

\* AGENDA \*  
LUDINGTON CITY COUNCIL MEETING

Municipal Building  
Monday, December 3, 2012  
6:30 pm

- 1.) Roll Call
- 2.) Invocation
- 3.) Pledge of Allegiance
- 4.) Approve Agenda
- 5.) Meeting Open for Public Comments
- 6.) Approval of Minutes - Regular Meeting - November 26, 2012
- 7.) Communications
  - a.) 3 D Racing - 10<sup>th</sup> Annual Ludington Triathlon - Change in Date - August 18, 2013
- 8.) Committee Reports
  - a.) Finance
    - 1.) Payment of Bills
    - 2.) First Presentation Ordinance No. 256-12 - Refuse Services
  - b.) Personnel
    - 1.) Adopt Ordinance No. 253-12 Treasurer's Salary
    - 2.) Adopt Ordinance No. 254-12 Clerk's Salary
    - 3.) Approve 2013 City Manager Employment Agreement
  - c.) Public Safety / Public Utilities
  - d.) Buildings & Licenses / Long Range Planning & Industrial Development
  - e.) Cemetery, Parks, and Recreation / Waterfront
- 9.) Communications from City Officials
  - a.) Mayor
    - 1.) Appoint City Manager
    - 2.) Appoint Downtown Ludington Board
    - 3.) Appoint Planning Commission
- 10.) Miscellaneous Business
- 11.) Adjournment

\*\* REMINDER - NEXT CITY COUNCIL MEETING - MONDAY, DECEMBER 17, 2012 \*\*

November 26, 2012

Regular meeting of the Ludington City Council held in the Council Chambers of the Municipal Building on Monday, November 26, 2012, at 6:30 o'clock p.m.

Present: Mayor Pro-Tem Wally Taranko and Councilors Kaye Holman, Richard Rathsack, Les Johnson, Wanda Marrison, Nick Tykoski, and Gary Castonia.

Absent: His Honor Mayor Henderson who was out of town.

Also present were City Manager John Shay, City Attorney Richard Wilson, Police Chief Mark Barnett, Fire Chief Jerry Funk, City Treasurer Linda Rogers, and City Clerk Deborah Luskin.

Invocation was pronounced by Police Chief Barnett.

Pledge to the Flag was given.

Moved by Councilor Marrison, seconded by Councilor Johnson, that the Agenda be approved as presented. Motion Carried.

The meeting was opened for public comments.

Andy Klevorn, City of Ludington, publicly thanked City Council for approving the School Forest Bike Race which was held on November 24, 2012. He stated that 72 bikers showed up with 54 pre-registered by Friday evening and 20 who signed up on the day of the event. He was happy to note that 100% of those who entered the race finished the race. Andy Klevorn stated that Police Chief Barnett told him everything went well. Mayor Pro-Tem Taranko thanked Andy Klevorn for his efforts in organizing this first time event.

Tom Rotta, City of Ludington, commented that in December 2011 City Council voted to have City employees pay 10% and nonunion hourly employees pay 7% of health insurance premiums in 2012. He stated that every citizen should be disgusted with the excess that the City takes for granted. He noted that under State Public Act 152 the City employees should have been paying 20% of health insurance premiums in 2012. The City Council misadvised City Hall of the ramifications of this law. He compared a private worker likely paying over 25% of the cost of health insurance premiums if they are even offered this benefit to the City employees who are paying a maximum of 10% of the health insurance benefits. He then referred to a private worker who would receive a benefit package of 30% of wages, while the City's 2013 fringe benefit rate is between 54%-56% of wages. This is incredibly high and the fringes need to be reduced to be fair with the citizens of the City of Ludington. He encouraged the Council to take a walk around town to get feedback from the residents on the fringe benefits that are being paid to City employees and the opt-out of health insurance caps set by the State.

After no further comments were received, the regular order of business was resumed.

Moved by Councilor Johnson, seconded by Councilor Tykoski, to approve the minutes of the regular meeting 11/12/12, as presented. Motion Carried.

Moved by Councilor Holman, second by Councilor Castonia, to approve the minutes of the closed session 11/12/12, as presented. Motion Carried.

City Manager Shay summarized the proposed 2013 Budget and explained that the staff presented a 3 year budget (2013, 2014, 2015) but Council is only being asked to approve the 2013 Budget. The City is seeing small increases to tax revenues, building permit revenues due to the hospital expansion project, revenue sharing from the State, and the City expects very modest increases in the taxable values of the City which will result in increases to property tax revenues. These increases are tempered by the fact that personal property tax is proposed to be eliminated by the State in 2014 which is about \$589,000 or 11% of the General Fund Revenues. The State is considering replacement revenue but the budget assumes that we will have personal property tax revenue in 2013 and no personal property tax revenue in 2014 and 2015 rather 90% funded through these alternate revenue sources from the State. The City is looking at wage increases for the employees of \$0.25/hour for the SEIU employees and a 1.5% increase in wages for the remaining employees, with no changes in full time personnel. The City is looking at doing water and sewer projects which will be paid out of the Water and Sewer Funds. The City will also replace the Washington Avenue Bridge in 2013. The City is also working with MDEQ on mandated enhancements to the water and wastewater plants in a few years. Water and sewer rates will be going up in 2013 by the rate of inflation or 2.4%.

The meeting was opened for the scheduled public hearing on the 2013 Budget and Capital Improvement Plan.

Tom Rotta, City of Ludington, commented that there was a positive item in the 2013 budget, more money allotted for sidewalks; but the City has offset this increase with a decrease in local road resurfacing by nearly \$200,000 over what was budgeted in 2012. The City is planning on putting in \$800,000 of public money to fix up the residences of private land owners, public money should not be used for private individuals' needs. He then commented on the negative aspects of the budget. The City plans to renovate the men's rest room for \$34,000 at Stearns Park. He stated that even if everything in this restroom was replaced he cannot see the cost exceeding 1/6 of the \$34,000. Another example of the flagrant disregard that the City Manager has of the taxpayer's money was the proposed painting of the water tank on Brye Road. He referred to the City approving the painting of the tank in 2001 for \$50,000. He noted that with the inflation rate kicking in the painting of

this tank would be \$65,000, but this is not the amount that is being budgeted, rather \$48,000 for 5 years or \$238,000 with a no bid contract with Utility Services , well over the expected \$65,000. He referred to the Danaher tower being painted this fall during weather which was too cold for the paint to cure per the paint specifications. He also stated that these steel water tanks should only be painted every 20 years rather than every 10 years. Another example was the beach patrol, the City should use 3 lifeguards instead of the 2 beach safety officers.

After no further comments were received the regular order of business was resumed.

FUND/ACCOUNT	CODE	AMOUNT
Total Taxes	403-455	\$3,673,300
Total Licenses & Permits	451-477	101,500
Total Inter-Govt Rev	574-576	734,300
Total Charges for Services	608-651	202,500
Total Fines & Forfeits	658-659	34,000
Total Other Revenues	665-673	69,800
Total Reimb & Refunds	677-685	479,700
Total Misc Revenues	695-699	3,000
<b>TOTAL GENERAL FUND REVENUES</b>		<b>\$5,383,000</b>
<b>PRIOR YEAR FUND BALANCE</b>		<b>\$ 87,900</b>
Mayor & City Council	101	\$ 40,800
Manager's Office	172	232,700
Clerk's/General Accounting	215	250,400
Board of Review	247	2,900
Treasurer's Office	253	118,500
Assessor's & Building Insp.	257	163,300
Elections	262	22,100
City Hall & Grounds	265	100,800
City Attorney	266	67,000
City Property-Downtown	268	131,200
City Property-Other	269	9,500
Cemetery	276	207,600
Board of Ethics	290	200
Police Dept.	301	1,418,000
Pol.Clerical/Spec Police	302-304	70,000
Fire Dept	336	190,000
DPW-Municipal Services	441	336,100
Sidewalk Construction	444	87,000
Street Lighting	448	160,000
Garbage & Rubbish	528	721,300
Planning Commission	721	4,400
Economic & Comm Develop	728	81,900
Parks	751	366,700
Beach Safety	753	27,500
Launching Ramps	756	89,000
Insurance & Bonds	851	42,000
Contributions to Other Funds	960	431,000
Misc. Contributions	961	11,100
<b>TOTAL GENERAL FUND EXPENDITURES</b>		<b>\$5,383,000</b>
Major St-Rev	202	\$2,573,800
Prior Yr Fund Balance		153,100
Major St-Exp	202	2,726,900
Local St-Rev	203	321,200
Prior Yr Fund Balance		0
Local St-Exp	203	321,200
Recreation Rev	208	139,900
Prior Yr Fund Balance		4,900
Recreation Exp	208	144,800
Sr Center Rev	211	165,500
Prior Yr Fund Balance		0

Sr Center Exp	211	162,100
Waterfront Playground-Rev	215	100
Waterfront Playground-Exp	215	100
Bldg Auth Bond&Int-Rev	371	260,400
Bldg Auth Bond&Int-Exp	371	260,400
Building Rehab-Rev	422	800,500
Building Rehab-Exp	422	800,500
DDA Operating-Rev	493	143,200
DDA Operating-Exp	493	143,200
Watchcase Contam-Rev	495	0
Prior Yr Fund Balance		3,900
Watchcase Contam-Exp	495	3,900
Cartier Park Impr Fund-Rev	508	205,900
Cartier Park Impr Fund-Exp	508	195,700
Water Plant-Rev	591-556	1,498,700
Prior Yr Fund Balance		234,500
Water Plant-Exp	591-556	1,269,400
Water Maint-Exp	591-000	463,800
Wastewater Treatment Plant-Rev	592	1,283,600
Prior Yr Fund Balance		19,400
Wastewater Treatment Plant-Exp	592-527	1,025,900
Wastewater Treatment Maint-Exp	592-000	277,100
Municipal Marina-Rev	594	818,600
Prior Yr Fund Balance		0
Municipal Marina-Exp	594	778,000
Technology Fund-Rev	650	118,900
Technology Fund-Exp	650	118,900
Motor Pool-Rev	661	1,071,800
Prior Yr Fund Balance		0
Motor Pool-Exp	661	933,000

Moved by Councilor Castonia, seconded by Councilor Rathsack, to adopt the 2013 Budget and Capital Improvement Plan. Councilor Johnson thanked John Shay and his staff for the time spent on this budget. Motion Carried.

Moved by Councilor Castonia, seconded by Councilor Tykoski, to approve the 10<sup>th</sup> Annual Ludington Triathlon on August 25, 2013. Councilor Holman questioned the item in the letter where they are asking athletes to bring in used running shoes and nonperishable food items for donations and wondered whether this was ever asked for in the past. Councilor Tykoski stated that this is the first time as it had been brought up in the Parks and Recreation Committee Meeting and this was a way for the event to contribute to the community. She then asked if 3D ever donates money to any group in the City. City Manager Shay stated that this idea for donations will be the first time and the City does not have a policy in terms of donations for special events. Motion Carried.

Moved by Councilor Rathsack, seconded by Councilor Castonia, that the Finance Report with total expenditures in the amount of \$269,960.26 for this period can be approved and orders drawn according to the City Charter. Motion Carried.

#### ORDINANCE NO. 252-12

An Ordinance to Approve a Contract or Lease.

THE CITY OF LUDINGTON ORDAINS:

**Section 1:** APPROVAL. Pursuant to Section 8.10 of the Charter of the City of Ludington, the City Council hereby approves the City Manager and City Clerk to enter into a two year contract (November 1, 2012 through March 31, 2014) with Brent Bosley, Bosley Assessing and Appraisal Services, LLC for assessing services.

**Section 2: Severability:** Should any provisions of this ordinance or any part thereof be held unconstitutional or invalid, such holding shall not be construed as affecting the validity of any of the remaining provisions hereof or of any other provisions of the City Code.

**Section 3: Repeal:** All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**Section 4: Effective date:** This ordinance shall be effective 20 days after publication.

Moved by Councilor Rathack, seconded by Councilor Castonia, that Ordinance No. 252-12 be adopted.

Roll Call: Ayes: Councilors Castonia, Holman, Rathack, Mayor Pro-Tem Taranko, Marrison, Tykoski, and Johnson.

Nays: None. Motion Carried.

**RESOLUTION ELECTING TO COMPLY WITH THE PROVISIONS OF PUBLIC ACT 152 OF 2011 BY EXERCISING THE CITY'S RIGHT TO EXEMPT ITSELF FROM THE REQUIREMENTS OF THE ACT FOR THE NEXT SUCCEEDING YEAR**

WHEREAS, on September 27, 2011, the Publicly Funded Health Insurance Contribution Act, Act NO. 152 of the Public Acts of Michigan of 2011 ("Act 152"), became effective in the State of Michigan; and

WHEREAS, Act 152 establishes standards and a process with respect to medical benefit plans offered by public employers; and

WHEREAS, the City of Ludington has historically recognized, in its role as steward for the public funds entrusted to it, that it must efficiently manage those limited resources; and

WHEREAS, the City of Ludington constantly engages in a review of expenditures in order to maximize the value it receives for goods and services; and

WHEREAS, the City of Ludington, in cooperation with its employees, has frequently switched health insurance plans with higher deductibles and co-payments in order to save the City a significant amount of money; and

WHEREAS, the City Council believes that, as the elected representatives for the City and answerable directly to the City's voters, it is best positioned to determine what benefits (including medical benefits) ought to be offered in order to attract and retain the best qualified City employees at the lowest overall costs; and

WHEREAS, the City Council further believes that compensation determinations for City employees are most properly the responsibility of the City's elected representatives, and not the State of Michigan or its officials; and

WHEREAS, the City Council expresses its support for home-rule government and recognizes that it is the City Council's duty to manage City affairs in order to be most responsive to City voters, taxpayers and residents.

