changes that have occurred in the car dealership industry. Mr. Aardema stated that the former Old National Bank parcel was acquired in 2018 for purposes of expanding the dealership in order to stay competitive. Mr. Aardema indicated the drive-thru lanes along the north side of the former bank building would be removed and converted to vehicle display areas, while the building would be marketed for a low intensity office use.

Chairman Stoffer opened the public hearing. No citizens spoke regarding the special land use permit. A motion was then made by Commissioner Harrell-Page, seconded by Commissioner Joshi, to close the public hearing. The motion was unanimously approved 9-0. After a brief discussion, a motion was made by Commissioner Corradini, seconded by Commissioner Schimmel, to approve the Special Land Use Permit for GCG Portage, LLC (Cole Buick-GMC-Cadillac) at 6600 and 6660 South Westnedge Avenue. The motion was unanimously approved 9-0.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

STATEMENT OF CITIZENS/COMMISSIONERS:

Commissioner Joshi stated she would not be present at the March 21, 2019 meeting.

7:13 p.m.	-	The Commission took a short recess.
7:15 p.m.	-	The Commission reconvened the meeting in City Hall Conference Room No. 2

NEW BUSINESS:

1. FY 2019-2029 Capital Improvement Program. Mr. Forth referred the Commission to the FY 2019-2029 Capital Improvement Program (CIP) document that was provided with the agenda materials. Mr. Forth also discussed the previous Planning Commission involvement in the CIP process beginning back in September 2018 with the Open House and the preliminary review of the document that occurred at the February 7, 2019 meeting. Mr. Forth reviewed the proposed FY 2019-2029 CIP document category-by-category with the Planning Commissioners. The Commission and staff discussed various projects including upcoming local and major

PLANNING COMMISSION

February 21, 2019

The City of Portage Planning Commission meeting of February 21, 2019 was called to order by Chairman Stoffer at 7:00 p.m. in Council Chambers of Portage City Hall, 7900 South Westnedge Avenue. Approximately 20 citizens were in attendance.

PLEDGE OF ALLEGIANCE:

Chairman Stoffer led the Commission, staff and citizens in the Pledge of Allegiance.

IN ATTENDANCE:

Christopher Forth, Deputy Director of Planning, Development & Neighborhood Services; Michael West, Senior City Planner and Matthew Quardokus, Assistant City Attorney.

ROLL CALL:

Mr. Forth called the role: Harrell-Page (yes); Corradini (yes); Stoffer (yes); Schimmel (yes); Joshi (yes); Baldwin (yes); and Fries (yes). A motion was then made by Commissioner Corradini, seconded by Commissioner Schimmel, to approve the roll excusing Commissioners Patterson and Pezzoli. The motion was unanimously approved 7-0.

APPROVAL OF MINUTES:

Chairman Stoffer referred the Commission to the February 7, 2019 meeting minutes contained in the agenda packet. A motion was made by Commissioner Harrell-Page, seconded by Commissioner Corradini, to approve the minutes as submitted. The motion was unanimously approved 7-0.

SITE/FINAL PLANS:

None.

PUBLIC HEARING:

1. Preliminary Report: Rezoning Application #18/19-5, 1700 East Centre Avenue. Mr. West summarized the February 15, 2018 preliminary staff report regarding a request from Newells Lane Partners, LLC to rezone property located at 1700 East Centre Avenue from R-1B, one family residential to OS-1, office service. Mr. West stated the property is currently occupied by a single family residence and the applicant has indicated plans to demolish the residence and construct a new office building at the site. Mr. West then briefly summarized the preliminary analysis of the rezoning request including consistency with the Comprehensive Plan/Future Land Use Map and evolving office zoning/land use pattern along East Centre Avenue, suitability of existing R-1B district and impacts of proposed OS-1 district.

Walt Hansen (applicant representative) was present to support the rezoning application. Mr. Hansen stated he was representing the purchaser of the property who was planning to demolish the existing house and construct a new orthodontics office at the site. Mr. Hansen indicated that he has redeveloped numerous office properties along the Centre Avenue corridor and the proposed OS-1 zoning was consistent with the Comprehensive Plan and land use/zoning pattern along Centre Avenue. Mr. Hansen also stated that offices provide a good transitional land use between Centre Avenue and the interior residential neighborhood.

The public hearing was opened by Chairman Stoffer. Two citizens spoke during the public hearing: 1) Del Meyer (8033 Newells Lane), and 2) Phillip Beaver (1728 Pleasant Drive). Mr. Meyer stated that he had no objection to the rezoning request, however, asked about minimum building setbacks for the new office building.

Mr. West discussed the minimum building and parking lot setbacks, and also discussed conflicting land use screening requirements between nonresidential and residential land uses. Mr. Hansen presented a preliminary site plan that identified the new office building and parking lot much further away from Mr. Meyer's property line than the minimum setback requirements. Mr. Beaver also stated that he had no objection to the rezoning request, however, inquired about outdoor lighting proposed with the new office development. Mr. West discussed the outdoor lighting standards for new office developments including requirements for shielded "sharp cut-off" style fixtures and a maximum light intensity levels at the property line. No additional citizens spoke regarding the proposed rezoning. After a brief conversation, a motion was made by Commissioner Schimmel, seconded by Commissioner Baldwin, to adjourn the public hearing for Rezoning Application #18/19-5, 1700 East Centre Avenue, to the March 7, 2019 meeting. The motion was unanimously approved 7-0.

2. Preliminary Site Condominium: Westfield North Subdivision, 5700 Alten Street. Mr. Forth summarized the February 18, 2019 staff report regarding a request from Westview Capital LLC to construct the Westfield North Condominium Subdivision. Mr. Forth stated the Westfield North Condominium Subdivision proposes to construct 12 single family detached residential lots/units and public street extensions of Burr Ridge Road and Alten Street on the approximate 4.3 acre parcel. Mr. Forth indicated the site condominium form of development was essentially the same as a single family detached traditional plat. Mr. Forth discussed the new storm water retention basin proposed along the southeast portion of the parcel and the preliminary engineering analysis that has been completed regarding the feasibility of conveying storm water runoff from this new subdivision to the existing storm water basin located to the east, along the east side of Briar Hill Court. Mr. Forth indicated that staff was recommending approval of the Preliminary Condominium Subdivision subject to the conditions outlined in the February 19, 2019 staff report.

Brian Wood (Westview Capital LLC representative) was present to support the plan and explain the development project. Mr. Wood indicated he had no objection to routing the storm water to the existing basin along the east side of Briar Hill Court assuming it was feasible from an engineering standpoint and was cost effective.

Chairman Stoffer opened the public hearing. Three citizens spoke regarding the preliminary condominium subdivision: 1) Barb Vizard (5691 Claremount Street); 2) Paul Matyas (4322 Cedarcrest Avenue); and 3) Sara Veldt (4409 Cedarcrest Avenue). Ms. Vizard asked several questions regarding the proposed subdivision including the type of home construction, public or private streets and hours of construction. Mr. Wood provided responses. Mr. Matyas stated the reference to "condominium" in the resident notice and application was somewhat confusing to the neighbors and asked what assurances there were that the applicant would not construct attached condominiums in the subdivision. Mr. Forth restated that the application was for single family detached residential homes and that the existing R-1B zoning does not allow attached residential construction. Mr. Forth stated any request for a zoning change to attached residential would require public hearings, public noticing and consideration by the Planning Commission and City Council. Mr. Forth stated the city development standards for a site condominium are the same as for a traditional plat and the developments will look the same, however, the state review/approval process for the developer is less cumbersome utilizing the site condominium form of development. Mr. Wood stated that Westview Capital has no interest in constructing attached residential dwellings. Mr. West indicated that any possible future rezoning request to attached residential would not be consistent with the Future Land Use Map designation of the neighborhood for "low density residential" land use. Ms. Veldt asked what the price range would be for the new homes. Mr. Wood stated that home prices would begin at around $200,000 and would be similar to the homes constructed along Briar Hill Drive/Briar Hill Court. No additional citizens spoke regarding proposed preliminary site condominium.

After a brief discussion, a motion was made by Commissioner Corradini, seconded by Commissioner Schimmel, to recommend to City Council that the Preliminary Condominium for Westfield North Subdivision, 5700 Alten Street, be approved subject to the two conditions outlined in the February 18, 2019 staff report. The motion was unanimously approved 7-0.

PORTAGE
A Natural Place to Move

Department of Community Development

TO: Planning Commission **DATE:** March 1, 2019

FROM: Vicki Georgeau, Director of Community Development

SUBJECT: Final Report: Rezoning Application #18/19-5, 1700 East Centre Avenue

I. INTRODUCTION:

An application has been received from Newells Lane Partners, LLC requesting that 1700 East Centre Avenue be rezoned from R-1B, one family residential to OS-1, office service. According to the applicant, the rezoning is being requested to facilitate an office redevelopment project (existing single family residence would be demolished and a new office building constructed).

Applicant	Property Address	Parcel Number	Zoning	
			Existing	Proposed
Newells Lane Partners, LLC	1700 East Centre Avenue	08820-001-A	R-1B	OS-1
One parcel – 1.2 acres (181-feet by 287-feet)				

II. EXISTING CONDITIONS:

Land Use/Zoning	Rezoning Site: The subject property at 1700 East Centre Avenue is currently developed with an 1,152 square foot two-story single family residence and a 616 square foot attached garage zoned R-1B, one family residential. East/South: Single family residences zoned R-1B, one family residential. West (across Newells Lane): Office buildings zoned OS-1, office service. North (across East Centre Avenue): Greenhouses zoned R-1B, one family residential and the Selinon Park multiple family residential development (under construction), zoned PD, planned development.
Zoning/Development History	There have been several rezoning considerations in the past 10 years along East Centre Avenue, west of the subject property: • In 2016, City Council rezoned 1521, 1603 and 1615 East Centre Avenue from R-1B, one family residential, RM-1, multiple family residential and OS-1, office service, to PD, planned development. This rezoning facilitated the Selinon Park multiple family residential project (74 units) along the north side of East Centre Avenue, west of Newells Lane, which is currently under construction. • In 2015, City Council rezoned 710 and 732 East Centre Avenue from B-1, local business and R-1A, one family residential, to OS-1, office service. This rezoning facilitated the Beacon Point Memory Care facility at the southeast corner of East Centre Avenue and Lakewood Drive. • In 2014, City Council rezoned several properties in the 700-900 block of East Centre Avenue, along the south side of East Centre Avenue between Lakewood Drive and Lovers Lane, from B-3, general business and R-1A, one family residential, to B-1, local business. This rezoning was initiated by the Planning Commission to facilitate office/local business redevelopment consistent with the Comprehensive Plan and Future Land Use Map designations.

	• In 2012, City Council approved several properties in the 700-900 block of East Centre Avenue, along the north side of East Centre Avenue between Lakewood Drive and Garden Lane, from R-1A and R-1B, one family residential, to OS-1, office service. This rezoning was initiated by property owners, then expanded by the Planning Commission, to facilitate office redevelopment consistent with the Comprehensive Plan and Future Land Use Map designations. • In 2011, City Council rezoned 1302, 1306, 1316 and 1330 East Centre Avenue from R-1B, one family residential and OS-1, office service, to B-1, local business and OS-1, office services. This rezoning was initiated by property owners facilitate future office/local business redevelopment at the southeast corner of East Centre Avenue and Lovers Lane.
Historic District/ Structures	The subject site is not located within a historic district and does not contain any historic structures.
Public Streets	East Centre Avenue is designated a 5-lane major arterial roadway with 18,054 vehicles per day (2015) and a capacity of 37,100 vehicles per day (level of service "D"). Newells Lane is designated as a two-lane local residential street and traffic counts are not available.
Public Utilities	Municipal water and sanitary sewer are available along East Centre Avenue and Newells Lane.
Environmental	The City of Portage Natural Resources Map does not identify any potential wetland area, floodplains or other environmentally sensitive areas on the subject site.

III. PUBLIC HEARING/COMMENTS:

The Planning Commission convened a public hearing to consider the rezoning request at the February 21, 2019 meeting. Walt Hansen (applicant representative) was present to support the rezoning application. Mr. Hansen stated he was representing the purchaser of the property who was planning to demolish the existing house and construct a new orthodontics office at the site. Two citizens spoke during the public hearing: 1) Del Meyer (8033 Newells Lane), and 2) Phillip Beaver (1728 Pleasant Drive). Mr. Meyer stated that he had no objection to the rezoning request, however, asked about minimum building setbacks for the new office building. Mr. Beaver also stated that he had no objection to the rezoning request, however, inquired about outdoor lighting proposed with the new office development. Staff indicated all outdoor lighting will have to contain shielded fixtures to reduce light levels at the property line. No additional citizens spoke during the public hearing and no written communications have been received regarding the proposed rezoning.

IV. FINAL ANALYSIS:

The following analysis has been prepared based on general land use considerations, the Comprehensive Plan, traffic conditions and surrounding development patterns.

<u>Comprehensive Plan/Future Land Use Map Consistency</u>. The Future Land Use Map component of the 2014 Comprehensive Plan identifies the rezoning parcel, as well as properties located to the east and west along East Centre Avenue, as appropriate for Office Service land use. The Comprehensive Plan also identifies East Centre Avenue as an office corridor. The proposed OS-1, office service zoning district is consistent with these Plan designations.

While these designations are intended to serve as a general guide for future development and rezoning considerations, specific zoning district boundaries need to be determined on a case-by-case basis considering overall consistency with the Comprehensive Plan/Future Land Use Map, surrounding land use/zoning pattern, development/redevelopment potential, impacts on adjacent properties and other factors.

Development Guidelines. The Development Guidelines are intended to be used by the Commission and staff when reviewing private development proposals, infrastructure improvement programs (i.e. public expenditures on streets, sewers and water mains that influence the location, intensity and timing of development) and public programs that affect the physical environment. The proposed rezoning is consistent with applicable Development Guidelines contained in the Comprehensive Plan (see attached Development Guidelines Table).

Suitability of Existing R-1B Zone/Impacts of Proposed OS-1 Zone. The suitability of the existing residence and R-1B zoning is somewhat diminished considering the increasing traffic volumes along East Centre Avenue and the existing/planned office zoning and land use pattern along this major street corridor. The proposed OS-1 zone is consistent with the land use/zoning pattern along East Centre Avenue and the Comprehensive Plan designations. Allowable uses in the OS-1 district include executive, administrative and professional offices, medical offices and clinics, banks and credit unions, art and photographic studios, personal service establishments, along with institutional uses, trade and business schools, and funeral homes. Since the rezoning site abuts single family residential land use/zoning, any future office building construction would be limited to one-story and 25-feet in height. Additional Zoning Code requirements for screening, buffering, lighting and noise designed to mitigate adverse impacts on adjacent residential properties would also be applicable with any office redevelopment project.

A change in zoning to OS-1 would cause the existing single-family residential use to become legally nonconforming. Section 42-133 of the Zoning Code provides regulations for nonconforming lots, buildings, structures and uses. Under these regulations, a nonconforming use may continue until it is removed, changed to a conforming use or intentionally abandoned. In particular, a property and/or building with a nonconforming use can have a change of tenancy, ownership or management without losing its nonconforming status. General maintenance and repair of the property and/or building in which the nonconforming use is located is also permitted by the Zoning Code. Additionally, if a nonconforming use is abandoned for any reason described in Section 42-133.C.5, any subsequent use of the land must be conforming to the underlying zoning district. Finally, if the building in which a nonconforming use is located were destroyed by fire, tornado or other act of God, the building could be reconstructed to its original location within 18 months.

Traffic Considerations. Rezoning the subject properties from R-1B to OS-1 would result in an increase in traffic generation dependent upon the type of office use that would be established at the site. However, this additional traffic generation can be accommodated by the adjacent roadway network. Specific access related issues including driveway location, shared/cross access would be reviewed at the site plan stage of development/redevelopment.

V. RECOMMENDATION:

Subject to any additional comments that may be received during the public hearing, staff advises the Planning Commission to recommend to City Council that Rezoning Application #18/19-5 be approved and 1700 East Centre Avenue be rezoned from R-1B, one family residential to OS-1, office service. The OS-1 district is appropriate in this area of the City and is consistent with the Comprehensive Plan, Future Land Use Map and surrounding land use/zoning pattern along East Centre Avenue.

Attachments: Zoning/Vicinity Map
Aerial Photo Map
Future Land Use Map
Development Guidelines Table (OS-1)
Rezoning Application and Supporting Materials

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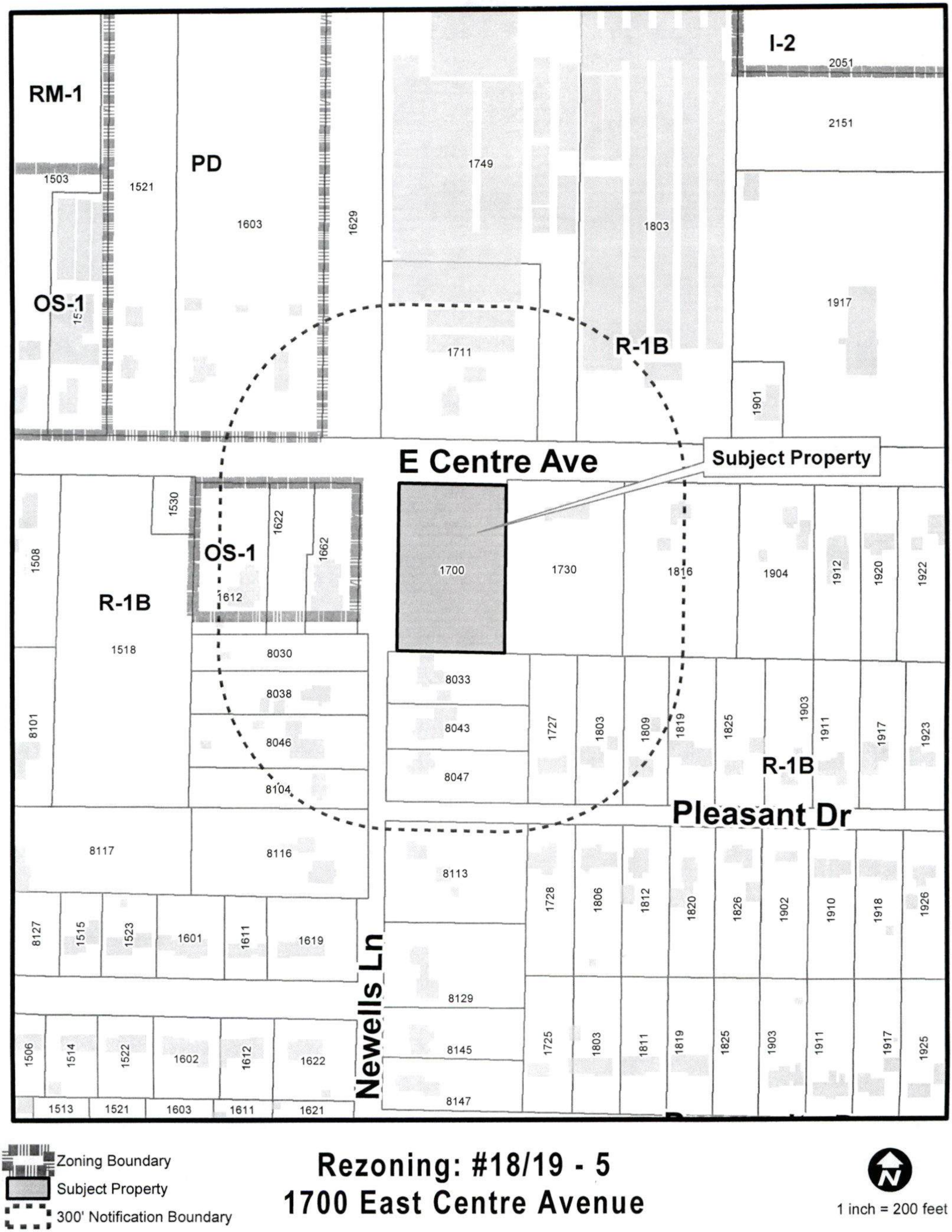
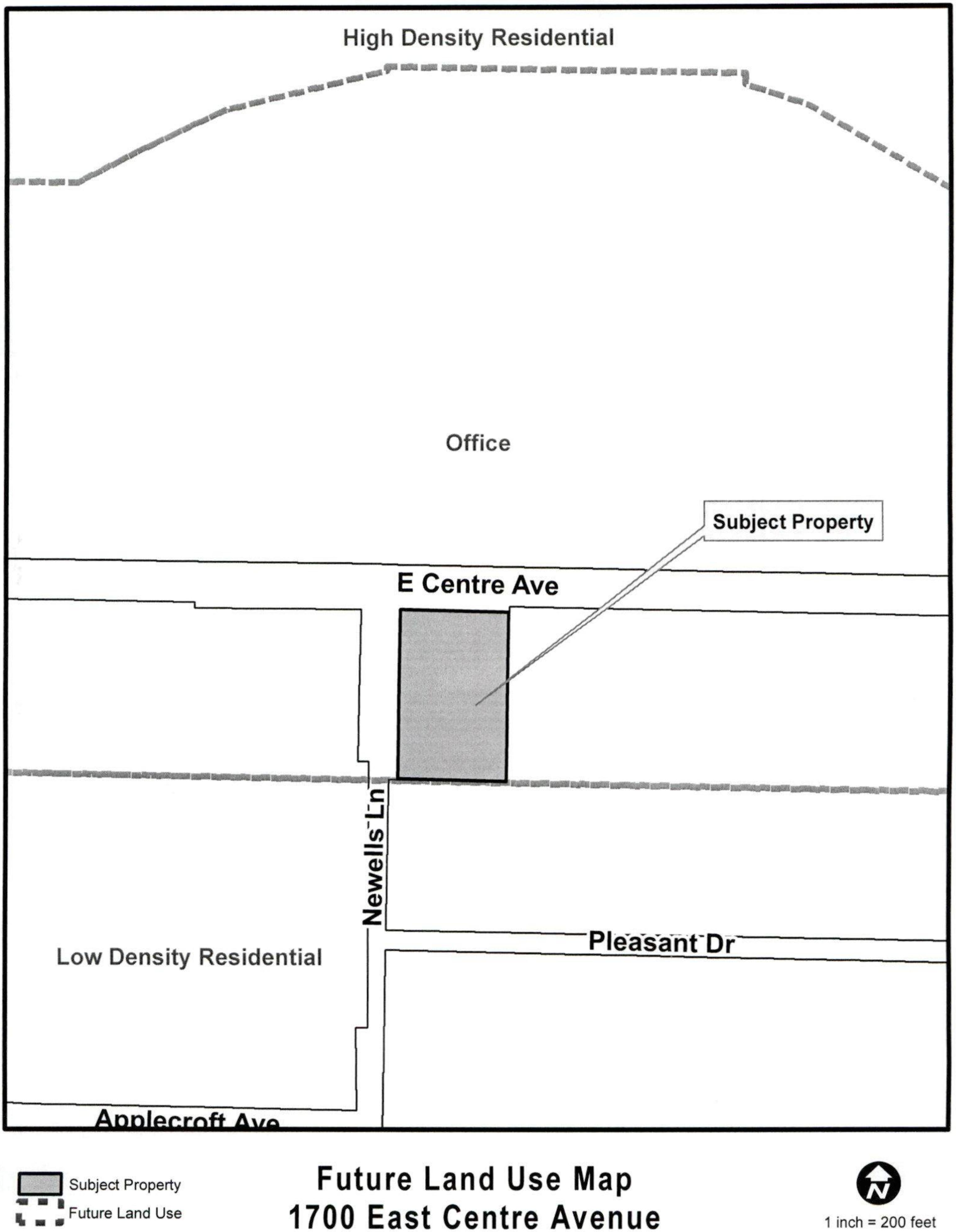