NOW, THEREFORE, IT IS RESOLVED that:

1. Pursuant to Section 8 of Act 152, the City of Ludington hereby exempts itself from the requirements of Act 152 for the next succeeding year.
2. All resolutions and parts of resolutions in conflict herewith are, to the extent of such conflict, repealed.

Councilor Marrison stated that in 2011 the State of Michigan passed Public Act 152, which regulated how much public employers could pay for health insurance for its employees. The Act established hard caps by which a public employer could not pay more for health insurance than these hard caps. City Manager Shay then explained that Tom Rotta in his public comment got confused on the facts and got some of the facts wrong when he stated that the City violated this Act as they did not take a vote for 2012 in 2011. City Manager Shay explained that the State of Michigan, under this Act, mandates a "hard cap", how much a City can pay for health insurance for its employees. In 2012, the City's health insurance premiums were below the hard cap limits so the City did not have to take a vote to opt out of the Act. In 2013, the hard cap increased by 3.5% and the health insurance rates increased by more than 3.5% which results in the City's rates being above the hard cap. The Act allows the City to go to an 80/20 plan where the City would pay no more than 80% of the premiums and the City employees would pay the remaining 20%. Another option under the Act is that the City could by a 2/3 vote of Council elect to opt out of the Act completely and pay for health insurance as Council desires. All of the employees with the exception of the police who are under a contract which will end at December 31, 2012, will pay 10% of the cost of the health insurance premiums in 2013 and if the health insurance premiums increase by more than 15% the employees will split the amount of the increase over 15% with the City. The employees are also responsible for a portion of the deductible as well as, depending on the plan the employee chooses, will have to pay 20% co-pays. Therefore, an employee could pay \$2,100 out of their pocket for one of the plans. Employees will be paying between \$120-\$200 out of pocket each month which does not include the out of pocket deductible amount or co-pays. The pay increases will not make up the increase in the health insurance rates, so the employee will actually make less in compensation for 2013 than in 2012. The Personnel Committee is trying to strike a balance between what is affordable to the City and the taxpayers and also the City's ability to retain and attract qualified employees.

Moved by Councilor Marrison, seconded by Councilor Johnson, that the foregoing Resolution be adopted.

Roll Call: Ayes: Councilors Holman, Rathack, Mayor Pro Tem Taranko, Johnson, Marrison, Tykoski, and Castonia.

Nays: None. Motion Carried.

Ordinance No. 253-12, an Ordinance amending Ordinance No. 203-09, the Ordinance Establishing the Compensation of Elected Officials-Treasurer, as amended, was presented for the first reading. The annual salary for the City Treasurer shall be \$49,230 and the City will pay \$250 toward medical insurance if the Treasurer meets a minimum of 25 years of service and is collecting a city pension.

Ordinance No. 254-12, and Ordinance amending Ordinance No. 206-09, the Ordinance Establishing the Compensation of Elected Officials-Clerk, as amended, was presented for the first reading. The annual salary for the City Clerk shall be \$53,960 and the City will pay \$250 toward medical insurance if the Clerk meets a minimum of 25 years of service and is collecting a city pension.

Ordinance Nos. 253-12 and 254-12 shall be presented for adoption on 12/3/2012 and are available for public inspection in the City Clerk's office during regular business hours.

Councilor Castonia stated that Title VI of the Civil Rights Act of 1964 requires that no person shall be discriminated in any activity or program receiving federal financial assistance. The City is required to have a Title VI Non-Discrimination Plan on file with the Michigan Department of Transportation in order to continue receiving federal aid funds for road projects. The Public Utilities Committee is recommending the approval of this Plan. Moved by Councilor Castonia, seconded by Councilor Holman, to approve the City of Ludington Title VI Non-Discrimination Plan. Motion Carried.

Councilor Castonia presented the Monthly Police Activity Report.

#### ORDINANCE NO. 255-12

An ordinance to authorize the City Manager and City Clerk to enter into an agreement with the Lincoln Lake Improvement Board (Lake Board).

THE CITY OF LUDINGTON ORDAINS:

Section 1: The City Manager and City Clerk are authorized and directed to enter into the attached three (3) year agreement with the Lake Board.

Section 2: Severability: Should any provisions of this ordinance or any part thereof be held unconstitutional or invalid, such holding shall not be construed as affecting the validity of any of the remaining provisions hereof or of any other provisions of the City Code.

Section 3: Repeal: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 4: Effective date: This ordinance shall be effective 20 days after publication.

Moved by Councilor Tykoski, seconded by Councilor Johnson, that Ordinance No. 255-12 be adopted. Councilor Castonia questioned whether Hamlin Township or Pere Marquette Township were going to pay into this Lake Improvement Board. City Manager Shay stated that at this time these townships have not made a decision to pay into this. The City has asked the Lincoln Lake Improvement Board to contact these two townships. The Lincoln Lake Improvement Board will also contact the surrounding property owners for contributions. The City's portion will not exceed \$3,000 or 25% of the total cost, whichever is less each of 3 years. Councilor Castonia stated that he does not feel this is not a good contribution when the budget is tight. The Parks Committee stated that they did not make this contribution contingent on Hamlin Township and Pere Marquette Township contributing to this Board.

Roll Call: Ayes: Councilors Johnson, Tykoski, and Rathsack,

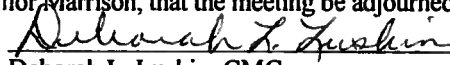
Nays: Councilors Castonia, Holman, Mayor Pro-Tem Taranko, and Councilor Marrison. Motion Failed.

City Manager Shay informed the public that yesterday there was a shear break in the sewer force main in the vicinity of First Street and Adam Street. Due to the emergency nature of this break, the staff was able to retain Hallack Contracting to perform the repairs. There was not enough time to get bids due to the emergency nature of these repairs. This break did result in a sewage leak into the Creamery Corners drain. When the City had to shut down the lift stations there was bypass pumping of sewage into Pere Marquette Lake. These repairs are now complete.

Councilor Castonia reported that the Danaher Water Tower painting has been completed and the crew worked weekends and extra hours to get this project done. The workers did not start every day until the tank was dry so the paint would adhere to it.

Mayor Pro-Tem Taranko reminded everyone that the next City Council meeting will be Monday, December 3, 2012 at 6:30 p.m. in the City Council Chambers.

Moved by Councilor Tykoski, seconded by Councilor Marrison, that the meeting be adjourned. So carried at 7:35 p.m.

  
Deborah L. Luskin, CMC  
City Clerk



JOHN HENDERSON, MAYOR  
JOHN E. SHAY, CITY MANAGER  
DEBORAH L. LUSKIN, CITY CLERK  
LINDA J. ROGERS, CITY TREASURER

## CITY OF LUDINGTON

400 SOUTH HARRISON STREET  
LUDINGTON, MICHIGAN 49431  
PHONE (231) 845-6237  
FAX (231) 845-1146

**DATE:** November 30, 2012

**TO:** Ludington City Council

**FROM:** Jackie Steckel, Assistant to the City Manager

**RE:** 3D Request to hold triathlon – Change in date.

On November 26<sup>th</sup> City Council approved a request from 3D to hold their event on August 25<sup>th</sup> 2013. On Tuesday, November 27<sup>th</sup> I received an email from 3D wanting to confirm the date of the event as August 18<sup>th</sup>. After several emails (See attached) between myself and Kenny Krell, 3D does want to hold their event on August 18<sup>th</sup>.

Nothing in regard to the event has changed other than the date. There are no conflicts with that new date – August 18, 2013 and the venue is available.

Therefore, the City Council is being asked to approve the request for changing the date from August 25<sup>th</sup> TO August 18<sup>th</sup>, 2013.

*On the Shores of Lake Michigan*

**From:** Kenny Krell <kenny@3disciplines.com>  
**Sent:** Wednesday, November 28, 2012 10:43 PM  
**To:** Jackie Steckel  
**Subject:** RE: 2013 Date

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Thanks Jackie, YES please accept the change to the 18<sup>th</sup>. August, 2013. 25<sup>th</sup> was a typo!

Completely understand their decision and would not expect or request a change after an acceptance. I was just keeping you in the loop of what is going on.

*Happy Training & Good Health,*

Kenny Krell  
Race Director  
Po Box 458  
Gaylord, Mi. 49734  
231.546.2229 – office  
[www.3disciplines.com](http://www.3disciplines.com)  
[www.your-results.com](http://www.your-results.com)  
[www.racedirectorservices.com](http://www.racedirectorservices.com)



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**From:** Jackie Steckel [<mailto:JSteckel@ci.ludington.mi.us>]  
**Sent:** Wednesday, November 28, 2012 9:19 PM  
**To:** Kenny Krell  
**Subject:** Re: 2013 Date

No, we do not grandfather any event. Not every city handles special events the same way. We have a very attractive venue and we receive numerous requests each year for all of our facilities - locations. All events are approved on a one year basis as each one is evaluated on an individual basis and city council has the authority to deny any request and has done so in the past for various reasons. Typically it is a first come first serve approval for dates all looked at on an annual basis, so you MUST request your event EACH year.

I will be forwarding our emails onto City Council so they are kept up to date with our conversations. So am I correct that you are wanting to hold your event on the 18th?  
Please send me an email requesting the date to be changed from August 25 TO August 18th, 2013 . This email can be taken to city council next Monday for approval to change the date. We will be preparing packets on Friday am, so please email me something by then. Feel free to include any concerns you may have as your email will be presented to the full city council.

At this time, the Parks Committee is aware of your concerns about the Tri to Finish event as I forwarded your previous email regarding their event onto them. The Committee stands by its original recommendation to allow both organizations to hold their triathlon events.

Thanks  
Jackie



On Nov 28, 2012, at 6:30 PM, "Kenny Krell" <kenny@3disciplines.com> wrote:

Wouldnt we have already had that date grand fathered anyway. That is what every city does after year three? I must have just zipped though the packet to get it right back to you. Sorry about typos. I remembered it bei g tenth as i announced tbat at the awards ceremony.

Already been a good number of emails and posts on forums about another event being copied and we were asked to call usat regarding it. I will let you know how that goes.

Thanks Jackie. Much appreciated.

On Nov 28, 2012 4:16 PM, "Jackie Steckel" <JSteckel@ci.ludington.mi.us> wrote:

Kenny

Please let me know ASAP about the date. Do you want August 18<sup>th</sup> OR August 25<sup>th</sup>?

Also note: Your letter shows the 2013 event as the 9<sup>th</sup> Annual and it is actually the 10<sup>th</sup>. No big deal just something I wanted to bring to your attention for future letters.

Right know its been approved for the 25<sup>th</sup>. Changing it to the 18<sup>th</sup> will require going back to City Council for approval.

Thanks

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*Jackie L. Steckel*

*Asst. to the City Manager*

*City of Ludington*

*400 S. Harrison St.*

*Ludington, MI 49431*

*231-845-6237*

*231-845-7302 Fax*

## Jackie Steckel

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**From:** Kenny Krell <kenny@3disciplines.com>  
**Sent:** Wednesday, November 28, 2012 6:10 PM  
**To:** Jackie Steckel  
**Subject:** Re: FW: 2013 Ludington Triathlon Date

Not sure how the 25 th was on there. That i think was year one date. I believe it does not jump to the last weekend again until 2014. All the events jump to their original weekends with the cycle. We have four events the weekend of the 25 th. Two of which are contracted events by cities so their contracts dont jump into september till 2014.

On Nov 28, 2012 4:03 PM, "Jackie Steckel" <[JSteckel@ci.ludington.mi.us](mailto:JSteckel@ci.ludington.mi.us)> wrote:

Hi Kenny

Received this email yesterday but was out of the office. Your event has been approved by City Council for August 25, 2013 as stated in your letter.

Please let me know if you are going to hold your event here as originally requested on Sunday, August 25<sup>th</sup>.

Thanks

**From:** 3 Disciplines Racing [<mailto:info@3disciplines.com>]  
**Sent:** Tuesday, November 27, 2012 2:05 PM  
**To:** Jackie Steckel  
**Subject:** 2013 Ludington Triathlon Date

Jackie,

Hope you had a great Thanksgiving!! We are getting ready to release our 2013 schedule and wanted to check out date with the city. We are looking at Sunday August 18th for the 2013 event. Please let me know if there is going to be an issue with this date. Also if there are any permits or paperwork to fill out please forward that to me and I will get it filled out and back to you. Thanks

Happy Training, Good Health

Becky Willson

Office Manager

3 Disciplines Racing

Po Box 458

Gaylord, MI 49734

231.546.2229 office

**"Resolution For Payment of Bills"**

TO HIS HONOR THE MAYOR AND MEMBERS OF THE CITY COUNCIL

THE FOLLOWING ACCOUNTS HAVE BEEN EXAMINED BY YOUR FINANCE COMMITTEE AND PAYMENT IS HEREBY RECOMMENDED.