Rezoning: #18/19 - 5
1700 East Centre Avenue



Future Land Use Map
1700 East Centre Avenue

Subject Property

Aerial Photography
1700 East Centre Avenue

1 inch = 100 feet

DEVELOPMENT GUIDELINES
Rezoning Application #18/19-5 (OS-1, Office Service)

Guideline	Description	Consistent	Comments
Rezoning Request – Z-1	Consistency with Future Land Use Plan	**Yes**	Future Land Use Map designates the subject property and other properties along the north and south sides of East Centre Avenue as appropriate for office land use. The Comprehensive Plan also designates Centre Avenue as an office corridor. The proposed OS-1 zone is consistent with these designations.
Commercial – 1	Coordinated Development	**Yes**	Properties located along the Centre Avenue corridor are either zoned or planned for office land use. The proposed OS-1 zone is consistent and compatible with existing and transitioning land uses.
Commercial – 2	Commercial/Office Uses in General	**Yes**	Rezoning site is located within the Centre Avenue Office Corridor within a mixture of office, institutional and residential land uses. East Centre Avenue is a major arterial roadway and traffic related issues can be accommodated. The size, intensity and character of the proposed use is compatible with adjacent areas.
Commercial – 3	Local Business Uses	**N/A**	Guideline is not applicable to rezoning request.
Commercial – 4	Regional and General Commercial Uses	**N/A**	Guideline is not applicable to rezoning request.
Commercial – 5	Portage Commerce Square	**N/A**	Guideline is not applicable to rezoning request.
Natural & Historic Resources - 1	Environmental Protection	**Yes**	Rezoning site is not characterized by environmentally sensitive areas (wetlands, floodplain, lakes/streams, etc).
Natural & Historic Resources - 2	Floodplain	**Yes**	Rezoning site is not situated within the 100-year floodplain.
Natural & Historic Resources - 3	Water Quality	**Yes**	Reviewed at site plan stage of development.
Natural & Historic Resources – 4	Noise	**Yes**	Reviewed at site plan stage of development.
Natural & Historic Resources – 5	Historic Resource Preservation	**N/A**	Rezoning site is not situated within a designated historic preservation area and does not contain any historic structures.
Natural & Historic Resources – 6	Open Space Protection	**Yes**	Reviewed at site plan stage of development.
Transportation – 1	Transportation Systems	**Yes**	East Centre Avenue is a 5-lane major arterial roadway with 18,054 vehicles per day (2015) and a capacity of 38,700 vehicles per day (level of service "D"). Additional traffic generation associated with the proposed zoning change can be accommodated by the surrounding roadway network.
Transportation – 2	Street Design	**Yes**	Reviewed at site plan stage of development.
Transportation – 3	Access Management	**Yes**	See Transportation – 1 and Transportation – 2 above.
Transportation – 4	Non Motorized Travel	**Yes**	Reviewed at site plan stage of development.
Transportation – 5	Right-of-Way Preservation	**Yes**	Reviewed at site plan stage of development.

Guideline	Description	Consistent	Comments
Transportation – 6	Parking	**Yes**	Reviewed at site plan stage of development.
Municipal Facilities & Services – 1	Sound Fiscal Growth	**Yes**	Existing infrastructure is adequate to accommodate future development and growth.
Municipal Facilities & Services – 2	Sanitary Service	**Yes**	Sanitary sewer is available.
Municipal Facilities & Services –3	Underground Utilities	**Yes**	Reviewed at site plan stage of development.

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#18/19-5

RECEIVED
JAN 29 2019
COMMUNITY DEVELOPMENT

Form Center

Zoning Amendment Application

Applicant Information

First Name*
Newells Lane Partners LLC

Last Name*

Address*
1711 W. Osterhout Ave

City*
Portage

State*
MI

Zip Code*
49024

Email Address*
chad.vliek@parker.com

Phone Number*
269-352-1359

Fax Number

Property Owner Information

Required if property owner is different than the Applicant Same

First Name

Last Name

Address

Enable Google Translate

City

State

Zip Code

Phone Number

Fax Number

Email Address

Zoning Map Amendment

Property Address*

1700 E. Centre Ave

Parcel ID No.

08820-001-A

Plat Name

West Lake Acres

Current Zoning*

R-1B

Proposed Zoning*

OS-1

Comprehensive Plan Designation

Office

Site Area (acreage)

1.193

Current Land Use*

Residental

Proposed Land Use*

Office

Zoning Code Text Amendment

Zoning Code section proposed to be modified and/or Proposed language to be considered.

Proposed Amendment*

Explain proposed amendment

Rezone for future office use

upload file attachment if needed

Choose File No file chosen

Applicant/Property Owner Certification

Included is a statement indicating why, in my opinion, the change requested is necessary and why such amendment will advance the public health, safety and welfare. An assessment of the impact of the proposed zoning amendment on the community or property of other persons in the vicinity of the amendment or affected by the amendment is also included.

Enable Google Translate

Electronic Signature Agreement*

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

☑ I agree.

Electronic Signature [signature]

First M. Last

CHAD VLIEK

Date*

1/25/19

* indicates a required field

FIRST READING
CITY OF PORTAGE, MICHIGAN
NOTICE

TO THE RESIDENTS AND PROPERTY OWNERS OF THE CITY OF PORTAGE AND ALL OTHER INTERESTED PERSONS.

NOTICE IS HEREBY GIVEN, that an Ordinance to amend Article 4 (Zoning) of Chapter 42 of the Codified Ordinances of Portage, Michigan, was introduced for first reading at a regular meeting of the City Council held on ____________________, 2019, and that the Council will hold a public hearing on the proposed amendment at the Portage City Hall in said City on ________________, 2019, at 7:00 p.m. or as soon thereafter as may be heard.

NOTICE IS FURTHER GIVEN that the proposed amendment to Article 4 (Zoning) of Chapter 42, of the Codified Ordinances of Portage, Michigan reads as follows:

THE CITY OF PORTAGE ORDAINS:

That Article 4 (Zoning) of Chapter 42, of the Codified Ordinances of Portage, Michigan, Official Zoning Map, be amended as follows:

Street Address	Parcel ID Numbers
1700 East Centre Avenue	08820-001-A

From R-1B, one family residential to OS-1, office service or any other classification permitted by law.

PLEASE TAKE FURTHER NOTICE that if the owners of at least twenty percent (20%) of the area of land included in the proposed zoning change, or if the owners of at least twenty percent (20%) of the area of land included within an area extending outward one hundred feet (100') from any point on the boundary of the land included in the proposed change, excluding public right-of-way or other publicly owned land, file a written protest petition against the proposed amendment presented to the City Council before final legislative action on the amendment, a two-thirds vote of the City Council will be required to pass the amendment.

Dated: __________________

____
Adam Herringa, City Clerk

(App #18/19-5)

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF PORTAGE, MICHIGAN BY AMENDING ARTICLE 4 OF CHAPTER 42, LAND DEVELOPMENT REGULATIONS OF THE CODIFIED ORDINANCES OF PORTAGE, MICHIGAN

THE CITY OF PORTAGE ORDAINS:

That Article 4 (Zoning) of Chapter 42, of the Codified Ordinances of Portage, Michigan, Official Zoning Map, be amended as follows:

Street Address	Parcel ID Numbers
1700 East Centre Avenue	08820-001-A

From R-1B, one family residential to OS-1, office service.

FIRST READING:

SECOND READING:

EFFECTIVE DATE:

____
Patricia M. Randall, Mayor

STATE OF MICHIGAN)
) SS
COUNTY OF KALAMAZOO)

I do hereby certify that I am the duly appointed and acting City Clerk of the City of Portage and that the foregoing Ordinance was adopted by the City of Portage on the ______ day of ___________, 2019.

____
Adam Herringa, City Clerk

(App #18/19-5)

Approved as to Form:
Date: 3/12/19
By: ________________
City Attorney

ADOPTION OF ZONING ORDINANCE
CITY OF PORTAGE, MICHIGAN
NOTICE

TO THE RESIDENTS AND PROPERTY OWNERS OF THE CITY OF PORTAGE AND ALL OTHER INTERESTED PERSONS.

NOTICE IS HEREBY GIVEN, that an Ordinance to amend Article 4 (Zoning) of Chapter 42 of the Codified Ordinances of Portage, Michigan, was adopted by the City Council at a regular meeting held on the _____ day of _____________, 2019, and will become effective ___________________, 2019.

NOTICE IS FURTHER GIVEN that Article 4 (Zoning) of Chapter 42, Land Development Regulations, of the Codified Ordinance of Portage, Michigan, has been amended as follows:

THE CITY OF PORTAGE ORDAINS:

That Article 4 (Zoning) of Chapter 42, of the Codified Ordinances of Portage, Michigan, Official Zoning Map, be amended as follows:

Street Address	Parcel ID Numbers
1700 East Centre Avenue	08820-001-A

From R-1B, one family residential to OS-1, office service.

PLEASE TAKE NOTICE that a copy of the Ordinance as amended may be purchased or inspected at City Hall on any business day except public and legal holidays from and after publication of this Notice from 8:00 a.m. to 5:00 p.m. local time. Further, a copy of a map showing the property rezoned is also available at the time and days noted above.

Dated: _______________

____
Adam Herringa, City Clerk

(App #18/19-5)

PORTAGE
A Natural Place to Move

CITY COUNCIL AGENDA ITEM D.2.
APRIL 23, 2019

TO: Honorable Mayor and City Council

FROM: Laurence Shaffer, City Manager Laurence Shaffer

SUBJECT: 2019 Utility Rate Financial Study

SUPPORTING PERSONNEL: Kendra Gwin, Director of Transportation & Utilities

ACTION RECOMMENDED: Subsequent to the public hearing, adopt the:

1. recommendation that the sewer commodity rate remain at $4.60 per 1,000 gallons of metered water;
2. recommendation that the water commodity rate remain at $3.14 per 1,000 gallons of metered water;
3. recommendation that adjustments be made to the sewer and water base quarterly charges as noted in the 2019 Utility Rate Financial Study;
4. recommendation that the new rates become effective on July 1, 2019;
5. recommended water and sewer franchise area fees and other service fees and charges as outlined in the 2019 Utility Rate Financial Study.

The City Council Water/Sewer (Utility) Rate Study Committee, comprised of Councilmembers Burns, Ford and Knapp, and citizens Randy Orwig and Ted W. Vliek, Sr., has completed a review of the 2019 Utility Rate Financial Study as prepared by the City Administration. The 2019 Utility Rate Financial Study focused on ensuring the financial health and stability of the utility system. Following a thorough review and analysis of the 2019 Utility Rate Financial Study, the Utility Rate Study Committee voted (5 to 0) to recommend to City Council the water and sewer rates and charges as proposed.

City Council awarded a contract to Utility Financial Solutions, LLC (UFS) to perform the 2011 Water and Wastewater Rate Study in November 2010. The purpose of the UFS analysis was to determine the actual cost to provide water and wastewater services to utility customers. The proposed FY 2019 - 2020 utility rates are based in large part on the results of the comprehensive analysis performed by UFS.

City Administration will continue to investigate opportunities to further reduce operating expenses of the utility funds over time, along with consideration to fund future capital effort with available cash.

For FY 2019 - 2020, the sewer commodity rate is recommended to remain at $4.60 per thousand gallons of metered water. The water commodity rate is recommended to remain at $3.14 per thousand gallons of metered water. Basic quarterly charges for both sewer and water use, which are calculated to provide funding for certain fixed costs for the utility systems, are recommended as noted in the 2019

Utility Rate Financial Study. It is recommended that the sewer and water basic quarterly charges be reduced as follows:

	Sanitary Sewer Basic Quarterly Charge City of Portage Customers	(-3.69%) percent
Meter Size	Current Quarterly Charge	Proposed Quarterly Charge
5/8"	$30.58	$26.91
3/4"	$45.87	$40.37
1"	$68.81	$60.55
1 1/2"	$122.32	$107.64
2"	$183.48	$161.46
3"	$305.80	$269.10
4"	$611.60	$538.20
6"	$1,070.30	$941.85
8"	$1,529.00	$1,345.50

	Water Basic Quarterly Charge City of Portage Customers	(-3.42%) percent
Meter Size	Current Quarterly Charge	Proposed Quarterly Charge
5/8"	$23.40	$20.59
3/4"	$35.10	$30.89
1"	$52.65	$46.33
1 1/2"	$93.60	$82.36
2"	$140.40	$123.54
3"	$234.00	$205.90
4"	$468.00	$411.80
6"	$819.00	$720.65
8"	$1,170.00	$1,029.50

The net effect of the combined sewer and water rate recommendations on the typical residential customer is an overall utility rate decrease of three and fifty-six hundredths (3.56%). The combined utility rate recommendations represent an annual decrease of approximately $25.92 (from approximately $727.12 per year to approximately $701.50 per year) for the typical residential customer with both public sewer and water service. Overall, in terms of public health, utility costs represent a tremendous benefit for the cost incurred by the customer.

Items less significant in dollar amount, but still important to the continuing financial health of the utility systems, were also reviewed by the Utility Rate Study Committee. It is essential that the amount charged for these services recover the costs to provide such services. If charges are inadequate to allow for recovery of costs, rate payers subsidize the service provided. Charges and fees reviewed in the context of the 2019 Utility Rate Financial Study include water connection charges, meter charges, meter box charges, hydrant meter charges and water processing fees. All current charges are recommended as noted in the study. If approved, the proposed rate changes would be adopted and become effective July 1, 2019.

As such, it is recommended that City Council adopt the proposed rates and charges as set forth in the 2019 Utility Rate Financial Study.

FUNDING: N/A

Attachments:
1. 2019 Utility Rate Financial Study
2. Resolution - Sewer Rates FY19-20
3. Resolution - Water Rates FY19-20

PORTAGE

A Natural Place to Move

2019 Utility Rate Financial Study

2019 UTILITY RATE FINANCIAL STUDY

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2019
UTILITY RATE FINANCIAL STUDY

SECTION I - UTILITY RATES

INTRODUCTION

The City Administration has reviewed the utility rate structure for the purpose of considering necessary adjustments to utility rates, while addressing long-term needs of the city utility system. During the development of the 2019 Utility Rate Financial Study, a review of the previous study and the present rate structure was conducted.

As part of the ongoing effort to control costs and maintain the lowest possible utility rates for water and sewer customers, the City Administration reviewed the overall utility operation in light of the privatization of the operation and maintenance functions of the utility initiated in March 1997. Privatization has been extremely effective in cutting overall utility costs while still providing a high level of service to customers. The city's contractor performs all routine operation and maintenance activities for the water utility, including operation of the pumping and overhead storage facilities; meter installation, repair and reading; water service repair and maintenance; water main repair; fire hydrant flushing and repair; MISS DIG staking and other miscellaneous activities. Routine operation and maintenance activities performed for the sewer utility include cleaning and inspection of sanitary sewers; cleaning of storm sewer piping and manholes; daily inspection, maintenance and repair of sanitary sewage pumping facilities; repair and cleaning of sanitary sewer manholes; street sweeping and other miscellaneous activities. On November 1, 2016 the City Council awarded a 5-year contract extension to Suez Environmental Services, Incorporated to end March 2022.

The proposed Fiscal Year 2019-2020 utility rates are in large part based on the recommendations of the comprehensive rate analysis performed by Utility Financial Solutions, LLC (UFS) in 2011. On November 16, 2010, City Council awarded a contract to UFS to review past and current financial reports of the water and wastewater utilities, along with detailed accounting of the utilities finances. The purpose of the UFS analysis was to determine the actual cost to provide water and wastewater services to the utility customers. The cost of service analysis showed that the 2010 rate structure was insufficient to ensure the receipt of revenues necessary to recover the fixed costs of the utility. To address this concern, in Fiscal Year 2011–2012 utility rates began the trend of shifting revenue collection to basic quarterly charges based on meter size, while keeping the commodity rate increases in line with the normal inflationary costs to provide the water and wastewater service. This trend is continued in the 2019 Utility Rate Study.

Background

The Governmental Accounting Standards Board (GASB) requires that Sewer and Water Funds be enterprise funds and be operated in a manner similar to private business, with costs recovered primarily through user charges.

In 1986, the first Water and Sanitary Sewer Rate Committee reviewed the financial status of the Sanitary Sewer and Water Funds. The Water and Sanitary Sewer Rate Committee has met every year since to review the rates and make recommendations to the City Council. Prior to 1986, utility rates were reviewed and adjusted on an as needed basis, which lead to unpredictable rates and charges.

In 2008, the city received a letter from the State of Michigan requiring a financial plan to rectify a water fund deficit. The city has followed the plan submitted to the State of Michigan and the water fund deficit has been eliminated. Water and sanitary sewer rate increases required to eliminate the deficit, meet the conditions in the financial plan submitted to the State of Michigan and reach a positive working capital balance for the utility funds as a whole were substantial. Over the past several years the utility funds have been able to pay cash for capital improvement projects and pay off all callable debt. The funds are now in a suitable position to reduce utility rates. Rate adjustments since 2007 are as follows:

Fiscal Year	Combined Water & Sewer % Rate Change (Typical Residential Customer)
2007	14.89
2008	13.68
2009	12.22
2010	15.03
2011	10.85
2012	4.85
2013	2.73
2014	1.40
2015	0.94
2016	0.75
2017	0.62
2018	-3.91

Rate adjustments typically result from inflationary pressure, material changes in programs and operations, and other factors which cannot be controlled by the city, such as charges from the City of Kalamazoo for sewage treatment and Consumers Energy for gas and electricity.

CURRENT STATUS

A fundamental principle of utility fund financing is that user rates should be sufficient to fund the entire cost of utility system operations. This principle is accepted by all authoritative sources (Government Finance Officers Association, American Water Works Association, etc.) and is based on the enterprise fund status. Enterprise funds operate as a private business and all businesses must generate sufficient revenues to cover costs in order to be viable.

Utility System Rate Structure

For provision of sanitary sewer and water service, a two-part rate structure is in effect. For sanitary sewer and water customers, the rate consists of a fixed portion, referred to as the "basic quarterly charge" and a unit rate, referred to as the "commodity" rate.

For water and sewer activities of the utility, the basic quarterly charge is designed to cover the fixed costs of providing service. These costs, which are generally stable throughout the year despite the amount of water produced or sewage transported, include: Personnel salaries and fringes, the Suez operation and maintenance contract, office supplies, mailing expenses, telephone charges, environmental testing, water quality testing, printing and publishing and equipment repair and maintenance. The fixed costs are applied to the meter size using a formula which recognizes the capacity of the meter size and the impact on the water and sanitary sewer systems.

Commodity rates are designed to cover more variable costs, including sewage treatment costs, public utilities, sewer lead repair, equipment rental costs, equipment replacements, retention basin testing and administrative costs. Commodity rates are based on a dollar amount per thousand gallons of water metered for both water and sewer billings, with sewer billings capped for residences as described below. All classes of customers are billed quarterly with a quarterly of the annual basic rate applied in addition to the commodity charge.

Sanitary Sewer System

The City of Portage sanitary sewer system consists of 236 miles of sewer main and 56 sewage lift stations. The sanitary sewer system has a capacity of 10.8 million gallons per day, with an average daily flow of 4.1 million gallons. Future expansion projects are prioritized to address the areas with greatest potential for groundwater contamination. Citizen petitions are also given high priority. Priorities are reviewed annually by the City Administration to ensure consistency with Council goals and environmental concerns. Current and projected resources of the Sanitary Sewer Fund appear adequate to accommodate increased expansion of the sanitary sewer system. The recommended ten-year 2019-2029 Capital Improvement Program (CIP) includes $8.355 million in sanitary sewer system improvements and expansions. The proposed improvements would be funded through various financing methods. The projects are considered important in order to pursue placement of sanitary sewer throughout the city and to continue with the mandatory sewer hookup program emphasis. In addition to extension of sanitary sewer mains, operational improvements over the next ten years include:

- Installation of sewer leads where not included in original construction.
- Installation of mains in existing developed plats.
- Renovation of sanitary sewer lift stations and force mains

The proposed sanitary sewer rate structure was developed taking into account the capital expenditures necessary to meet these needs through various financing means.