TOTAL ACCOUNTS PAYABLE FOR THIS PERIOD:	<u>\$ 210,839.17</u>
TOTAL EXPENDITURES SINCE 11/26/2012, ARE	<u>\$ 76,720.58</u>

THEREFORE THE FINANCE REPORT WITH TOTAL EXPENDITURES IN THE AMOUNT OF	<u>\$ 287,559.75</u>
FOR THIS PERIOD CAN BE APPROVED AND ORDERS DRAWN ACCORDING TO THE	
CITY CHARTER AND I SO MOVE.	

INVOICE DISTRIBUTION REPORT FOR THE CITY OF LUDINGTON  
 CHECKS DATED FROM 11/27/2012 TO 12/03/2012  
 GENERAL FUND

FOR THE CITY COUNCIL MEETING TO BE HELD ON DECEMBER 03, 2012

Dept	Account	Payee	Description	Amount
<b>FUND: 101 GENERAL FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	37,104.22
257	820-000	STATE OF MICHIGAN	PP EXAMINER CERTIFICATION	150.00
265	853-000	FRONTIER	TELEPHONE	20.36
265	923-000	DTE ENERGY	UTILITIES - GAS	289.63
276	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	105.89
336	853-000	FRONTIER	TELEPHONE	34.03
441	740-000	COMSTOCK, MICHAEL	OPERATING SUPPLIES	125.00
721	801-000	MASON COUNTY REGISTER OF DEEDS	AFFIDAVITS - 721 S WASHINGTON	14.00
721	801-000	MASON COUNTY REGISTER OF DEEDS	AFFIDAVITS - 125 S JAMES	14.00
751	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	22.24
751	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	22.24
753	853-000	FRONTIER	TELEPHONE	42.56
Total for fund 101 GENERAL FUND				37,944.17
<b>FUND: 202 MAJOR STREETS FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	1,726.76
Total for fund 202 MAJOR STREETS FUND				1,726.76
<b>FUND: 203 LOCAL STREETS FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	2,221.98
Total for fund 203 LOCAL STREETS FUND				2,221.98
<b>FUND: 208 RECREATION FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	757.64
Total for fund 208 RECREATION FUND				757.64
<b>FUND: 211 SENIOR CENTER FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	2,205.08
000	740-000	BAARDE, DONNA	REIMBURSE - INK CARTRIDGES	198.90
000	923-000	DTE ENERGY	UTILITIES - GAS	126.00
Total for fund 211 SENIOR CENTER FUND				2,529.98
<b>FUND: 493 DDA OPERATING FUND</b>				
000	853-000	FRONTIER	TELEPHONE	33.42
000	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	63.28
Total for fund 493 DDA OPERATING FUND				96.70
<b>FUND: 508 CARTIER PARK CAMPGROUND FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	414.05
000	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	30.13
000	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	252.93
Total for fund 508 CARTIER PARK CAMPGROUND FUND				697.11
<b>FUND: 591 WATER MAINTENANCE &amp; WATER FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	14,129.90
000	923-000	DTE ENERGY	UTILITIES - GAS	53.91
556	740-000	PITNEY BOWES	MAIL OUT WATER / SEWER BILLS	113.82
556	853-000	FRONTIER	TELEPHONE	439.18
556	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	729.99
Total for fund 591 WATER MAINTENANCE & WATER FUND				15,466.80

Dept	Account	Payee	Description	Amount
<b>FUND: 592 SEWER MAINTENANCE &amp; WASTEWATER FUND</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	8,770.69
527	740-000	PITNEY BOWES	MAIL OUT WATER / SEWER BILLS	113.82
527	853-000	FRONTIER	TELEPHONE	16.25
527	853-000	FRONTIER	TELEPHONE	22.51
527	853-000	FRONTIER	TELEPHONE	57.64
527	853-000	FRONTIER	TELEPHONE	27.58
527	921-000	CONSUMERS ENERGY	UTILITIES - ELECTRIC	70.57
527	923-000	DTE ENERGY	UTILITIES - GAS	50.95
			Total for fund 592 SEWER MAINTENANCE & WASTEWATER FUND	9,130.01
<b>FUND: 594 MUNICIPAL MARINA</b>				
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	1,049.79
			Total for fund 594 MUNICIPAL MARINA FUND	1,049.79
<b>FUND: 650 TECHNOLOGY FUND</b>				
000	802-100	FRONTIER	INTERNET CONNECTIONS	30.99
000	802-100	FRONTIER	INTERNET CONNECTIONS	127.99
			Total for fund 650 TECHNOLOGY FUND	158.98
<b>FUND: 661 MOTOR POOL FUND</b>				
000	923-000	DTE ENERGY	UTILITIES - GAS	591.71
000	002-100	CITY OF LUDINGTON	PAYROLL WEEK ENDING 11/24/2012	4,348.95
			Total for fund 661 MOTOR POOL FUND	4,940.66
			<b>GRAND TOTAL FOR ALL FUNDS:</b>	<b>76,720.58</b>

INVOICE DISTRIBUTION REPORT FOR THE CITY OF LUDINGTON  
 INVOICES DATED FROM 11/27/2012 TO 12/03/2012  
 GENERAL FUND

FOR THE CITY COUNCIL MEETING TO BE HELD ON DECEMBER 03, 2012

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount
Fund 101	GENERAL FUND			
Dept 000				
101-000-068-100	DUE FROM LINCOLN LIFE INS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	220.52
101-000-123-000	PREPAID EXPENSE	MICHIGAN MUNICIPAL RISK MANAGEMENT	INSURANCE	10,067.94
101-000-123-000	PREPAID EXPENSE - FIRE	WESTERN MICH ASSOC OF FIRE CHIEFS	MEMBERSHIP DUES	40.00
		Total For Dept 000		10,328.46
Dept 172	MANAGER'S OFFICE			
101-172-719-000	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	36.88
101-172-853-000	TELEPHONE	SHAY, JOHN	TELEPHONE REIMBURSEMENT	30.00
101-172-853-000	TELEPHONE	SHAY, JOHN	TELEPHONE REIMBURSEMENT	30.00
101-172-853-000	TELEPHONE	SHAY, JOHN	TELEPHONE REIMBURSEMENT	30.00
101-172-853-000	TELEPHONE	SHAY, JOHN	TELEPHONE REIMBURSEMENT	30.00
		Total For Dept 172	MANAGER'S OFFICE	156.88
Dept 215	CLERK'S OFFICE			
101-215-719-000	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	39.99
101-215-719-100	HEALTH INSURANCE REIMBURSE	HANSEN, GERRY L	HEALTH INSURANCE REIMBURSE	250.00
101-215-853-000	TELEPHONE	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET SERVICES	295.64
		Total For Dept 215	CLERK'S OFFICE	585.63
Dept 253	TREASURER'S OFFICE			
101-253-719-000	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	23.97
101-253-719-100	HEALTH INSURANCE REIMBURSE	REEDS MORENSEN, MARY	HEALTH INSURANCE REIMBURSE	250.00
101-253-727-000	OFFICE SUPPLIES	JACKRINE BUSINESS CENTER	MOISTENER	3.99
101-253-727-000	OFFICE SUPPLIES	JACKRINE BUSINESS CENTER	CALENDARS/PLANNERS	29.98
		Total For Dept 253	TREASURER'S OFFICE	307.94
Dept 257	ASSESSOR & BUILDING INSPECTOR'S OFFICE			
101-257-719-000	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	15.43
101-257-727-000	OFFICE SUPPLIES	JACKRINE BUSINESS CENTER	CALENDARS/PLANNERS	50.11
101-257-727-000	OFFICE SUPPLIES	JACKRINE BUSINESS CENTER	CALENDAR	18.99
101-257-802-100	CONTRACTUAL SERVICES-BLDG I	FULKER, THOMAS I	BUILDING INSPECTIONS/REVIEWS 11/26/2012	249.91
		Total For Dept 257	ASSESSOR & BUILDING INSPECTOR'S OFFICE	334.44
Dept 265	CITY HALL & GROUNDS			
101-265-719-000	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	10.10
101-265-930-000	REPAIRS MAINT & SUPPLIES	LUDINGTON PLUMBING CORP	VACUUM BREAKER	8.41
101-265-930-000	REPAIRS MAINT & SUPPLIES	MODEL COVERALL SERVICE	CLEAN MATS/RUNNERS	89.00
		Total For Dept 265	CITY HALL & GROUNDS	107.51
Dept 268	CITY PROPERTY-DOWNTOWN			
101-268-802-000	CONTRACTUAL SERVICES	WEST MICHIGAN CMH SYSTEM	CLEANING OF PUBLIC RESTROOMS	268.80
101-268-927-000	UTILITIES - WATER	CITY OF LUDINGTON	WATER	181.16

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount
101-268-930-000	REPAIRS, MAINT & SUPPLIES	LOWES BUSINESS ACCOUNT	BRANCH GARLAND/XMAS LIGHTS	246.66
		Total For Dept 268 CITY PROPERTY-DOWNTOWN		696.62

Dept 276 CEMETERY	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	16.76
101-276-719-000	OPERATING SUPPLIES	SCHNEIDER, TONY	CLOTHING ALLOWANCE	125.00
101-276-853-000	TELEPHONE	CHARTER COMMUNICATIONS	TELEPHONE/INTERNET SERVICES	158.21
101-276-923-000	UTILITIES - GAS	DTE ENERGY	GAS	35.37
101-276-927-000	UTILITIES - WATER	CITY OF LUDINGTON	WATER	20.32
101-276-930-000	REPAIRS MAINT & SUPPLIES	LUDINGTON PLUMBING CORP	PIPE TUBES/ELBOWS/PRIMER	301.91
101-276-930-000	REPAIRS MAINT & SUPPLIES	LUDINGTON PLUMBING CORP	ELBOW/CEMENT/PIPE	39.10
		Total For Dept 276 CEMETERY		696.67

Dept 301 POLICE DEPARTMENT	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	161.57
101-301-719-000	FRINGE BENEFITS - SSCENT	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	11.96
101-301-719-100	HEALTH INSURANCE REIMBURSE	GRAMS, DENNIS	HEALTH INSURANCE REIMBURSE	200.00
101-301-719-100	BC/BS REIMBURSEMENT	HARPER, JACK	HEALTH INSURANCE REIMBURSE	100.00
101-301-719-100	BC/BS REIMBURSEMENT	HOGESON, WILLIAM	HEALTH INSURANCE REIMBURSE	121.07
101-301-719-100	HEALTH INSURANCE REIMBURSE	TARANKO, WALTER	HEALTH INSURANCE REIMBURSE	200.00
101-301-719-100	BC/BS REIMBURSEMENT	WESTON, DAVID	HEALTH INSURANCE REIMBURSE	200.00
101-301-740-000	OPERATING SUPPLIES	MICHIGAN TASER DISTRIBUTING	AIR CARTRIDGES	809.97
101-301-740-000	OPERATING SUPPLIES	NEW LIFE CARTRIDGES INC	INK CARTRIDGES	215.99
101-301-744-000	CLOTHING ALLOWANCE	NYE UNIFORM COMPANY	UNIFORM SUPPLIES	298.00
101-301-744-000	CLOTHING ALLOWANCE	NYE UNIFORM COMPANY	UNIFORM PANTS	69.63
101-301-744-000	CLOTHING ALLOWANCE	SMITH, JASON	BOOT REIMBURSEMENT	160.00
101-301-860-000	TRANSPORTATION	FLEET SERVICES	TRANSPORTATION	22.00
101-301-864-000	CONFERENCES & WORKSHOPS	MALBIE, DAVID	TRAINING SOUTH HAVEN	131.00
101-301-864-000	CONFERENCES & WORKSHOPS	MASON COUNTY SHERIFF'S DEPART	SWAT TRAINING WIETROKOWSKI/WELLS	320.26
101-301-864-000	CONFERENCES & WORKSHOPS	SAILOR, AARON	TRAINING - SOUTH HAVEN	131.00
		Total For Dept 301 POLICE DEPARTMENT		3,152.45

Dept 302 POL CLER/SP POL/PK RNGRS	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	9.37
101-302-719-000	FRINGE BENEFITS	DUNLAP, LINDA	HEALTH INSURANCE REIMBURSE	75.00
101-302-719-100	BC/BS REIMBURSEMENTS	Total For Dept 302 POL CLER/SP POL/PK RNGRS		84.37

Dept 336 FIRE DEPARTMENT	CLOTHING ALLOWANCE	APOLLO FIRE EQUIPMENT CO	FIRE JACKETS/TROUSERS	2,586.21
101-336-744-000	CONTRACTUAL SERVICES	WEST SHORE FIRE INC	PERFORM AIR TEST	489.00
101-336-927-000	UTILITIES - WATER	CITY OF LUDINGTON	WATER	151.08
101-336-930-000	REPAIRS MAINT & SUPPLIES	APOLLO FIRE EQUIPMENT CO	LIGHT W/BATTERIES	228.76
		Total For Dept 336 FIRE DEPARTMENT		3,455.05

Dept 441 DPW/MUNICIPAL SERVICES	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	89.74
101-441-719-000	FRINGE BENEFITS	Total For Dept 441 DPW/MUNICIPAL SERVICES		89.74