Sanitary Sewer Billing Cap

Sewer bills are calculated based upon water usage with the assumption that water used within a residence is generally discharged to the sanitary sewer system as wastewater. A cap on sewer billing to residential customers limits the sewer bill to 125% of the customer's winter quarter water usage. The 125% cap was established based upon an analysis of residential accounts with separate water meters for irrigation. This analysis was undertaken to determine the quarterly water usage pattern of the "typical residential customer." Results of the analysis indicated that average summer water usage discharged to the sanitary sewer system, for a single-family residence, is approximately 125% of the winter water consumption when external irrigation is excluded. Winter usage is defined as that quarter in which January occurs. The sanitary sewer billing cap ensures that residential customers are billed for flow to the sanitary sewer and not for outdoor water use.

Water System

The city water system consists of 20 production wells, one 750,000 gallon elevated storage tank, one 1,500,000 gallon elevated storage tank and 250 miles of water main. In 2006, the Environmental Protection Agency lowered the allowable arsenic levels in public drinking water to 10 micrograms per liter. As a result, two wells were abandoned, one well was decommissioned and the Garden Lane Water Treatment Plant was constructed to eliminate high arsenic levels in the water. The water system currently has a capacity of 26.35 million gallons per day. The average day production is 4.60 million gallons. Fishbeck, Thompson, Carr & Huber, Inc. completed a comprehensive Water Reliability Study for the city in 2013 and updated the Wellhead Protection Program in 2015. These studies, together with current management information and system use data, are the basis for planned future system improvements.

The recommended 2019-2029 CIP includes $19.870 million in water system improvements. Current and future anticipated demands placed on the system necessitate provision of numerous operational improvements over the next ten years, including:

- Installation of transmission mains in currently unserved areas and for needed conveyance of large volumes of water throughout the service area.
- Installation of service lines in developed plats.
- Improvement of the stormwater collection and recharge system.
- Additional treatment facility with iron removal capabilities.
- Additional water storage.

The proposed water rate structure was developed taking in consideration of the capital expenditures necessary to meet the above noted needs through various types of financing.

On February 11, 2014, Portage City Council approved reinstatement of a 10% discount on water use charges for eligible senior citizens. Redistribution of the 10% discount to senior citizen customers to the remaining water customers was also taken into account in the development of the water rate structure. The subsidy for the Senior Citizen Discount in Calendar Year 2018 was $67,058.80.

Utility Customer Growth

The utility customer base has grown to 15,758 sanitary sewer customers and 14,927 water customers as of January 1, 2019. An increase in the number of customers has a general impact of stabilizing system-wide operation costs as cost of service can be spread over a larger number of users. Although the total number of water and sewer customers continues to increase, the rate of increase in utility customers has slowed in recent years. The utility system is a mature system with 96.7 % of developed properties served by municipal sewer and 87.5% served by municipal water. In the future, new customer growth will be most directly related to new development occurring in the city.

FINANCIAL REVIEW

Using current information on the status of the utility systems as background, the 2019 Utility Rate Financial Study was conducted to determine appropriate cost recovery rate levels. These rates provide for operation of the utility systems, funding of utility-related capital improvement needs and repayment of Limited Tax General Obligation (LTGO), city share debt and Utility Revenue bond debt related to infrastructure extensions and replacements.

The Comprehensive Annual Financial Reports for prior fiscal years provide the primary source for review of the past financial condition of the Utility Funds. Additional sources include the Municipal Budget for Fiscal Year 2018-2019, the 2018-2028 CIP, the recommended 2019-2029 CIP and prior utility rate studies. The financial condition of the Utility Funds as of June 30, 2018 is healthier than previous expectations.

As of June 30, 2018, the Sewer Fund had a working capital balance of $11,759,404, which was 171% of operating expenses, and the Water Fund had a working capital balance of $6,889,911, which was 192% of operating expenses. These balances have been generated through conservative budgeting and forecasting methods as well as substantial rate increases over the last decade.

Typical Residential Customer

The typical residential customer in Portage purchases 19,000 gallons of water and is billed for 15,000 gallons of sewage flow per quarter. The typical residential customer has been defined based upon an analysis of all residential accounts and represents the baseline used for comparison since single-family residences represent about 90% of utility accounts. The table below demonstrates the typical average residential customer quarterly usage of water and billing of sewage flow.

TYPICAL RESIDENTIAL CUSTOMER

	Metered Water (x1000 gallons)	Billed Sewer (x1000 gallons)
Winter usage (quarter including January)	14	14
Spring usage	14	14
Summer usage	33	18
Autumn usage	14	14
Annual Total	75	60

The differential between the metered water and the billed sewer is a result of the 125% sewer cap. The cap impacts the summer sewage billing quarter by limiting it to 125% of the winter metered water.

RATE RECOMMENDATIONS

Tables 1, 2 & 3 summarize Sanitary Sewer Fund and Water Fund statements of estimated revenue and expenses for the fiscal years ending June 30, 2019 through 2024. Projected commodity rates, sales in millions of gallons and an analysis of capital/debt needs and funding are also presented. Factors that impact these projections include the cost of living increase, the number of utility customers, revised arsenic level standards promulgated by the USEPA, reduced flow from sewer customers and the sewage treatment costs by the City of Kalamazoo in the case of the Sewer Fund. Table 4 analyzes the recommendations as applied to the "typical residential customer." The following recommendations are presented regarding 2019 Utility Rates.

Sanitary Sewer Fund

It is recommended that the sewer commodity rate remain at $4.60 per thousand gallons**.** The rate will: 1) provide for treatment charges billed by the City of Kalamazoo, 2) continue funding operations, capital improvement needs, repayment of outstanding sewer-related Limited Tax General Obligation (LTGO) bonds and Utility Revenue bonds and 3) provide for future LTGO and revenue bond debt. Privatization of the utility operation has resulted in a significant savings in the sewer fund over the last eighteen years, in spite of a lower billable flow growth compared to previous years.

It is recommended that the sewer basic quarterly charges be reduced as shown below:

SANITARY SEWER BASIC QUARTERLY CHARGE
CITY OF PORTAGE CUSTOMERS

Meter Size	Current Quarterly Charge	Proposed Quarterly Charge
5/8”	$ 30.58	$ 26.91
3/4”	$ 45.87	$ 40.37
1”	$ 68.81	$ 60.55
1-1/2”	$ 122.32	$ 107.64
2”	$ 183.48	$ 161.46
3”	$ 305.80	$ 269.10
4”	$ 611.60	$ 538.20
6”	$ 1,070.30	$ 941.85
8”	$ 1,529.00	$ 1,345.50

The basic quarterly charges are designed to cover the fixed costs related to the operation of the sanitary sewer system. The decrease in the Basic Quarterly Charge conforms to the recommendation in the 2011 Comprehensive Rate Analysis by Utility Finance Solutions, LLC. With the continuation of the sanitary sewer bill cap of 125%, the recommended basic quarterly charges and continuing the commodity rate at $4.60 per thousand gallons will result in a 3.69% decrease for the typical residential sanitary sewer customer.

In previous utility rate studies, emphasis has been placed on stabilizing retained earnings in the Sanitary Sewer Fund at a level of $1,500,000 as recommended by the city’s financial advisor. An adequate cash balance must be maintained for operation of the utility and to make debt service payments. Basic Quarterly Charges are recommended to ensure sufficient resources are available within the Sanitary Sewer Fund to meet obligations to avoid the need for subsidy by non-utility related funds.

For Fiscal Year 2018-2019 the estimated working capital (i.e. cash) at the end of the year is $13,132,810. Based on the recommended basic quarterly charges and commodity rate for Fiscal Year 2019-2020, an acceptable level of working capital balance can be maintained through Fiscal Year 2023-2024.

The recommended rate for Fiscal Year 2019-2020 is lower than the rate forecast in the 2018 Utility Financial Rate Study. As shown in Table 1 (Utility Fund Statements of Revenues and Expenses – Sanitary Sewer Fund) no rate changes are recommended in subsequent years.

Sanitary Sewer Rate - Schoolcraft Township

The service agreement with Schoolcraft Township establishes the rate charged to customers in Schoolcraft Township. The basic quarterly charge is the same as charged to the City of Portage customers. There is a 5% surcharge on the commodity rate and a $0.35 charge per thousand gallons for capital costs. It is recommended that the sanitary sewer commodity rate to Schoolcraft Township customers be continued at $5.18 per thousand gallons.

Water Fund

Water Service Charges

It is recommended that the water commodity rate remain at $3.14 per thousand gallons. The basic quarterly costs are designed to cover fixed costs related to the operation of the water system. It is recommended that the water basic quarterly charges be decreased as shown below:

WATER BASIC QUARTERLY CHARGE
CITY OF PORTAGE CUSTOMERS

Meter Size	Current Quarterly Charge	Proposed Quarterly Charge
5/8”	$ 23.40	$ 20.59
3/4”	$ 35.10	$ 30.89
1”	$ 52.65	$ 46.33
1-1/2”	$ 93.60	$ 82.36
2”	$ 140.40	$ 123.54
3”	$ 234.00	$ 205.90
4”	$ 468.00	$ 411.80
6”	$ 819.00	$ 720.65
8”	$ 1,170.00	$ 1,029.50

This decrease conforms to the recommendation in the 2011 Comprehensive Utility Rate Study by Utility Financial Solutions, LLC. The proposed rate will result in a 3.42% decreased monthly expense for the typical residential water customers.

Private Fire Protection Service Charges.

Dedicated fire protection service is defined as a separate water service line that solely provides fire protection to a property. The Basic Quarterly Charge will ensure that the cost of providing a dedicated fire service that only benefits one property is borne by the benefiting customer and not the utility customers at large. In addition to the Basic Quarterly Charge a $6.40 per 1,000 gallon charge for all water use recorded on the fire service bypass meter is assessed. It is recommended that the Basic Quarterly Charge for fire protection services remain unchanged as shown in the table below.

Private Fire Protection - Basic Quarterly Charge

Fire Protection Service Size	Current Basic Quarterly Charge	Proposed Basic Quarterly Charge
4 – inch	$15.00	$15.00
6 – inch	$35.00	$35.00
8 – inch	$60.00	$60.00
10 – inch	$95.00	$95.00
12 – inch	$135.00	$135.00
16 – inch	$240.00	$240.00

As shown on Table 2 (Utility Fund Statements of Revenues and Expenses - Water Fund), no rate changes are recommended is subsequent years. The water quarterly basic charges and commodity rate can be decreased and continue to fund operations, meet major capital improvement needs, keep up with inflationary increases in water production costs (pumping, disinfection, etc.), repay outstanding water-related Limited Tax General Obligation (LTGO) bonds and Utility Revenue bonds and provide for future LTGO and revenue bond debt. In future years, costly major water projects such as additional water storage and iron removal facilities will be required as demands on the Portage water system increase. In addition, the Water Fund will finance needed storm drainage improvements throughout the city.