Dept 728 ECONOMIC & COMMUNITY DEVELOPMENT	FRINGE BENEFITS	THE LINCOLN NATIONAL LIFE INS	DISABILITY / LIFE INS - DECEMBER	11.45
101-728-719-000	FRINGE BENEFITS	Total For Dept 728 ECONOMIC & COMMUNITY DEVELOPMENT		11.45

Dept 751 PARKS DEPARTMENT  
 101-751-719-000 FRINGE BENEFITS THE LINCOLN NATIONAL LIFE INS DISABILITY / LIFE INS - DECEMBER 16.76  
 101-751-740-000 OPERATING SUPPLIES ALL SEASONS PORTABLE RESTROOMS 70.00  
 101-751-802-000 CONTRACTUAL SERVICES WEST MICHIGAN CMH SYSTEM CLEANING OF PUBLIC RESTROOMS 268.80  
 101-751-930-000 REPAIRS MAINT & SUPPLIES GLC METAL FABRICATORS INC BENCH COMPOSITE BOARDS 186.00  
 Total For Dept 751 PARKS DEPARTMENT 541.56

Dept 756 LAUNCHING RAMPS  
 101-756-802-000 CONTRACTUAL SERVICES WEST MICHIGAN CMH SYSTEM CLEANING OF PUBLIC RESTROOMS 537.60  
 101-756-930-000 REPAIRS & MAINT. SUPPLIES LOWES BUSINESS ACCOUNT WASHERS/LAG BOLTS 78.68  
 Total For Dept 756 LAUNCHING RAMPS 616.28  
 Total For Fund 101 GENERAL FUND 21,165.05

Fund 202 MAJOR STREETS FUND  
 Dept 451 CONSTRUCTION & SURFACING  
 202-451-802-000 CONTRACTUAL SERVICES HALLACK CONTRACTING INC DOWLAND STREET IMPROVEMENTS 32,724.97  
 Total For Dept 451 CONSTRUCTION & SURFACING 32,724.97

Dept 464 SURFACE MAINTENANCE  
 202-464-802-000 CONTRACTUAL SERVICES RIETH-RILEY CONSTRUCTION CO INC GRADE/PAVE BY SALT BARN 2,033.00  
 202-464-802-000 CONTRACTUAL SERVICES RIETH-RILEY CONSTRUCTION CO INC STREET PATCHING 1,000.00  
 Total For Dept 464 SURFACE MAINTENANCE 3,033.00

Dept 475 TRAFFIC SERVICE/SIGNS  
 202-475-782-000 MATERIALS & SUPPLIES DORNBOS SIGN & SAFETY INC SIGNS 40.46  
 Total For Dept 475 TRAFFIC SERVICE/SIGNS 40.46

Dept 476 TRAFFIC SIGNALS  
 202-476-782-000 ROAD MATERIALS & SUPPLIES DORNBOS SIGN & SAFETY INC SIGNS 81.12  
 Total For Dept 476 TRAFFIC SIGNALS 81.12  
 Total For Fund 202 MAJOR STREETS FUND 35,879.55

Fund 203 LOCAL STREETS FUND  
 Dept 464 SURFACE MAINTENANCE  
 203-464-802-000 CONTRACTUAL SERVICES RIETH-RILEY CONSTRUCTION CO INC GRADE/PAVE BY SALT BARN 2,033.00  
 203-464-802-000 CONTRACTUAL SERVICES RIETH-RILEY CONSTRUCTION CO INC STREET PATCHING 4,705.00  
 Total For Dept 464 SURFACE MAINTENANCE 6,738.00

Dept 475 TRAFFIC SERVICE/SIGNS  
 203-475-782-000 ROAD MATERIAL & SUPPLIES DORNBOS SIGN & SAFETY INC SIGNS 40.47  
 Total For Dept 475 TRAFFIC SERVICE/SIGNS 40.47  
 Total For Fund 203 LOCAL STREETS FUND 6,778.47

Fund 211 SENIOR CENTER FUND  
 Dept 000  
 211-000-719-000 FRINGE BENEFITS THE LINCOLN NATIONAL LIFE INS DISABILITY / LIFE INS - DECEMBER 20.56  
 Total For Dept 000 20.56  
 Total For Fund 211 SENIOR CENTER FUND 20.56



Fund 493 DDA OPERATING FUND  
 Dept 000  
 493-000-123-000 PREPAID EXPENSE MICHIGAN DOWNTOWN ASSOCIATION ANNUAL MEMBERSHIP 100.00  
 493-000-740-000 OPERATING SUPPLIES LOWES BUSINESS ACCOUNT XMAS LIGHT STRINGS 170.82  
 493-000-740-000 OPERATING SUPPLIES STAPLES CREDIT PLAN ADVERTISING CARDS 75.40  
 493-000-900-000 PRINTING & PUBLISHING SHORELINE MEDIA INC ADVERTISING 250.00  
 Total For Dept 000 596.22

Total For Fund 493 DDA OPERATING FUND 596.22

Fund 508 CARTIER PARK CAMPGROUND FUND  
 Dept 000  
 508-000-853-000 TELEPHONE CHARTER COMMUNICATIONS TELEPHONE/INTERNET SERVICES 86.10  
 508-000-853-200 INTERNET REIMBURSEMENT SOPER, JILL INTERNET REIMBURSEMENT 46.94  
 508-000-853-200 INTERNET REIMBURSEMENT SOPER, JILL INTERNET REIMBURSEMENT 46.94  
 508-000-853-200 INTERNET REIMBURSEMENT SOPER, JILL INTERNET REIMBURSEMENT 46.94  
 Total For Dept 000 226.92

Total For Fund 508 CARTIER PARK CAMPGROUND FUND 226.92

Fund 591 WATER MAINTENANCE & WATER FUND  
 Dept 000  
 591-000-123-000 PREPAID EXPENSE MICHIGAN MUNICIPAL RISK MANAGEMENT INSURANCE 7,550.96  
 591-000-719-000 FRINGE BENEFITS THE LINCOLN NATIONAL LIFE INS DISABILITY / LIFE INS - DECEMBER 36.07  
 591-000-719-100 BC/BS-EMPLOYEE REIMBURSEMENT KOWARCH, JAMES HEALTH INSURANCE REIMBURSE 200.00  
 591-000-740-000 OPERATING SUPPLIES JACKRINE BUSINESS CENTER IMAGING DRUM 103.48  
 591-000-740-000 OPERATING SUPPLIES NORTHERN SAFETY CO INC FIRST AID/SAFETY SUPPLIES 36.80  
 591-000-740-000 OPERATING SUPPLIES NORTHERN SAFETY CO INC GLOVES 20.20  
 591-000-820-000 MEMBERSHIP & DUES STATE OF MICHIGAN LICENSE RENEWAL - FARGO 95.00  
 591-000-853-000 TELEPHONE CHARTER COMMUNICATIONS TELEPHONE/INTERNET SERVICES 80.87  
 591-000-930-000 REPAIRS MAINT & SUPPLIES ETNA SUPPLY COMPANY CORP STOP/SADDLE/NYLON STRAPS 830.13  
 591-000-970-802 CAPITAL IMPROVEMENT-CONTRACT HALLACK CONTRACTING INC DOWLAND STREET IMPROVEMENTS 14,180.82  
 Total For Dept 000 23,134.33

Total For Fund 591 WATER MAINTENANCE & WATER FUND 71,811.75

Dept 556 WATER FUND  
 591-556-719-000 FRINGE BENEFITS THE LINCOLN NATIONAL LIFE INS DISABILITY / LIFE INS - DECEMBER 85.59  
 591-556-740-000 OPERATING SUPPLIES EMD MILLIFORE CORPORATION PETRI DISH 853.41  
 591-556-740-000 OPERATING SUPPLIES HACH COMPANY LAB SUPPLIES 510.30  
 591-556-740-000 OPERATING SUPPLIES JACKRINE BUSINESS CENTER APPOINTMENT BOOK 13.79  
 591-556-740-000 OPERATING SUPPLIES SHOP-N-SAVE FOOD CENTER CLEANER 9.48  
 591-556-802-000 CONTRACTUAL SERVICES ALLIED MECHANICAL SERVICES INC FABRICATION/PAINTING PIPE SPOOLS 1,105.00  
 591-556-853-000 TELEPHONE CHARTER COMMUNICATIONS TELEPHONE SERVICES 34.79  
 591-556-923-000 UTILITIES - GAS DTE ENERGY GAS 65.06  
 591-556-970-802 CAPITAL IMPROVEMENT-CONTRACT ALLIED MECHANICAL SERVICES INC INSTALL SPARE FILTER PUMP 46,000.00  
 Total For Dept 556 WATER FUND 48,677.42

Total For Fund 591 WATER MAINTENANCE & WATER FUND 71,811.75

Fund 592 SEWER MAINTENANCE & WASTEWATER FUND  
 Dept 000  
 592-000-123-000 PREPAID EXPENSE MICHIGAN MUNICIPAL RISK MANAGEMENT INSURANCE 7,550.96



GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount
661-000-930-000	REPAIRS MAINT & SUPPLIES	GLC METAL FABRICATORS INC	TUBE	9.70
661-000-930-000	REPAIRS MAINT & SUPPLIES	JASPER ENGINES & TRANSMISSIONS	ENGINE	3,011.00
661-000-930-000	REPAIRS MAINT & SUPPLIES	KENT RUBBER SUPPLY INC	PIPE PLUG/COUPPLING/FITTING	22.05
661-000-930-000	REPAIRS MAINT & SUPPLIES	MEDLER ELECTRIC COMPANY	FLASHLIGHT BATTERIES	51.85
661-000-930-000	REPAIRS MAINT & SUPPLIES	MODEL COVERALL SERVICE	CLEAN MATS/RUNNERS	48.61
661-000-930-000	REPAIRS MAINT & SUPPLIES	TELVENT DTN INC	SUBSCRIPTION RENEWAL	81.00
		Total For Dept 000		55,497.14

Total For Fund 661 MOTOR POOL FUND 55,497.14

Total For All Funds: 210,839.17

TOTAL FOR ACCOUNTS PAYABLE:

Fund 101 GENERAL FUND	21,165.05
Fund 202 MAJOR STREETS FUND	35,879.55
Fund 203 LOCAL STREETS FUND	6,778.47
Fund 211 SENIOR CENTER FUND	20.56
Fund 493 DDA OPERATING FUND	596.22
Fund 508 CARTER PARK CAMPGROUND FUND	226.92
Fund 591 WATER MAINTENANCE & WATER FUND	71,811.75
Fund 592 SEWER MAINTENANCE & WASTEWATER FUND	15,706.80
Fund 594 MUNICIPAL MARINA FUND	2,658.37
Fund 650 TECHNOLOGY FUND	498.34
Fund 661 MOTOR POOL FUND	55,497.14

Total For All Funds: 210,839.17

Summary

PREPAID EXPENDITURES


All Funds	\$	76,720.58
Building Rehab Fund 422	\$	-
Building Authority Fund 371	\$	-
Police Pension Fund 732	\$	-
Tax Distributions	\$	-

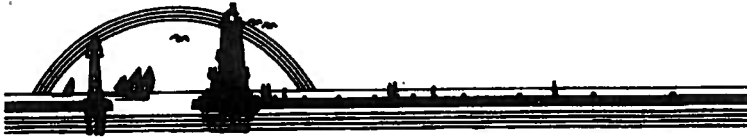
TOTAL EXPENDITURES SINCE 11/26/2012: \$ 76,720.58  
LESS TAX DIST., TRANSFERS & CD PURCHASES: \$ -  
TOTAL PREPAID EXPENDITURES SINCE 11/26/2012: \$ 76,720.58

ACCOUNTS PAYABLE

ALL FUNDS: \$ 210,839.17

TOTAL ACCOUNTS PAYABLE FOR THIS PERIOD: \$ 210,839.17  
TOTAL PREPAID EXPENDITURES: \$ 76,720.58  
TOTAL EXPENDITURES SINCE 11/26/2012: \$ 287,559.75

  
\_\_\_\_\_  
Deborah L. Luskin, City Clerk



JOHN HENDERSON, MAYOR  
JOHN E. SHAY, CITY MANAGER  
DEBORAH L. LUSKIN, CITY CLERK  
LINDA J. ROGERS, CITY TREASURER

## CITY OF LUDINGTON

400 SOUTH HARRISON STREET  
LUDINGTON, MICHIGAN 49431  
PHONE (231) 845-6237  
FAX (231) 845-1146

### MEMORANDUM

**TO:** Mayor Henderson and the Ludington City Council  
**FROM:** John Shay, City Manager JS  
**DATE:** November 29, 2012  
**RE:** Proposed Solid Waste Yard Waste Collection and Recycling Service Agreement

The City's contract with Republic Services to provide solid waste, recycling and yard-waste services will expire on December 31, 2012. I have attached the proposed 5-year renewal contract. As some of you may recall, about 10 years ago, the City Council chose to bid out the garbage services rather than accepting the garbage company's offer to renew the contract. Because there were no other garbage providers in the area, the result was that only one bid was submitted, which was from the City's current garbage provider. The bid amount was about \$92,674.71 higher over the duration of the 5-year contract than if the City had chosen to simply renew the contract. Thus, when the contract came up for renewal in 2008, the Council chose to renew it rather than seek bids in order to avoid a large price hike. For these very same reasons, we feel it is best to again renew the contract.

The basic level of service would remain the same under the proposed contract. The cost would increase 2% from this year in line with the specific Consumer Price Index (CPI or inflation rate) that we have been using for the last contract. As with the current contract, the rates would increase each year by the CPI, however, it would never exceed a 3% increase in order to protect the City from unanticipated price fluctuations. As with the current contract, there would be an additional fuel surcharge in the event that diesel fuel prices exceed \$4.50 per gallon. Prices for various sticker-based services, such as yard waste and bulky items stickers, would increase as outlined in the contract.

**CITY MANAGER'S RECOMMENDATION:** Adopt Ordinance No. 256-12, which authorizes the City Manager and City Clerk to sign the Solid Waste, Yard Waste Collection and Recycling Service Agreement with Republic Services.

*On the Shores of Lake Michigan*

**ORDINANCE NO. 256-12**

An ordinance to authorize the City Manager and City Clerk to enter into an agreement with the Republic Services to provide solid waste, yard waste & recycling services.

THE CITY OF LUDINGTON ORDAINS:

Section 1: The City Manager and City Clerk are authorized and directed to enter into the attached five (5) year agreement with Republic Services. Due to the lack of available bidders in the area, it is in the best interest of the City to not seek competitive bids, but rather accept the inflation-based price adjustments offered by Republic, which appear to be reasonable and provide the City with protection from unanticipated price fluctuations for garbage collection services.

Section 2: Severability: Should any provisions of this ordinance or any part thereof be held unconstitutional or invalid, such holding shall not be construed as affecting the validity of any of the remaining provisions hereof or of any other provisions of the City Code.

Section 3: Repeal: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 4: Effective date: This ordinance shall be effective 20 days after publication.

Dated: \_\_\_\_\_

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

\_\_\_\_\_  
Deborah Luskin, City Clerk

**Certification**

I, Deborah Luskin, being the Clerk of the City of Ludington, certify that the above is a true and accurate copy of the Ordinance adopted by the City Council at their regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

**SOLID WASTE, YARD WASTE COLLECTION  
AND RECYCLING SERVICE AGREEMENT**

THIS AGREEMENT made this 17<sup>th</sup> day of December, 2012, by and between the City of Ludington, a Michigan municipal corporation, of 400 S. Harrison Street, Ludington, Michigan 49431 (the "City") and Harland's Sanitary Landfill, Inc. DBA Republic Services, a Michigan corporation, of 3890 Camp Road, Manistee, Michigan 49660 ("Contractor"), with reference to the following facts and circumstances:

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WHEREAS, the City desires to contract with a private contractor to provide solid waste removal, yard waste removal, hauling, recycling and disposal;

WHEREAS, the Contractor is in the business of providing solid waste removal, yard waste removal, hauling and disposal services, and has prepared plans and made arrangements to provide a recycling program in conjunction with providing such services;

WHEREAS, the City desires to contract with the Contractor, and the Contractor desires to contract with the City regarding the provision of such services;

NOW, THEREFORE, in consideration of the mutual covenants and considerations set forth herein, the parties agree as follows:

**I. DEFINITIONS**

Definitions and terms: Whenever, in the contract, the following terms (or pronouns used in place of them) occur, the intent and meaning thereof shall be interpreted as follows:

**Administrator**

Either the City Manager of the City of Ludington or his duly authorized and designated representative.

**Brush**

Twigs and shrub clippings not exceeding 4 feet in length.

**Building Refuse**

Waste materials from the demolition, construction, remodeling and repair operations on residences and other buildings, a small amount of which shall be accepted by the Contractor as the normal amount of refuse from households, if the quantity does not exceed thirty (30) pounds in weight, is less than one (1) bushel in volume, or any piece is no longer than four (4') feet in length. Exceeding these standards, it shall not be

regarded as mixed refuse but as unacceptable items, and shall be removed by a building or demolition contractor employed by the resident, or by the resident himself/herself, and may be transported by the resident to the Convenience Disposal Center during its hours of operation.

### **Bulky Items**

Includes, but is not limited to, large pieces of furniture, bed springs, storm doors and windows, metal furniture, water closets, toilets, bathtubs, sinks, carpets and pads, tires, railroad ties, fence post, or fences not exceeding 3' x 4' in dimension, brush and other discarded material incidental to the usual routine of housekeeping. Bulky items do not include household appliances such as refrigerators, freezers, stoves, washers, dryers, dishwashers, air conditioning units, furnaces, humidifiers, dehumidifiers and hot water heaters. (see Household Appliances)

### **Christmas Trees**

Trees used for decoration to celebrate the Christmas holiday.

### **Commingled Recyclables**

A collection of recyclable materials consisting of glass food containers, bottle grade plastics (#2 plastics), tin cans, aluminum cans, trays and foils, newspaper, magazines, phone books, junk mail, boxboard, cardboard, empty aerosol cans, and placed in a single, approved recycling container for collection at curbside. The City and the Contractor may mutually agree to identify other materials to be included as recyclables as methods of recycling and marketing of such materials become available. The Contractor shall provide a list of acceptable/unacceptable items.

### **County**

The governmental entity representing the incorporated area of the County of Mason, State of Michigan.

### **Curbside**

The designated physical location for the placement of refuse accumulations intended for residential service collection and disposal. This designated location shall be as near as possible to the traveled streets. The intention of the curbside designation is to allow collection by the Contractor's personnel in a rapid manner with walking or reaching requirements minimized.

### **Dumpster**

Containers of 1 to 13 cubic yard capacity.



**Garbage**

All waste material of animal, fish, fowl, fruit or vegetable matter incidental to the use and storage of food for human consumption.

**Governing Body**

The City Council of the City of Ludington.

**Gross Revenues**

Proceeds from the sales of mixed refuse bag stickers, bulky item stickers, household appliance stickers, yard waste stickers, and yard waste bags.

**Hazardous Waste**

Any waste material, which is defined by the Michigan Department of Natural Resources Hazardous Waste Management Act (Act 64 of 1979, as amended), as hazardous waste.

**Household Appliances**

Includes washers, dryers, air conditioners, microwave ovens, humidifiers, dehumidifiers, stoves, refrigerators, hot water heaters, excluding sinks, lavatories, toilets and other plumbing appurtenances.

**Industrial Refuse**

Waste materials resulting from industrial and/or manufacturing operations or processes of every nature whatsoever, including refuse material resulting from cleaning up in connection with such operations and processes. Industrial Refuse as defined in this section shall not be classified as single family home mixed refuse.

**Landfill**

Any solid waste land disposal area that receives solid waste for disposal in or upon land for which a permit, other than a general permit, is required by Public Act 641 of 1978, State of Michigan, as amended.

**City**

"City" shall mean the governmental entity, including its officers, employees and agents, representing the incorporated area of the City of Ludington, Mason County, Michigan.

**Mercantile Unit**

Any of the following business establishments: food preparers or processors, hotels, motels, retail establishments of all kinds including super markets, gas stations, offices,

convenience, department and variety stores and similar business operations. Mercantile Unit shall not include any industrial, manufacturing, construction, or agricultural businesses.

**Mixed Refuse-Rubbish**

Garbage and rubbish, which constitute household refuse but does not contain separated recyclables, chip-able brush, household appliances, yard waste, hazardous wastes subject to Federal, State, or Local regulations or unacceptable items. The miscellaneous solid waste material resulting from housekeeping shall include, but is not limited to packing boxes, cartons, excelsior, paper, magazines, ashes, tin cans, empty/dried out paint cans with lid off, bottles, glassware, dishes, rubber, rags, wood, leather, and floor sweepings. Also see Bulky items and Unacceptable Items.

**MRF**

An acronym for Material Recovery Facility. The purpose of a MRF is to provide a facility for the separation of recyclable materials from the waste stream for marketing as reusable product or raw material.

**Multiple-Family Residence**

A residential structure containing more than four (4) household living units. Each residential unit contained in a multiple-family residence shall not constitute a single-family home. A condominium development shall not be considered a multiple-family residence.

**Municipal and Governmental Unit**

Any public building or property located within the corporate limits of the City of Ludington (including the Ludington Wastewater Treatment Plant), and owned, occupied and used exclusively by the City to include public parks, public facilities, boat ramp facilities and City litter containers.

**Operations Manager**

The Contractor's on-site operations manager responsible for the coordination of all work completed under this contract.

**Resident or Residential Customer**

A resident or residential customer shall mean the owner or occupant of any single-family home located in the City.

**Single Family Home**

Any single household living unit within a separate residential structure containing no more than four (4) household living units. Each condominium unit, which is occupied by the owner thereof, whether it is a single stand-alone unit, part of a duplex, quadplex, part of a larger building containing numerous units, or in any other combination, shall be considered a single family home for purposes of this Contract, and shall not be considered a multiple-family residence.

#### **Unacceptable Items**

Building refuse, concrete, wood, earth, motor vehicle or machinery parts, used oil and similar items identified by agreement between the parties, shall not be collected and are the property owner's responsibility for disposal. Also excluded from the contract are tree branches or logs which exceed four (4') feet in length and four (4") inches in diameter, stumps, hazardous wastes not currently permitted by Federal, State, and Local regulations are included under this classification. See also Building Refuse and Hazardous Waste.

#### **Yard Wastes**

The miscellaneous waste material resulting from landscaping a home, including, but not limited to, grass, shrubs, flowers, brush and brush clippings (not exceeding 4 feet in length), weeds, house plants, leaves, garden waste material and dirt incidental to minor plantings.

#### **Yard Waste Bag**

A bag as specified by the Contractor.

#### **Yard Waste Cart**

A 90-95-gallon cart rented from the Contractor at the rates specified, which is used solely for the collection and placement of yard waste at the curbside.

#### **Yard Waste Collection Period**

From the first Monday of April through the last Monday of November of each year (weather permitting).

#### **Composting Facility**

A facility designated by the Contractor, which is used for the composting of yard waste in accordance with the requirements of applicable federal, state or local law, ordinance or regulation, if any.

## **II. SERVICES**

## **2.01 Mixed Refuse Collection and Disposal Service**

### **(a) Basic Residential Collection Service**

Contractor shall provide mixed refuse collection and disposal service in accordance with the terms and conditions of this contract. Basic service shall consist of one collection each week of up to three (3) 33-gallon containers or bags, containing mixed refuse properly placed at curbside by the residents of each single-family home located within the boundaries of the City.

This Section 2.01(a) shall apply to Crosswinds Condominium Project, Crosswinds Estates, or any other condominium development located in the City, unless the City shall request or consent to collection at one or more common or central points in such condominium developments, in which event, collection shall be made from such points. Designation of such central points shall not thereafter prevent the City from requiring standard collection from single family residences as described herein for such condominium developments. The designation by the City of central collection points or any subsequent designation to return to standard collection for single-family residences under this Paragraph, shall not entitle Contractor to any additional payments, nor shall any such designation entitle Contractor to any rate increase pursuant to this Agreement for increased costs of Contractor arising solely from such designations.

### **(b) Additional Mixed Refuse Bags, Bulky Items and Household Appliances**

The Contractor shall pick up any additional bags of mixed refuse or bulky items, which have the appropriate sticker attached to them and which are properly placed at curbside by the residents of each single family home. Upon request of any resident of the City, the Contractor shall collect any of the residents' household appliances, which have an appliance sticker attached. ~~The resident shall be responsible for removing any appliance from the premises and placing it at curbside by 7:00 a.m. of the day scheduled for pick up.~~

**Deleted:** Such household appliances shall be collected the last Saturday of each month.

Upon the City's request, the Contractor shall collect and dispose of Christmas trees, as may be permitted by law.

### **(c) Sticker Service**

The Contractor shall establish a sticker system to provide for the collection and disposal of mixed refuse bags in excess of the three-bag limit provided by basic service, bulky items and household appliances. This "Sticker Service" is a cost-share system by which the resident must purchase the proper sticker. The Contractor shall set the fees with City approval.

The cost for stickers for additional mixed refuse bags, bulky items and appliances shall be determined in accordance with Sections 4.02 and 4.03. The Contractor shall set the cost of stickers with City approval.

**Deleted:** The Contractor shall provide vending service to residents of the Local Unit for mixed refuse, bulky items, and appliance stickers. It will be the Contractor's responsibility to supply a sufficient quantity of mixed refuse, bulky items, and appliance stickers. It will also be the Contractor's responsibility to secure neighborhood retail outlets for sticker sales to residents and to implement such sales. The Contractor is to work with the Local Unit in making distribution of such stickers convenient to residents of the Local Unit.¶

The Contractor shall be required to record all revenues from sales of stickers and provide adequate periodic accounting of the sales program to the City, as may be reasonably requested by the City.

## 2.02 Services to Mercantile Units and Multiple-family Residences

The Contractor shall provide mixed refuse collection service as provided herein one day each week to each mercantile unit and to multiple-family residences. The Contractor shall be required to collect a maximum of two cubic yards of mixed refuse from each such mercantile unit and multiple-family residence each week. The Contractor and any mercantile unit may contract for waste collection services in addition to those services provided hereunder.