Emphasis has been placed on stabilizing retained earnings in the Water Fund at a level of $2,500,000 as recommended by the city's financial advisor. An adequate cash balance needs to be maintained for operation of the utility and to make debt service payments. There are sufficient resources available within the Water Fund to meet obligation to avoid the need for subsidy by non-utility related funds with the recommended rate over the coming years. For Fiscal Year 2018-2019, the estimated working capital (i.e. cash) at the end of the year is $6,463,401. Based on the recommended basic quarterly charges and commodity rate for Fiscal Year 2019-2020 an acceptable level of working capital balance can be maintained through Fiscal Year 2023-2024.

It is important that the city continue to plan for an additional water tower, replacement for the Haverhill water tower or a water main extension under the airport (currently scheduled in Fiscal Year 2020-2021 in the recommended 2019-2029 CIP). The new water tower will provide for greater storage capacity in the city's residential and commercial areas to improve system reliability during peak demand and also improve fire flow in the northern portion of the city. The installation of new iron removal facilities at the Shuman well site (currently scheduled in Fiscal Year 2021 through 2023 in the recommended 2019-2029 CIP) to relieve pressure on the Kalamazoo/Portage groundwater aquifer and the Milham well field located north of Portage Northern High School. Exploration in southern Portage, Schoolcraft Township and Pavilion Township was not successful in locating any new suitable well sites with low iron content.

Water Rate — Pavilion Township and Schoolcraft Township

It is recommended that the basic quarterly charges for Pavilion Township and Schoolcraft Township residents be the same as charged to City of Portage customers. It is also recommended that the water commodity rate for Pavilion Township and Schoolcraft Township residents remain at $3.78 per thousand gallons.

SUMMARY OF RECOMMENDATIONS

The effect of the combined recommendations on the typical City of Portage residential customer is projected through Fiscal Year 2023-2024 in Table 3. The Fiscal Year 2019-2020 combined rate decrease of 3.56% for the typical residential customer is a lower rate than projected for Fiscal Year 2019-2020 in the 2018 Utility Rate Financial Study. For the typical residential customer having both municipal water and sewer service, the proposed rate will result in an annual decrease of $25.92. With operations, capital improvements and debt service continuing to be funded, the utility systems have been self-supporting since July 1989. Self-supporting status is essential for these important enterprise funds so that the funds do not become a financial drain on either the General Fund or the Capital Improvement Fund.

SECTION II – UTILITY

FEES AND CHARGES

INTRODUCTION

Although the establishment of appropriate commodity rates and basic quarterly charges for water and sewer service is the primary focus of the annual Utility Rate Financial Study, it is also prudent to give attention to matters which may be less significant in dollar amounts but are still important to the financial health of the utility system, i.e. utility fees and charges.

Background

The establishment of adequate fees and charges for services performed in addition to the delivery of water and sewer service is necessary to fairly and equitably recover costs for services provided. When fees and charges are inadequate, the utility rate payer must bear the cost for services provided to others. Examples include costs for service connections, meters, turn-on fees, etc. In each case, if the charges for these services are inadequate to recover costs, the rate payers subsidize the service provided to some extent.

CURRENT STATUS AND RECOMMENDATIONS

Meter Charges

The current meter installation charges are based on the cost of the meter plus the cost of labor and equipment to install the meter. The current meter and installation costs have been reviewed and it was determined that several water meter charges need to be increased to reflect the current cost of installation. It is recommended that water meter charges be adjusted as shown in the table below.

Meter Size	Current Charges	Actual Cost/Recommended Charges
5/8”	$225	$225
3/4”	$280	$280
1”	$345	$345
1-1/2” SR (Irrigation)	$815	$1,050
1-1/2” Compound		$1,580
2” SR (Irrigation)	$1,010	$1,350
2” Compound	$2,225	$2,225
3” Compound	$2,925	$2,925
4” Compound	$4,530	$4,530
6” Compound	$7,840	$7,840

Meter Box Charge

A meter box charge is based on the cost of materials to install the meter box. Meter boxes are used when a suitable location for meter installation is not available in the building or property being served. The charge has been reviewed and it was found that the cost has not increased. It is recommended that the meter box charge remain unchanged at $1250.

Hydrant Meter Charges

The use of meters on fire hydrants is a service provided as a convenience to contractors or individuals who need to obtain large quantities of water in a short period of time. It is recommended that the minimum charge for use of a hydrant meter remain at $150. The minimum charge for supplying and installing a meter on a fire hydrant includes the use of 15,000 gallons of water. It is also recommended that the commodity charge for use over 15,000 gallons of water remain at $6.40 per 1,000 gallons. Furthermore, that the deposit required to ensure the return of all hydrant meter hoses and other items remain at $250. This deposit eliminates the potential problem of collecting for the service provided.

Fire Hydrant Flow Test Charge

Fire hydrant flow tests are often requested by insurance companies and developers to determine the quantity of water available for fire protection at a property. The established charge for providing a flow test ensures that the cost is borne by the benefiting customer and not the utility customers at large. It is recommended that the charge for a hydrant flow test remain at $135.

Reinstatement Processing Fee

A fee is charged for reinstating water service turned off due to delinquency or at the request of the customer. In the case of delinquency, three notices are sent to the customer with a shut-off date established on the third notice. Once a work order has been issued for water shut-off, the processing fee is automatically added to the customer's bill and payment of the delinquent bill plus the processing fee is required prior to reactivation of service. The current fee is $50 and is recommended to be continued for Fiscal Year 2019-2020. No fee is charged for a water turn-off and subsequent restoration of water service when requested by the customer or contractor due to an emergency or scheduled maintenance activity. For water service turn-on after normal working hours, the current processing fee of $100 is recommended to be continued for Fiscal Year 2019-2020. The $100 processing charge reflects the added hourly cost for the service technician associated with the provision of water service turn-on after normal working hours.

Other Charges and Policies

1. **Flat Rate:** Non-metered sewer customers are billed based on a water usage of 15,000 gallons per quarter (flat rate). It is recommended that this policy be continued.

2. **Irrigation Allowance:** Single family residences, residential condominiums and all other individually metered residential units may be given a discount for irrigation as follows:

   a. Charges for such customers are based on actual water consumption, except that there is no sewage charge for water consumption exceeding 125% of the water consumption for the most recent quarter billing in which the month of January is included;
   b. Residential customers who do not have a quarter billing in which the month of January is included or who have a zero (0) water usage for the quarter which includes the month of January have the sewer charge for the other three quarters established at the maximum rate volume of 15,000 gallons or actual usage, if less, per quarter until such time as quarter billing information, in which the month of January is included, is available. It is recommended that the irrigation allowance be continued.

3. **Senior Citizen Water Allowance:** City of Portage water customers 65 years of age and older who submit an application and provide proof of age are eligible for a 10% discount on water use charges for their primary residence account.

4. **Non-Sufficient Funds (NSF) Check Fee:** It is recommended to maintain the current fee of $30 per occurrence to reflect current administrative cost for any returned/unpaid check or other failed financial instrument which results in uncollected funds.

5. **Outstanding Charges Limit:** The amount of past due/outstanding charges necessitating water shut-off is recommended to be maintained at $60.

6. **Utility Late Fee Waivers:** It is recommended that the utility billing late fee be waived if the customer:

   a. has paid all of the last 8 or more utility bills on time and the customer requests that the late fee be waived/removed or;
   b. signs up for automatic payment where the amount due is taken from their bank account on the due date.

SUMMARY OF RECOMMENDATIONS

Summarizing recommendations for Fiscal Year 2019-2020 utility fees and charges, it is advised that:

1. Charges for meters be adjusted to reflect the current cost of installation.

3. Charges for installation of meter box remain the same.

4. The current charge of a $250 deposit for the installation of a hydrant meter remains the same and the current minimum charge including the use of up to 15,000 gallons of water remains at $150. Further, the current commodity charge of $6.40 per thousand gallons for all water used over 15,000 gallons remains the same.

5. The $50 processing fee associated with turn-on or shut-off of a water service is continued, except the initial turn-on for first-time customers will be at no charge. When the city dispatches a person to turn on water during non-business hours, the processing fee of $100 will be continued.

6. The flat rate based on a consumption of 15,000 gallons per quarter for non-metered sewer customers continues in effect.

7. The sewer billing cap for residential customers having a zero water meter reading in the quarter that contains January remains at 15,000 gallons.

8. The current charge of $30 per occurrence will be assessed for any returned/unpaid check or other failed financial instrument which results in uncollected funds.

9. The utility billing late fee will be waived:
   a. if the customer has paid all of the last 8 or more utility bills on time and the customer requests that the late fee be waived/removed or;
   b. if the customer signs up for automatic payment.

10. A credit of $1.00 for each normal quarterly bill will be given to each customer on the utility billing automatic payment plan.

11. An amount past due of more than $60 remain as the shut-off level amount.

Utility Fund Statement of Revenues and Expenses

SEWER FUND							Table 1
2019/2020 RATES							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Audited	**Estimated**	**Budgeted**	Projected	Projected	Projected	Projected
SALES (million gallons)	1,229	1,229	1,229	1,229	1,229	1,229	1,229
RATE (per 1000 gallons)	$4.60	$4.60	$4.60	$4.60	$4.60	$4.60	$4.60
BASE CHARGE (per quarter)	$34.75	$30.58	$26.91	$26.91	$26.91	$26.91	$26.91
User charges	9,126,007	9,100,000	8,591,000	8,243,000	8,244,000	8,245,000	8,246,000
Tap in fees and other revenue	341,375	241,600	241,600	241,600	241,600	241,600	241,600
TOTAL OPERATING REVENUE	9,467,382	9,341,600	8,832,600	8,484,600	8,485,600	8,486,600	8,487,600
Operations and maintenance	2,659,404	2,106,000	2,303,950	2,339,000	2,374,000	2,410,000	2,446,000
Sewer treatment charges	2,187,323	2,500,000	3,250,000	3,299,000	3,348,000	3,398,000	3,449,000
General and administrative	1,187,829	1,420,370	1,844,706	1,872,000	1,900,000	1,929,000	1,958,000
Depreciation	849,133	862,558	900,000	918,075	933,150	944,888	960,863
TOTAL OPERATING EXPENSE	6,883,689	6,888,928	8,298,656	8,428,075	8,555,150	8,681,888	8,813,863
OPERATING GAIN (LOSS)	2,583,693	2,452,672	533,944	56,525	(69,550)	(195,288)	(326,263)
Interest income	70,634	118,500	120,300	122,100	123,900	122,700	124,500
Interest on outstanding debt	(116,394)	(98,440)	(84,670)	(72,290)	(60,030)	(47,505)	(36,300)
Capital outlay	(7,577)	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)
NET NON-OPERATING REVENUE (EXPENSE)	(53,337)	(119,940)	(104,370)	(90,190)	(76,130)	(64,805)	(51,800)
NET GAIN (LOSS) BEFORE TRANSFERS	2,530,356	2,332,732	429,574	(33,665)	(145,680)	(260,093)	(378,063)
TRANSFERS IN (OUT)	(65,000)	(85,000)	(85,000)	(85,000)	(85,000)	(85,000)	(90,000)
CHANGE IN NET POSITION	2,465,356	2,247,732	344,574	(118,665)	(230,680)	(345,093)	(468,063)
CASH FLOW ANALYSIS							
Beginning Cash Balance	11,303,117	11,208,828	12,800,588	12,660,973	11,489,497	11,256,068	10,358,057
Net Cash from Operating Activities	3,270,720	3,315,230	1,433,944	974,600	863,600	749,600	634,600
Net Transfers In & Investing Activities	(5,808)	118,500	120,300	122,100	123,900	122,700	124,500
Proceeds of Bond Issuance	-	-	-	-	-	-	-
CASH AVAILABLE	14,568,029	14,642,558	14,354,832	13,757,673	12,476,997	12,128,368	11,117,157
Capital Improvement Needs	2,587,572	1,245,000	1,125,000	1,735,000	725,000	1,290,000	1,295,000
Principal & Interest on Long Term Debt	771,629	596,970	568,859	533,176	495,929	480,311	545,434
CASH OUTFLOW	3,359,201	1,841,970	1,693,859	2,268,176	1,220,929	1,770,311	1,840,434
ENDING CASH BALANCE	11,208,828	12,800,588	12,660,973	11,489,497	$11,256,068	10,358,057	9,276,723
WORKING CAPITAL	11,759,404	13,132,810	12,989,571	11,787,691	11,548,204	10,626,886	9,517,488
Typical residential % change		-4.02%	-3.69%	0.00%	0.00%	0.00%	0.00%