Ludington Avenue Mercantile Units on the north side of Ludington Avenue, between North Harrison Street and North Rath Avenue, shall use the dumpster containers located in the City parking lots. The Contractor shall provide three refuse dumpsters to be dumped a minimum of three times weekly and three cardboard dumpsters, which shall be dumped a minimum of two times weekly, and any additional dumps as requested by the City. (There are three dumpster corrals: each has one refuse and one cardboard dumpster.)

The Contractor shall provide two refuse dumpsters and two cardboard dumpsters for use by mercantile units located on the south side of Ludington Avenue (the 100 block of East Ludington Avenue between South Harrison Street and South James Street and the 200 block of West Ludington Avenue between South Rath Avenue and South Robert Street).

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## 2.03 Convenience Disposal Center

The Contractor shall establish a "Convenience Disposal Center" designated by the City inside the boundaries of the City, for the purpose of collecting mixed refuse bags, bulk loads of mixed refuse, bulky items, household appliances and building refuse, which are not collected pursuant to the collection service described in Sections 2.01 and 2.02. The Convenience Disposal Center shall be operated from 8:00 a.m. to 10:00 a.m. on each Saturday beginning the second Saturday in May and continuing through the first Saturday in November of each year during the term of this contract beginning in 2013. The Contractor shall place ads in the local newspaper with the operating schedule. (May - Now Open / Nov. - Closed Until Spring)

**Deleted:** 2003

The Contractor shall charge the rates set forth on Schedule 2 for acceptance of the foregoing materials.

The Convenience Disposal Center shall not accept hazardous waste, industrial waste or other unacceptable items.

#### **2.04 Municipal and Government Units**

The Contractor shall provide collection of mixed refuse and bulk items from governmental and municipal units on an as-needed basis. The Contractor shall provide containers as may reasonably be required to effectively provide such service. (see attached list)

The Contractor, at the request of the City, shall collect fish at the City's fish cleaning stations, and agrees to collect containers at the fish cleaning stations, which may contain fish offal.

#### **2.05 Recycling Program**

The Contractor shall provide weekly curbside recycling service to residents of all single-family homes located within the boundaries of the City. Such service shall provide for the collection of commingled recyclables properly placed by each resident at curbside in an 18 gallon recycling container provided by the Contractor. Collection from each resident shall be made once every week on the same day as the collection of mixed refuse. The Contractor shall furnish one 18 gallon recycling container for commingled recyclables to each single family home serviced under this Contract, including those which are part of a single structure containing between two and four single family homes. Upon request by any residential customer, the Contractor shall provide a second recycling container at no additional cost to the customers. Additional recycling containers shall be provided to residential customers at a cost set by the City.

All collected commingled recyclables shall be delivered to and processed at a licensed recycling center approved by the City.

The Contractor shall provide educational materials, at its cost and expense, with each recycling container and shall also be distributed from time to time during the term of this contract as reasonably determined to be necessary by the Contractor and the Administrator.

The Contractor shall collect source-separated recyclable office paper from each municipal governmental or mercantile unit as may be requested by such municipal, governmental or mercantile unit. The Contractor shall provide recycling containers or recycling bags as is reasonably necessary for weekly collection of recyclable office paper from such persons.

## 2.06 Curbside Collection

In the event that the City determines, in the exercise of reasonable discretion, whether because of unreasonable and repeated unsightly conditions, health or safety hazards, odor or similar conditions, that curbside collection of refuse and recyclables is detrimental to the health, safety or welfare of the City or its residents, the City shall have the right to require that between May 1 and October 31 of each year of this Contract and in lieu of collection, the Contractor collect refuse and recyclables from alleys which provide access to customers receiving service hereunder. Notwithstanding the foregoing, at least 60 days prior to requiring any collection from alleys, the City shall provide written notice to the Contractor describing its objections to continued curbside collection and the conditions giving rise to such objections. During such 60-day period, the parties hereto will negotiate in good faith and use their best efforts to adopt and implement procedures, which would substantially remedy or cure the conditions giving rise to such objections and permit the continuation of curbside collection. Isolated or occasional conditions or events shall not be a sufficient basis for terminating the curbside collection service provided hereunder.

Contractor agrees that in the event that the City determines to discontinue curbside collection and to require alley collection, no additional payment shall be due to Contractor, and such change shall not be deemed any increased costs or other justification for an increase in rates under this Contract.

The Contractor shall collect refuse and recyclables pursuant to this Contract from alleys, rather than from curbside, which provide access to those customers located along Ludington Avenue and Lakeshore Drive and receiving services hereunder.

**Deleted:** Between May 1 and October 31 of each Year of this Contract 1

**Deleted:** Contractor shall place an ad in the local newspaper, reminding Ludington Avenue and Lakeshore Drive residents of the date the pickup location changes.

## 2.07 Special Event Services

The Contractor shall provide to the City two six-yard containers, as requested by the City, for use in connection with up to five "Special Events" occurring in the City. The parties currently contemplate that the Contractor shall provide service for the following Special Events: West Shore Arts & Crafts Fair, Gold Coast Arts & Crafts Fair, the Gus Macker Basketball Tournament, Offshore Fishing Tournament and one other Special Event to be determined by the City.

**Deleted:** Community Pride Day

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**Deleted:** Harbor Festival

The Contractor shall provide all waste collection services necessary in connection with such Special Events, provided that if more than two six yard containers are required for any Special Event, the Contractor shall charge the sponsors of any such Special Event an amount equal to ten dollars (\$10.00) per cubic yard collected from the additional containers. The Contractor shall also provide containers and waste collection services, as may be requested by the City in connection with any Special Events in excess of the five Special Events contemplated herein, provided that the Contractor shall charge the

sponsors of any such Special Event an amount equal to no more than fifteen dollars (\$15.00) per cubic yard of waste generated by such Special Events.

### **2.08 Spring Clean Up Service**

On the last Saturday of April from Ludington Avenue going north, on the first Saturday of May from Ludington Avenue going south and on the second Saturday of May for Crosswinds Condominiums during each year of the term of this contract, the Contractor shall collect all mixed refuse from single-family homes placed in bags at curbside and all bulky items and all household appliances. There shall be no stickers required for bulky items or non-freon appliances. There shall be no limit on the number of bags, which may be placed at the curbside for collection. Residents wishing to dispose of tires or appliances containing freon, such as refrigerators, freezers, air conditioners and dehumidifiers must obtain the proper sticker. (Tires cost \$3.00 (must be cut in half), freon appliances cost \$30.00)

It is the Contractor's responsibility and expense to publicize the Annual Spring Cleanup service dates, along with a brief description of acceptable items, in the local newspaper and on a local radio station.

### **2.09 Separate Collection of Yard Waste**

It is acknowledged that beginning March 31, 1995, no yard wastes from any source may be disposed of in landfills. The Contractor shall collect all yard wastes generated and separated from all other waste by municipal and governmental units for delivery to a composting site designated by the Contractor and approved by the City. During the Yard Waste Collection Period, the Contractor shall provide weekly curbside yard waste collection service to residents of all single-family homes located within the boundaries of the City. Such service shall provide for the collection of yard wastes properly placed by the resident at the curbside in approved yard waste bags or in a yard waste cart. Collection from each resident shall be made once each week pursuant to the schedule established in accordance with this Contract. All collected yard waste shall be delivered to and processed at a Composting Facility approved by the City.

The Contractor shall offer to rent to residents a Yard Waste Cart. Residents may purchase yard waste bags from the Contractor for yard waste collection. The Contractor shall set all rates with City approval.

It is the Contractor's responsibility and expense to publicize the yard waste schedule with options and cost in the local newspaper.

### **2.10 Disposal of Unacceptable Items**



Residential customers, mercantile units, multiple-family residences and municipal and governmental units are absolutely prohibited from mixing unacceptable items or hazardous waste with other refuse or recyclables intended to be collected pursuant to this contract, or otherwise placing such unacceptable items or hazardous waste in bags, containers or bundles for collection by the Contractor. Neither the City nor the Contractor shall be responsible for determining whether refuse or recyclables placed for collection contains unacceptable items or hazardous waste, and neither party shall be liable to the other party for any violations of this Section by residential customers, mercantile units or multiple-family residences.

In the event any person violates this Section, the Contractor shall notify in writing such person that has violated this Section and, if such person continues to violate this Section, the Contractor shall have the right to terminate collection service to such person by written notice without any reduction in the rates and charges set forth in Section 4.01. The Contractor shall provide the City with copies of all notices of violations or terminations.

III. Term

3.01

The term of this Contract shall begin January 1, 2013 and shall continue for a period of five years until December 31, 2017, and provided there has occurred no material breach of any of the obligations and covenants of the City provided hereunder which have not been cured, the City shall have the right to extend this Contract for a term equal to the original term of this agreement on terms and conditions mutually agreeable between the parties. The City shall send written notice by delivery of such renewal not earlier than 180 days and not later than 60 days prior to the expiration of the initial term or any renewal term as the case may be. However the City is in no way obligated to extend or enter discussions for the purpose of extending this Agreement beyond December 31, 2017.

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IV. Rates and Charges

**4.01 Collection of Mixed Refuse and Recyclables**

The City shall pay to the Contractor a service charge of:

January 1, 2013     \$409,319.26 per year, payable in twelve equal monthly payments of \$34,109.94

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January 1, 2014     2013 rate plus the percentage increase in the CPI from 2012-2013, but such increase not exceeding 3.0%.

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- January 1, 2015      2014 rate plus the percentage increase in the CPI from 2013-2014, but such increase not exceeding 3.0%.      Deleted: 2005
- January 1, 2016      2015 rate plus the percentage increase in the CPI from 2014-2015, but such increase not exceeding 3.0%.      Deleted: 2006
- January 1, 2017      2016 rate plus the percentage increase in the CPI from 2015-2016, but such increase not exceeding 3.0%.      Deleted: 2007

**Five Year Extension**

- January 1, 2018      2017 rate plus the percentage increase in the CPI from 2016-2017, but such increase not exceeding 3.0%.      Formatted: Indent: Left: 0"  
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- January 1, 2019      2018 rate plus the percentage increase in the CPI from 2017-2018, but such increase not exceeding 3.0%.      Deleted: 2009
- January 1, 2020      2019 rate plus the percentage increase in the CPI from 2018-2019, but such increase not exceeding 3.0%.      Deleted: 2010
- January 1, 2021      2020 rate plus the percentage increase in the CPI from 2019-2020, but such increase not exceeding 3.0%.      Deleted: 2011
- January 1, 2022      2021 rate plus the percentage increase in the CPI from 2020-2021, but such increase not exceeding 3.0%.      Deleted: 2012

CPI is defined to mean the "Consumer Price Index - All Urban Customers; Non-Seasonally Adjusted Detroit-Ann Arbor-Flint Index for all items less energy." The increase in the CPI shall be computed by calculating the average of the index values from January – October from both the previous year and the current year and determining the percentage change in these two values rounded off to the nearest tenth of a percent.

By way of example only from the table below, the average value from January – October 2005 is 194.5. The average value from January – October 2006 is 198.4. The percentage increase from 2005 to 2006 is 2.0%. Thus, the contract price would increase 2.0% in January 2007.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2005		193.5		193.8		193.6		194.8		196.6		194.9	194.4
2006		197.1		198.1		197.3		199.0		200.3			

During the term of this Agreement (January 1, 2013 – December 31, 2017), there shall be no price increases from month to month or year to year, except as specifically provided herein.

The City shall pay the Contractor an additional surcharge if the average monthly price of diesel fuel exceeds \$4.50 per gallon. The monthly average price of diesel fuel shall be determined by using the price listed in the Midwest row in Data Table 2 for Ultra Low Sulfur (15 ppm and under) diesel fuel on the website: [www.eia.gov/petroleum/gasdiesel](http://www.eia.gov/petroleum/gasdiesel). The surcharge shall be calculated by using the Fuel Recovery Fee Table (Attachment A). By way of example only, if the monthly average price of diesel fuel is \$5.00 per gallon, a surcharge equal to 1.92% of the monthly rate would be added to the subsequent month's invoice.

Any fuel surcharges, which result from the requirements of this section, shall not be included in the base rate calculations for purposes of this section.

The City shall reimburse the Contractor for the City's proportionate share of any new taxes, fees or other governmental charge based on the quantity of the waste transported or disposed of by Contractor (except property, business or income taxes) and that are imposed on Contractor, directly or indirectly, or any increase in such taxes, fees or charges above the amount of such taxes, fees or charges in effect on the effective date of this Agreement.

#### **4.02 Price of Stickers for Additional Mixed Refuse Bags, Bulky Items and Household Appliances**

For the first year of the term of the Contract, and, unless increased pursuant to Section 4.03, for each year thereafter during the term of this Contract, the price of stickers to be affixed to additional mixed refuse bags, bulky items and household appliances shall be as set forth on Schedule 1 attached hereto.

#### **4.03 Increase in Rates and Sticker Fees**

##### **(a) General Increases**

The Governing Body of the City shall approve any increase in the rates of sticker fees for any year of the contract after the first year of the term. If the Contractor desires to increase the rates or fees, the Contractor shall make a proposal in writing to the Governing Body of the City, at least sixty days prior to the effective date of a suggested increase. The Contractor may request sticker fee increases only on an annual basis. The Governing Body of the City shall review and consider approval of any request for a fee increase up to a maximum of five percent (5%) over the applicable sticker fees then

in effect, if the Contractor has submitted written documentation of an increase in its costs of collection, disposal or recycling of such items for which stickers are required.