Utility Fund Statement of Revenues and Expenses

WATER FUND							Table 2
2019/2020 RATES							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Audited	**Estimated**	**Budgeted**	Projected	Projected	Projected	Projected
SALES (million gallons)	1,361	1361	1361	1,361	1,361	1361	1361
RATE (per 1000 gallons)	$3.20	$3.14	$3.14	$3.14	$3.14	$3.14	$3.14
BASE CHARGE (per quarter)	$25.44	$23.40	$20.59	$20.59	$20.59	$20.59	$20.59
User charges	7,176,938	7,068,000	6,172,000	6,172,000	6,172,000	6,172,000	6,172,000
Tap in fees and other revenue	276,133	131,000	276,133	276,133	276,133	276,133	276,133
TOTAL OPERATING REVENUE	7,453,071	7,199,000	6,448,133	6,448,133	6,448,133	6,448,133	6,448,133
Operations and maintenance	1,491,943	1,518,052	1,736,562	1,767,000	1,798,000	1,829,000	1,861,000
General and administrative	1,284,447	1,306,925	1,381,107	1,405,000	1,430,000	1,455,000	1,480,000
Depreciation	807,518	843,185	830,000	890,828	899,937	908,472	916,655
TOTAL OPERATING EXPENSE	3,583,908	3,668,162	3,947,669	4,062,828	4,127,937	4,192,472	4,257,655
OPERATING GAIN (LOSS)	3,869,163	3,530,838	2,500,464	2,385,305	2,320,196	2,255,661	2,190,478
Interest income	128,728	123,600	126,100	128,600	131,200	128,600	131,200
Interest on outstanding debt	(544,816)	(470,950)	(410,500)	(353,990)	(297,800)	(239,920)	(184,250)
Capital outlay	(17,575)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)
NET NON-OPERATING REVENUE (EXPENSE)	(433,663)	(527,350)	(464,400)	(405,390)	(346,600)	(291,320)	(233,050)
NET GAIN (LOSS) BEFORE TRANSFERS	3,435,500	3,003,488	2,036,064	1,979,915	1,973,596	1,964,341	1,957,428
TRANSFERS IN (OUT)	(50,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)
CHANGE IN NET POSITION	3,385,500	2,948,488	1,981,064	1,924,915	1,918,596	1,909,341	1,902,428
CASH FLOW ANALYSIS							
Beginning Cash Balance	7,829,619	7,535,193	7,482,808	5,774,044	5,142,975	5,774,044	5,142,975
Net Cash from Operating Activities	4,567,224	3,846,673	2,866,064	2,870,743	2,873,533	2,872,813	2,874,083
Net Transfers In & Investing Activities	9,541	98,090	65,695	57,775	73,853	65,775	65,801
Proceeds of Bond Issuance	-	-	-	-	-	-	-
CASH AVAILABLE	12,406,384	11,479,957	10,414,566	8,702,563	8,090,361	8,712,632	8,082,859
Capital Improvement Needs	1,574,750	1,380,000	2,055,000	1,165,000	1,105,000	940,000	2,125,000
Principal & Interest on Long Term Debt	3,296,441	2,617,149	2,585,522	2,394,588	2,247,425	2,267,581	1,978,788
CASH OUTFLOW	4,871,191	3,997,149	4,640,522	3,559,588	3,352,425	3,207,581	4,103,788
ENDING CASH BALANCE	7,535,193	7,482,808	5,774,044	5,142,975	4,737,936	5,505,051	3,979,071
WORKING CAPITAL	6,889,911	6,463,401	4,987,428	4,442,331	4,092,472	4,755,080	3,436,989
Typical residential % change		-3.70%	-3.42%	0.00%	0.00%	0.00%	0.00%

Utility Fund Statement of Revenues and Expenses

SEWER AND WATER FUNDS							**Table 3**
2019/2020 RATES							
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Audited	**Estimated**	**Projected**	Projected	Projected	Projected	Projected
User charges	16,302,945	16,168,000	14,763,000	14,415,000	14,416,000	14,417,000	14,418,000
Tap fees	617,508	372,600	517,733	517,733	517,733	517,733	517,733
TOTAL OPERATING REVENUE	16,920,453	16,540,600	15,280,733	14,932,733	14,933,733	14,934,733	14,935,733
Operations and maintenance	4,151,347	3,624,052	4,040,512	4,106,000	4,172,000	4,239,000	4,307,000
Sewer treatment charges	2,187,323	2,500,000	3,250,000	3,299,000	3,348,000	3,398,000	3,449,000
General and administrative	2,472,276	2,727,295	3,225,813	3,277,000	3,330,000	3,384,000	3,438,000
Depreciation	1,656,651	1,705,743	1,730,000	1,808,903	1,833,087	1,853,360	1,877,517
TOTAL OPERATING EXPENSE	10,467,597	10,557,090	12,246,325	12,490,903	12,683,087	12,874,360	13,071,517
OPERATING GAIN (LOSS)	6,452,856	5,983,510	3,034,408	2,441,830	2,250,646	2,060,373	1,864,216
Interest income	199,362	242,100	246,400	250,700	255,100	251,300	255,700
Interest on outstanding debt	(661,210)	(569,390)	(495,170)	(426,280)	(357,830)	(287,425)	(220,550)
Capital outlay	(25,152)	(320,000)	(320,000)	(320,000)	(320,000)	(320,000)	(320,000)
NET NON-OPERATING REVENUE (EXPENSE)	(487,000)	(647,290)	(568,770)	(495,580)	(422,730)	(356,125)	(284,850)
NET GAIN (LOSS) BEFORE TRANSFERS	5,965,856	5,336,220	2,465,638	1,946,250	1,827,916	1,704,248	1,579,366
TRANSFERS IN (OUT)	(115,000)	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)	(145,000)
CHANGE IN NET POSITION	5,850,856	5,196,220	2,325,638	1,806,250	1,687,916	1,564,248	1,434,366
CASH FLOW ANALYSIS							
Beginning Cash Balance	19,132,736	18,744,021	20,283,396	18,435,017	16,632,472	17,030,112	15,501,032
Net Cash from Operating Activities	7,837,944	7,161,903	4,300,008	3,845,343	3,737,133	3,622,413	3,508,683
Net Transfers In & Investing Activities	3,733	216,590	185,995	179,875	197,753	188,475	190,301
Bond issue Proceeds	-	-	-	-	-	-	-
CASH AVAILABLE	26,974,413	26,122,515	24,769,398	22,460,236	20,567,358	20,841,000	19,200,016
Capital Improvement Needs	4,162,322	2,625,000	3,180,000	2,900,000	1,830,000	2,230,000	3,420,000
Principal & Interest on Long Term Debt	4,068,070	3,214,119	3,154,381	2,927,764	2,743,354	2,747,892	2,524,222
CASH OUTFLOW	8,230,392	5,839,119	6,334,381	5,827,764	4,573,354	4,977,892	5,944,222
ENDING CASH BALANCE	18,744,021	20,283,396	18,435,017	16,632,472	15,994,004	15,863,108	13,255,794
WORKING CAPITAL	18,649,315	19,596,211	17,976,999	16,230,022	15,640,676	15,381,966	12,954,477
Typical residential % change		-3.56%	-3.56%	0.00%	0.00%	0.00%	0.00%

Table 4

	Fiscal 2018-2019 Current Rates			Fiscal 2019-2020 Proposed rates		
	Sewer Cap = 125%			Sewer Cap = 125%		
	Sewer (000 Gal.)	Water (000 Gal.)	Total	Sewer (000 Gal.)	Water (000 Gal.)	Total
Winter	14	14		14	14	
Spring	14	14		14	14	
Summer	18	33		18	33	
Fall	14	14		14	14	
Total	60	75		60	75	
Rate per 1000 gallons	$4.60	$3.14		$4.60	$3.14	
Usage charge	$276.00	$235.50	$511.50	$276.00	$235.50	$511.50
Annual basic rate	122.32	93.60	215.92	107.64	82.36	190.00
Total	$398.32	$329.10	$727.42	$383.64	$317.86	$701.50
% change				-3.69%	-3.42%	-3.56%

Increased cost for the Typical Portage Residential Customer

	for sewer	for water	for both
per year	-$14.68	-$11.24	-$25.92
per quarter	-$3.67	-$2.81	-$6.48
per month	-$1.22	-$0.94	-$2.16
per week	-$0.28	-$0.22	-$0.50
per day	-$0.04	-$0.03	-$0.07

Project Expenditures ($000)

Project Number/Title		Fiscal Year 19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	Total
1	Lift Station Renovations	500	500	500	750	500	500	500	500	500	500	5,250
2	Pump Station Mechanical Upgrades	400										400
3	South Westnedge Avenue Sanitary Sewer Lead Installation		60									60
4	Ramona Park Plat Sanitary Sewer		950									950
5	South Westnedge Avenue Lift Station Renovation		700									700
6	Weaver Drive Sanitary Sewer, Charles Street to north end				315							315
7	Zylman Avenue Sanitary Sewer, South Sprinkle Road to Deep Point Drive					660						660
	TOTALS	900	2,210	500	1,065	1,160	500	500	500	500	500	8,335
	Special Assessments		75		40	55						170
	Municipal Street Fund		75		40	55						170
	Sewer Fund cash	900	2060	500	985	1050	500	500	500	500	500	7,995

Project Expenditures ($000)

Project Number/Title		Fiscal Year 19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	Total
1	Storm Drainage Improvements Program	50	50	50	50	50	50	50	50	50	50	500
2	Shaver Road Water Main Replacement	500		1,000								1,500
3	Nevada Avenue, Dakota Avenue, and Ohio Avenue Water Main Installation	600										600
4	Shuman Well Rehabilitation	350										350
5	Lakeview Avenue Water Main Replacement	500										500
6	Pine View Water Storage Facility Renovation	350										350
7	Northwest Water Storage Facility		6,000									6,000
8	Consolidated Drain Rehabilitation		400									400
9	Ramona Park Plat Water Main		350									350
10	East Milham Avenue Water Main Replacement		250									250
11	SCADA System Upgrade		60									60
12	Meredith Street Water Main Replacement		300									300
13	Schuring Road Water Main Replacement				525							525
14	Northeast Quadrant Well Field Development					1,200						1,200
15	Woodland Elementary School Water Main					115						115
16	Shuman Wellfield Iron Removal Facility					650	6,000					6,650
17	Water System Reliability Study Update					55					55	110
18	Portage Road Water Main Extension, Helen Avenue to Byrd Drive								350			350
19	Lovers Lane Water Main Abandonment									50		50
20	East Shore Drive Water Main Replacement										310	310
	TOTALS	2,350	7,410	1,050	575	2,070	6,050	50	400	100	415	20,470
	Special Assessments		100									100
	Capital Improvement Bonds		3,000				5,000					8,000
	Other Financing (LDFA funds for water tower)		1,210									1,210
	Water Fund Cash	2,350	3,100	1,050	575	2,070	1,050	50	400	100	415	11,160

CITY OF PORTAGE

RESOLUTION

SEWER RATES

At a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan, held in Council Chambers in the Portage City Hall in said City on the _______ day of ____________, 2019 at 7:00 p.m.