## V. OPERATION

### **5.01 Collection Frequency and Volume/Weight Limitations**

#### **(a) Mixed Refuse and Recyclables**

All mixed refuse and commingled recyclables shall be collected once every week, from each single family home by the Contractor. In accordance with the schedules established as provided herein, the Contractor shall collect all mixed refuse up to three bag limit (the three bag limit for single family homes between two and four residences), all bulky items and additional bags of mixed refuse properly stickered, and commingled recyclables placed by the residential customer for collection at the curb or, in the event there is no curb, at the edge of the street, fronting each single family home. The Contractor shall clean up debris lying on the ground (broken glass, paper, etc.). Contractor shall place the empty container at the curbside.

The residential customer shall place all mixed refuse in mixed refuse bags, provided, however, that any material that will not conveniently fit inside bags shall be collected if tied securely in bundles not to exceed four (4') feet in width, length and height and a bulky item sticker is affixed thereto. Such bundles shall be placed with the bags at the curbside. Mixed refuse bags and such bundles shall not exceed fifty-five (55) pounds and thirty-five (35) gallon size each.

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Commingled recyclables shall be placed into approved containers, to be supplied by the Contractor for that purpose, and placed at the curbside on the scheduled collection date for recyclable at the same time as the mixed refuse.

The Contractor shall be responsible for the replacement of recycling containers, which are damaged by normal use. It is the resident's responsibility to protect such containers from loss or damage from abuse, negligence or recklessness. If it is determined by the Contractor that such containers are lost or damaged intentionally by the residential customer or due to negligence or recklessness of the residential customer, Contractor may charge the residential customer for replacement.

The Contractor shall attach tags to any mixed refuse bags, bulky items, household appliances or other refuse not collected by the Contractor identifying in detail the reason such refuse or recyclables are not collected. The Contractor shall provide the City with a list of any such tags that are written.

#### **b.) Operation of Yard Waste Collection Program**

All yard waste shall be collected by the Contractor once each week from each single-family home to which yard waste collection service is required to be provided hereunder. In accordance with the schedules established as provided herein, the Contractor shall collect yard waste placed by the residential customer for collection at the curbside or, in the event there is no curb, at the edge of the street, fronting each single-family home.

Yard waste shall be placed into Yard Waste bags, as specified by and purchased from the Contractor, or yard waste collection carts rented from the Contractor, and placed at the curbside on the scheduled date for collection. The curbside collection of yard waste shall be subject to provisions of Section 2.06 of the Agreement.

Contractor, at its expense, shall provide customers with Yard Waste Collection Service options, as deemed necessary by the City.

## **5.02 Collection Trucks and Equipment**

### **(a) Readiness to Serve**

The Contractor shall make all collections of mixed refuse, bulky items, and commingled recyclables and shall transport such refuse to a licensed disposal site approved by the City, in and by the use of modern, sanitary, collection vehicles.

For this purpose, the Contractor shall provide and maintain during the entire period of this contract a fleet of such collection vehicles and support or back-up vehicles sufficient in number and capacity to efficiently perform the work and render the services required hereunder. The Contractor shall submit information as to the number and type of vehicles required for the performance of all collection and disposal services to the City upon request. Sufficient equipment and personnel shall be furnished to make one (1) complete collection each week of mixed refuse, recyclables and yard waste from all single family homes within the hours specified.

The vehicles used for mixed refuse collections shall have a completely enclosed, water-tight body and shall be properly designed so that the wheel and axle loads with a fully loaded body shall not exceed the schedule of weights allowed by the laws of any County, and the State of Michigan. If it is not possible to fully load the body and stay within the limits of the law, the Contractor shall be required to reduce the loads in the body until they do conform to the law and still comply with the terms of this agreement.

### **(b) Fleet Maintenance**

Each collection vehicle shall be kept in a mechanically safe and sanitary condition at all times. The equipment shall be painted uniformly and must be maintained in good condition. Each piece of equipment shall be assigned a number, which shall be clearly

painted on the side doors of the cab along with the Contractor's name. The Contractor shall not use the name of the City or other words implying municipal ownership. The equipment shall be cleaned as often as necessary to keep it presentable and reasonably free from objectionable odors.

### **5.03 Employees**

The Contractor shall employ for all parts of the work only qualified properly trained workers and supervisors. Should the City at any time give notice in writing to the Contractor or his representative that the work or behavior on the job of any employee is or in any way a detriment to the satisfactory progress of the work, then following insolent, disorderly, careless, unobservant, dishonest, not in compliance with proper orders, consultation between the Contractor and the City, at the request of the City such employee shall be removed by the Contractor from any and all collection services required by this Contract and shall not be permitted or be allowed to further engage in such collection services without the consent of the City.

Employees shall not trespass or loiter, cross property to adjoining premises or meddle or tamper with property without the consent of the owner or occupant thereof.

### **5.04 Disposal Sites; Compliance with Law**

The Contractor agrees to dispose of all refuse in a Type II Licensed Landfill, approved by the City.

The Contractor agrees to and assumes complete responsibility for securing any and all permits, licenses, privileges or rights of any nature necessary for the collection and deposit of mixed refuse which are or might be necessary and required of the Contractor by any authorized governmental agency. The Contractor shall be responsible for providing the City on request identification of disposal sites and certification from the operators of such disposal sites that said disposal sites are in compliance with all applicable Federal, State, and Local laws and regulations.

### **5.05 Administration of Contract**

The Contractor is required to use its best efforts to resolve any and all complaints of failure to make collection from a collection point in accordance with the Contractor's published schedule of collections. Action to resolve such complaints shall be made not later than noon the following day. The Contractor shall not be required to use a collection unit of the load-packer type, but may use a small pickup truck to make such emergency collections. This paragraph shall not apply to complaints for failure to make a pickup because of an alteration in the schedule due to a holiday or other unforeseen circumstances. Should any such complaints remained unresolved beyond the required

compliance time, the City may take such action reasonably necessary to resolve the complaint, which may include making such collection with employees of the City, and the cost of such collection shall be borne by the Contractor.

#### **5.06 Recycling Container Care and Replacement**

The Contractor shall provide each single family home with an eighteen (18) gallon recycling container. The Contractor shall exercise all reasonable care and diligence in handling containers. The City shall cooperate in requiring residents to maintain the containers, and the Contractor shall exercise due care in preventing damage thereto and shall replace containers in an erect position. In the event the Contractor damages a resident's container, the Contractor shall be responsible to replace it within (48) hours (excluding Saturdays and Sundays). The Contractor shall maintain at all times a reasonable number of replacement recycling containers to provide timely replacement of defective or stolen containers.

#### **5.07 Schedules and Routes**

The Contractor shall schedule regular collection of mixed refuse, bulky items, recyclables (Tuesday through Friday) and yard waste (Mondays). The Contractor shall deposit with, and furnish to, the City schedules of routes and day or days on which routes will be worked.

The Contractor shall, at his own expense, by publication in a newspaper of local circulation, and by local radio station notify residents of the schedule of collections for mixed refuse and commingled recyclables whenever any changes to the current or then current schedule are made. This notice shall contain the following information: the day of the week upon which collections will be made for each collection district; the weekly schedule for collection; a map of the boundaries of the City, which delineates the collection districts by street; the name, address and telephone number of the Contractor; the proper location for the bags and containers pending collection and the time of day at which containers and bags must be so placed. Said notice shall be published not less than one (1) week prior to the effecting change from the current collection schedule.

Schedule changes and notices shall be submitted to the Administrator prior to publication or mailing.

On Saturdays, during which time the Convenience Disposal Center is open and all other times deemed necessary by the City, the Contractor shall collect mixed refuse from the downtown barrels, Steams Park, Copeyon Park, Municipal Marina, City Park, Loomis Street Boat Ramps and Waterfront Park.

### **5.08 Collection Time**

The collection times for single-family residential premises in the City shall be between the hours of 7:00 a.m. and 5:00 p.m. of the day scheduled for collection, and collection times for mercantile units shall be between the hours of 7:00 a.m. and 5:00 p.m. on the day scheduled for collection. Except as set forth in Section 5.12, no collection shall be made on any Sunday. The Contractor shall contact the Department of Public Works if a vehicle has broken down and is running behind schedule.

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### **5.09 Supervisory Personnel**

The Contractor shall provide an operations manager to supervise all work and operations to be performed under this contract. The operations manager shall have substantial experience in the management and operation of a garbage and refuse collection system for a similar sized municipality.

### **5.10 Routing Schedule**

The Contractor shall be responsible for establishing and publishing any routing schedule necessary to achieve the aims of the collection service provided herein. This may include but not be limited to designating collection districts and routes to provide efficient collection service. All such schedules and routings shall be submitted to the Administrator by the Contractor.

### **5.11 Reports**

The Contractor shall be required to maintain adequate records on a monthly basis and submit such reports as reasonably requested from time to time by the City to determine the efficiency and effectiveness of the solid waste programs.

The Contractor shall provide the following information to the City on a semi-annual basis:

Number of stops/residential

Apartment complexes (for units of less defined as Single Family)

Mercantile businesses

Amount of Mixed Refuse (tonnage) being generated by the City.

Amount of recycling generated by the City.

### **5.12 Holidays**

Collections shall not be scheduled on the following holidays:



New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

When the above holidays fall during the week, all routes will be run one day later the remainder of the week. In the event a holiday falls on a Saturday, the Contractor will provide collection service to municipal governmental units on Sunday if necessary.

The Contractor, at its own expense, shall publicize changes in the pick-up schedule due to the holiday in the local newspaper.

### **5.13 Approved Containers**

The Contractor shall provide each single family home with one 18-gallon recycling container and a second container if requested by the customer, for the storage and curbside set-out of recyclables for collection. The containers provided for recycling collection shall meet or exceed the industry standard for recycling containers.

Such containers shall be of a color or configuration that clearly distinguishes them as different from any garbage or refuse waste container. Each container shall have permanently embossed on it the Contractor's name and local telephone number. The Contractor may optionally imprint a unique identifying serial number on each container. Samples of each container shall be available for inspection.

Recycling containers are the property of the Contractor.

### **5.14 Office**

The Contractor shall maintain an office for the receipt of service calls and complaints. Such office shall be open and available for such calls Monday through Friday of each week from 7:00 a.m. to 5:00 p.m. Such office shall contain at least one toll free line for calls from within the boundaries of the City and listed under the name of the Contractor in the local telephone directory. The Contractor shall provide an employee attendant in such office during all hours that such office is required to be open to take care of complaints, orders for special pick-up service, or to receive instructions. In the event that collection activities continue later than 5:00 p.m. on weekdays or at any time on a Saturday, an employee attendant will remain in service until all route collections are completed.

### **5.15 Complaints**

All complaints of residents concerning the collection and removal of refuse and recyclables received by the Contractor shall be logged and forwarded to the

Contractor's Operations Manager for immediate action. The Contractor shall maintain a monthly record of missed stops, complaints and their disposition, and, at the request of the Administrator, shall forward a copy of the record or a reasonable summary thereof to the City.

#### **5.16 Closed Streets and Emergencies**

Service shall not be discontinued because of streets, which are closed temporarily due to construction or for other reasons. The City agrees to cooperate with the Contractor in providing reasonable access to collection points during such situations.

In the event of a declared civil emergency, such as a snow emergency, the Contractor shall work with the Administrator in promptly resuming service as conditions permit.

#### **5.17 Field Rules and Regulations**

The Contractor, in performing services under the contract, shall abide by the following rules and regulations and such other reasonable rules and regulations as the City may promulgate from time to time.

1. All refuse spilled by the Contractor shall be picked up by the Contractor in the course of its regularly scheduled pick-up.
2. Employees shall be courteous. Disorderly workers shall be removed from the collection service if requested by the City after consultation with the Contractor.
3. Collection crews shall neither consume narcotic drugs nor drink alcoholic beverages nor accept re-numeration of any kind from residents while performing services under this contract.

### **VI. INSURANCE INDEMNIFICATION**

#### **6.01 Workers' Compensation**

The Contractor shall carry, through a company authorized under the laws of the State of Michigan, a policy to protect the Contractor against liability under the Workers' Compensation and occupational statutes of the State of Michigan.

#### **6.02 Automobile Liability Insurance**

The Contractor shall carry in Contractor's own name a policy under the comprehensive form to insure the entire automobile liability for Contractor's operation with limits of not less than \$1,000,000.00 per person bodily injury, \$3,000,000.00 aggregate bodily injury; and \$1,000,000.00/\$3,000,000.00 limits for property damage liability.

### **6.03 General Liability**

The Contractor shall carry in Contractor's own name a comprehensive liability policy other than automobile for his operation under this contract with limits of not less than \$1,000,000.00 per person bodily injury, \$2,500,000.00 aggregate bodily injury; \$1,000,000.00/\$2,500,000.00 limits for property damage liability.

### **6.04 Loss Payee**

All required insurance shall name the City as an additional insured and certificates showing such insurance to be in force shall be deposited with the City at the time this contract is executed.