PRESENT:
ABSENT:

The following resolution was offered by Councilmember____________________ and seconded by Councilmember__________________:

WHEREAS, it is necessary for the Council to establish by resolution rates for sewer service in the City of Portage.

NOW, THEREFORE BE IT RESOLVED: That the following rates are hereby established for charges to be paid by users of wastewater service rendered by the wastewater system in the City of Portage, said rates to be in effect commencing with the first billing after June 30, 2019.

A. CUSTOMER CHARGES

The charges to be paid by users of wastewater service rendered by the sewer system shall consist of a basic quarterly charge plus commodity charges as follows:

Meter Size	**Basic Quarterly Charge**
5/8"	$ 26.91
3/4"	$ 40.37
1"	$ 60.55
1-1/2"	$ 107.64
2"	$ 161.46
3"	$ 269.10
4"	$ 538.20
6"	$ 941.85
8"	$1,345.50

COMMODITY CHARGES

For all metered use, except as may be provided under Township Customer Charges, the following commodity rate per thousand gallons shall be applied:

Total Commodity Rate Per 1000 Gallons
$4.60

B. MINIMUM FOR NON-METERED (FLAT RATE) CUSTOMERS

The flat rate for non-metered customers shall be established based on water usage of 15,000 gallons per quarter.

	Flat Charge	Basic Charge	Total Charge
Per quarter based on commodity charge for 15,000 gallons	$69.00	$26.91	$95.91

C. IRRIGATION ALLOWANCE

Residential customers shall be given a discount if the customer is eligible for an irrigation discount under City Ordinance as follows: 1) Charges for such customers shall be based on actual water consumption, except that there shall be no sewage charge for the water consumption exceeding 125 percent of the water consumption for the most recent quarter billing in which the month of January is included; 2) Residential customers who do not have a quarterly billing in which the month of January is included or who have a zero (0) water usage for the quarter which includes the month of January, shall have the sewer charge for the other three quarters established at the maximum rate volume of 15,000 gallons or actual usage, if less, per quarter until such time as quarterly billing information, in which the month of January is included, is available.

D. SURCHARGES AND CREDITS

Surcharges for pollutant loadings above standard domestic waste will be charged rates established by ordinance of the City of Kalamazoo. Industries which pretreat may qualify for credits for pollutant loading at a strength below standard domestic strength in accordance with rates established by ordinances of the City of Kalamazoo.

E. ADDITIONAL CHARGES

Additional charges shall be as follows:

(1) Equal to the actual expense incurred by the City for removing prohibited material discharged or caused or allowed to be discharged by the user and/or for the handling and/or treating of material in the wastewater system; and

(2) Equal to the actual expense incurred by the City for cleaning or repairing the waste water system or any part thereof as required by a discharge by, or caused or allowed by, a user.

F. TOWNSHIP CUSTOMER CHARGES

The basic quarterly charge for Schoolcraft Township customers shall be the same as charged to city customers, as detailed in Section "A" above. Commodity charges for Schoolcraft Township customers shall be set at $5.18 per thousand gallons of water used. Other charges and fees to township customers shall be the same as for City of Portage customers.

G. NON-SUFFICIENT FUNDS

A fee of $30 per occurrence will be charged for any returned/unpaid check or other failed financial instrument which results in uncollected funds.

H. UTILITY BILLING AUTOMATIC PAYMENT PLAN

A credit of $1.00 for each normal quarterly bill will be given to each customer on the utility billing automatic payment plan.

I. LATE FEE

The utility billing late fee shall be waived by the Finance Director under the following conditions:

1. (a) The customer has paid all of the last 8 or more quarterly utility bills on time; and

   (b) The customer requests that the late fee be waived; <u>or</u>

2. The customer requests participation in the city's automatic payment program and the amount due is taken from their bank account on the due date. However, if the customer discontinues participation in the automatic payment program, no further waivers shall be granted under subsections 1(a) and (b) or this subsection 2.

YEAS:

NAYS:

____
Adam Herringa, City Clerk

CERTIFICATION

STATE OF MICHIGAN)
)
COUNTY OF KALAMAZOO)

I, the undersigned, the duly qualified and acting City Clerk of the City of Portage, County of Kalamazoo, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of said city, held on the ______ day of ________________________ 2019, the original of which is on file in my office.

IN WITNESS THEREOF, I have hereto affixed my official signature the _______ day of __________________, 2019.

____
Adam Herringa, City Clerk

Approved as to form:

Randall Brown, City Attorney

SewerRateResolution2019

CITY OF PORTAGE

RESOLUTION

WATER RATES

At a regular meeting of the City Council of the City of Portage, Kalamazoo County, Michigan, held in Council Chambers in the Portage City Hall in said City on the ______ day of ____________, 2019 at 7:00 p.m.

PRESENT:
ABSENT:

The following resolution was offered by Councilmember____________________ and seconded by Councilmember_____________________:

WHEREAS, it is necessary for the Council to establish by resolution rates for water service in the City of Portage.

NOW, THEREFORE BE IT RESOLVED: That the following rates are hereby established for charges to be paid by users of water service rendered by the water system in the City of Portage, said rates to be in effect commencing with the first billing after June 30, 2019.

A. CUSTOMER CHARGES

The charges to be paid by users of water service rendered by the water system shall consist of a basic quarterly charge plus commodity charges as follows:

Meter Size	Basic Quarterly Charge
5/8"	$ 20.59
3/4"	$ 30.89
1"	$ 46.33
1-1/2"	$ 82.36
2"	$ 123.54
3"	$ 205.90
4"	$ 411.80
6"	$ 720.65
8"	$1029.50

COMMODITY CHARGES

For all use, except as may be provided under Hydrant Meter Charges, Fire Protection Service Charges and Township Customer Charges, the following commodity rate per thousand gallons shall be applied:

Total Commodity Rate Per 1000 Gallons
$3.14

B. TOWNSHIP CUSTOMER CHARGES

The basic quarterly charge for Pavilion Township and Schoolcraft Township customers shall be the same as charged to City customers, as detailed in section "A" above. Commodity charges for Pavilion Township and Schoolcraft Township customers shall be set at $3.78 per thousand gallons of water used. Other charges and fees to township customers will be the same as for City of Portage customers.

C. FIRE PROTECTION SERVICE CHARGES

The charges to be paid by users of fire protection service rendered by the water system shall consist of a basic quarterly charge as follows:

Service Size	Basic Quarterly Charge
4"	$ 15.00
6"	$ 35.00
8"	$ 60.00
10"	$ 95.00
12"	$135.00
16"	$240.00

For all use metered on Fire Protection Services the following commodity rate per thousand gallons shall be applied:

Total Commodity Rate Per 1000 Gallons
$6.40

D. METER CHARGES

The charges to be paid for installing meters are as follows:

Meter Size	Meter Charge
5/8"	$ 225
3/4"	$ 280
1"	$ 345
1 ½" SR (Irrigation)	$ 1,050
1 ½" (Compound)	$ 1,580
2" SR (Irrigation)	$ 1,350
2" (Compound)	$ 2,225
3" (Compound)	$ 2,925
4" (Compound)	$ 4,530
6" (Compound)	$ 7,840

E. METER BOX CHARGE

The charges to be paid for Meter Boxes are as follows:

Service Provided	Meter Box Charge
Meter Box	$1,250

F. HYDRANT METER CHARGES

The charges to be paid for installation of hydrant meters and use of hydrant water are as follows:

Service Provided	Hydrant Meter Charge
Meter installation	$150*
Hydrant Use	$6.40/thousand gallons

*Charge includes 15,000 gallons of water.

Furthermore, a deposit of $250 will be required before installation of the hydrant meter. The deposit will be applied to the charges and water usage.

H. HYDRANT FLOW TEST

A charge of $135 per occurrence will be charged for a fire hydrant flow test to determine the quantity of water available for fire fighting use.

I. PROCESSING FEE

The charge to be paid by users having water service turned on is as follows:

Service Provided	Processing Fee
Turning on water service	\$50 (except for first time customers and customer repairs) \$100 (turn on after normal working hours)

This fee also applies to services that are turned off for delinquency and is applied once a city work order has been issued.

J. NON-SUFFICIENT FUNDS

A fee of \$30 per occurrence will be charged for any returned/unpaid check or other failed financial instrument which results in uncollected funds.

K. UTILITY BILLING AUTOMATIC PAYMENT PLAN

A credit of \$1.00 for each normal quarterly bill will be given to each customer on the utility billing automatic payment plan.

L. WATER SHUT OFF DUE TO NON-PAYMENT

An amount past due of more than \$60.00 is established as the water shut-off level amount.

M. LATE FEE

The utility billing late fee shall be waived by the Finance Director under the following conditions:

1. (a) The customer has paid all of the last 8 or more quarterly utility bills on time; and

   (b) The customer requests that the late fee be waived; <u>or</u>

2. The customer requests participation in the city's automatic payment program and the amount due is taken from their bank account on the due date. However, if the customer discontinues participation in the automatic payment program, no further waivers shall be granted under subsections 1(a) and (b) or this subsection 2.

YEAS:

NAYS:

____
Adam Herringa, City Clerk

CERTIFICATION

STATE OF MICHIGAN)
)
COUNTY OF KALAMAZOO)

I, the undersigned, the duly qualified and acting City Clerk of the City of Portage, County of Kalamazoo, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of said city, held on the _______ day of _______________________ 2019, the original of which is on file in my office.

IN WITNESS THEREOF, I have hereto affixed my official signature the _______ day of ____________, 2019.

____
Adam Herringa, City Clerk

Approved as to form:

Randall Brown, City Attorney

WaterRateResolution2019