### **6.05 Indemnity**

The Contractor shall indemnify and save harmless the City, its officers, agents, servants and employees from and against any and all liabilities, losses, damages, costs and expenses, including reasonable attorney's fees ("Losses"), arising out of (i) injury or death to any person or damage to property caused by the willful or negligent act or omission of the Contractor, its officers, agents, servants and employees in connection with this Contract, (ii) disposal of refuse, recyclables or yard waste collected hereunder in violation of any applicable federal, state or local laws or ordinances, (iii) the disposal of mixed refuse at the Landfill being used by the Contractor or (iv) disposal of any refuse by Contractor at any landfill not authorized by the City in writing. Notwithstanding the foregoing, the Contractor shall not indemnify or save harmless the City or be liable for any Losses arising out of (a) the placement at curbside or other delivery to Contractor of unacceptable items or hazardous waste in violation of this Contract, unless the Contractor or any of its employees knows of such violation prior to the disposal of any such items or waste or (b) the willful or negligent act or omission of the City, its officers, agents, servants and employees.

## **VII. MISCELLANEOUS**

### **7.01 Nondiscrimination**

The Contractor and any subcontractors providing services under this contract shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges or employment, or a matter directly or indirectly related to employment, because of race, color, religion, natural origin, age, sex, height, weight or marital status, or disability, and shall not discriminate in the provision of the services required herein on the basis of any disability.

### **7.02 Remedies**

**(a) Termination; Other Remedies**

In the event of any material breach of this contract, the non-breaching party may terminate this contract if such breach is not cured within fifteen (15) days following delivery of written notice thereof to the breaching party, which notice shall specify the breach and notify the breaching party of the right to terminate the contract as provided herein. For purposes of this paragraph, isolated breaches of the contract, as may be evidenced by individual complaints of residential customers or other customers, and which do not evidence a communitywide pattern of failure of the Contractor to substantially perform and satisfy covenants, agreements and obligations provided herein, shall not constitute a material breach of this contract or give rise to a right of termination hereunder. Each party shall be entitled to such relief as available in law or equity, in addition to any other remedy provided herein.

**(b) Negotiations of Disputes**

At least thirty (30) days prior to effecting the termination procedure set forth in paragraph (a) above, or taking any other action against the other party for breach of this Contract, the complaining party shall notify the other party in writing of the complaint which it may have against the other with respect to the performance of the covenants, agreements and obligations provided herein, and both parties shall attempt to resolve any disputes through discussion and negotiation in good faith.

**(c) Right to Terminate**

The parties agree that City shall have the right to terminate this Agreement upon 60 days prior notice, in the event that City shall determine that for budgetary or other reasons such termination is in the best interest of the City and its residents. In the event of such termination, the City may use City employees to perform the services provided in this contract, but may NOT, during the term of this contract, enter into any contract with an independent contractor or subcontractor to perform such services. In addition, City shall have the right to terminate this Agreement if it reasonably believes that the Contractor does not have the ability to perform the contract. In such event, the City shall notify the Contractor at least ten (10) days prior to such termination. Contractor shall have the right during such ten (10) day period to provide satisfactory proof to the City that it has the ability to perform under the contract. If Contractor fails to supply sufficient information to adequately satisfy the City of its ability to perform under this contract, the City shall then have the right to terminate this Agreement. In the event of termination, City shall pay Contractor for all work performed prior to the date of termination less any set-offs. Nothing in this paragraph shall limit the ability of the City to terminate this Agreement in the event of default by the Contractor.

**7.03 Notice**

Any notice, request, instruction or other document to be given hereunder by any party hereto to any other party shall be in writing and shall be delivered personally or sent by first-class mail, postage prepaid, if to the City, at the address set forth on page 1 hereof, and if to the Contractor, at the address set forth on page 1 hereof, or to such other address as either party may designate by written notice to the other.

#### **7.04 Independent Contractor**

The Contractor shall be deemed an independent contractor, and shall not constitute a partner, agent, or employee of the City, and this contract shall not result in the establishment of a partnership or a joint venture between the City and the Contractor.

#### **7.05 Governing Law**

This contract and the legal relations between the parties hereto shall be governed by the laws of the State of Michigan. In performing this contract, the parties shall comply with all federal state and local laws, regulations, ordinances or legal requirements.

#### **7.06 Amendment**

This contract may not be altered or amended except pursuant to an instrument in writing signed by the parties hereto, except that any amendments thereto must be approved by resolution of the Governing Body of the City in order to bind the City. It is acknowledged that in the event that events or circumstances arise, which are not contemplated by the parties as of the date hereof, including but not limited to changes in federal, state, local laws or regulations regulating the services provided herein, or the need to provide additional services not currently contemplated herein, the parties will negotiate in good faith to make such amendments and additions to this contract in order to take into account such unforeseen events or circumstances.

#### **7.07 Counterpart Agreements**

This contract may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

#### **7.08 Severability**

In the event any provisions of this contract are determined to be illegal or unenforceable, the remaining provisions hereof shall nevertheless be binding with the same force and effect as if the illegal or unenforceable parts were deleted.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

**Deleted: 7.09 Disclaimer Clause**  
The Profile Chart of Contract Services was provided by the former contractor Whitelake Landco. Although the City of Ludington believes that these figures to be accurate, the City of Ludington shall not be held responsible for any inaccurate information as included in those documents.

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Contractor

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Date

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John Shay, City Manager

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Date

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Deborah Luskin, City Clerk

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Date

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## SCHEDULE 1

### CUSTOMER FEES

(Cost Share Program – Fees set by the Contractor with City Approval)

Additional Mixed Refuse Bag Sticker	<del>\$2.00</del> Per Bag/Sticker	Deleted: 1.50
Bulky Item Sticker (30 Lbs. or Less and 4 Ft. or Less in Length)	<del>\$5.00</del> Per Item	Deleted: 3
Appliances (Without Freon) Sticker	<del>\$20.00</del> Per Appliance	Deleted: 15
Appliances (WITH FREON) Sticker (Refrigerators, Air Conditioners, Dehumidifiers, etc.)	<del>\$40.00</del> Per Appliance	Deleted: 35
Yard Waste Bags (Purchased from the Contractor)	<del>\$2.00</del> Per Bag	Deleted: 1.50
Yard Waste Carts (Rented from Contractor) (Minimum 90 Gallon)	<del>\$65.00</del> Per Season	Deleted: 60.00
Additional Recycle Bins (If Customer requests more than 2 bins which are already provided by the Contractor)	<del>\$7.00</del> Per Bin	Deleted: 5
Min. 90 Gallon Refuse Container (Rental Fee) (Provided by the Contractor at Customer Request)	\$3.00 Per Month Billed Quarterly	
City Resident Dumpster – Delivery Fee	\$35.00 One Time Fee	
(Based on a 4 Yd. Dumpster) Dump Fee	\$50.00 Each Dump	
Roofing Materials	\$85.00 Each Dump	

NOTE: Stickers, Recycle Bins, Refuse Carts, Yard Waste Carts and Yard Waste Bags to be made available by the Contractor at the Customer's request. Customer shall pay the associated "Fee" as specified in Schedule 1.

**SCHEDULE 2**

**SATURDAY CONVENIENCE CENTER**

8:00 a.m. – 10:00 a.m.

STARTING THE SECOND SATURDAY IN MAY THROUGH THE FIRST SATURDAY  
IN NOVEMBER

**\*\*FEES\*\***

(Cost Share Program -Fees set by the Contractor with City Approval)

Mixed Refuse	\$1.00 Per Bag	
Bulky Items	\$3.00 Per Bulky Item	
Bulk Load of Mixed Refuse Or Bulk Load of Bulky Items	\$20.00 Per Load Delivered in a Standard Size Pickup Truck or Smaller Vehicle	Deleted: 15
Appliance (Without Freon)	\$15.00 Per Appliance	
Appliances (WITH FREON) (Refrigerators, Air Conditioners, Dehumidifiers, etc.)	\$35.00 Per Appliance	Deleted: 25
Bulk Load of Building Waste	\$25.00 Per Load Delivered in a Standard Size Pickup Truck or Smaller Vehicle	Deleted: 20



### SCHEDULE 3

#### MUNICIPAL AND GOVERNMENTAL UNITS

(See attached "Profile" chart for pickup locations & # of pickups)

Cartier Park	1254 N. Lakeshore Drive
Stearns Park	N. Lakeshore Drive
City Park	100 Block N. Lewis St. (both sides) North of Ludington Ave.
Loomis Street Boat Ramps and Park	Very west end of Loomis St., South off of Ludington Ave.
Copeyon Park	West off of South Washington Ave. – Between 2 <sup>nd</sup> & 3 <sup>rd</sup> St.
Municipal Marina	201 S. William St. (Directly across from the DPW)
Senior Center	308 S. Rowe Street
Ludington Fire Dept.	210 W. Loomis Street (intersection of Robert Street)
Lakeview Cemetery	906 N. Lakeshore Drive
Water Treatment Plant	501 N. Lakeshore Drive
Wastewater Treatment Plant	5160 W. Sixth Street
Utility Maintenance Dept.	322 East Lake Street
City Barrels	(Central Business District) Downtown area; Court to Dowland, Delia to Lakeshore
DDA Dumpsters	In parking lots located north of Ludington Avenue between North Rath Avenue and North Harrison Street and in parking lots located south of Ludington Avenue between South Harrison Street and South Robert Street.
James Street Restrooms & Gazebo area	100 Block N. James St.
Dept. of Public Works (Includes Motor Pool)	<u>975 First Street</u>
Municipal Building Offices & Police Dept. Offices	400 S. Harrison Street
Waterfront Park	South off of East Filer St. along PM Lake waterfront

- Deleted: Ave.
- Deleted: Ave.
- Deleted: &
- Deleted: St.
- Deleted: ,
- Deleted: 100 block of S. James St. – Located in alley between Harrison & James
- Deleted: 201 S. William



Deleted: ¶

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AMENDMENT NO. 1¶

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¶

The Contractor and the Local Unit agree to amend the Solid Waste, Yard Waste Collection and Recycling Service Agreement ("Agreement") dated August 12, 2002 as follows:¶

¶

Section 1: The Local Unit shall pay to the Contractor a fuel surcharge in the amount \$13,092.00 payable in twelve (12) equal monthly payments of \$1,091.00 from January 2007 to December 2007.¶

¶

Section 2: This 2007 fuel surcharge shall be added to the Base Service Charge prior to calculating the 2008 rate increase.¶

¶

Section 3: Pursuant to the current Agreement, the Base Service Charge shall be \$366,897.17 effective January 1, 2007. The Agreement shall be extended until December 31, 2012 as follows:¶

¶

1/1/2008 . 2007 Base Service Charge + 2007 Fuel Surcharge + the increase in the CPI, not to exceed 3.0%, times the preceding year's rate (i.e. \$366,897.71 + \$13,092 = \$379,989.71 plus the percentage increase in the CPI from 2006-2007 but such increase not exceeding 3.0%).¶

1/1/2009 . 2008 rate plus the percentage increase in the CPI from 2007-2008, but such increase not exceeding 3.0%.¶

1/1/2010 . 2009 rate plus the percentage increase in the CPI from 2008-2009, but such increase not exceeding 3.0%.¶

1/1/2011 . 2010 rate plus the percentage increase in the CPI from 2009-2010, but such increase not exceeding 3.0%.¶

1/1/2012 . 2011 rate plus the percentage increase in the CPI from 2010-2011, but such increase not exceeding 3.0%.¶

¶

CPI is defined to mean the "Consumer Price Index - All Urban Customers; Non-Seasonally Adjusted Detroit-Ann Arbor-Flint Index for all items less energy." The increase in the CPI shall be computed by calculating the average of the i

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Section 2: This 2007 fuel surcharge shall be added to the Base Service Charge prior to calculating the 2008 rate increase.

Section 3: Pursuant to the current Agreement, the Base Service Charge shall be \$366,897.17 effective January 1, 2007. The Agreement shall be extended until December 31, 2012 as follows:

- |          |  |
|----------|--|
| 1/1/2008 | 2007 Base Service Charge + 2007 Fuel Surcharge + the increase in the CPI, not to exceed 3.0%, times the preceding year's rate (i.e. $\$366,897.71 + \$13,092 = \$379,989.71$ plus the percentage increase in the CPI from 2006-2007 but such increase not exceeding 3.0%). |
| 1/1/2009 | 2008 rate plus the percentage increase in the CPI from 2007-2008, but such increase not exceeding 3.0%.  |
| 1/1/2010 | 2009 rate plus the percentage increase in the CPI from 2008-2009, but such increase not exceeding 3.0%.  |
| 1/1/2011 | 2010 rate plus the percentage increase in the CPI from 2009-2010, but such increase not exceeding 3.0%.  |

1/1/2012 2011 rate plus the percentage increase in the CPI from 2010-2011, but such increase not exceeding 3.0%.

CPI is defined to mean the “Consumer Price Index - All Urban Customers; Non-Seasonally Adjusted Detroit-Ann Arbor-Flint Index for all items less energy.” The increase in the CPI shall be computed by calculating the average of the index values from January – October from both the previous year and the current year and determining the percentage change in these two values rounded off to the nearest tenth of a percent.

By way of example only from the table below, the average value from January – October 2005 is 194.5. The average value from January – October 2006 is 198.4. The percentage increase from 2005 to 2006 is 2.0%. Thus, the contract price would increase 2.0% in January 2007.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2005		193.5		193.8		193.6		194.8		196.6		194.9	194.4
2006		197.1		198.1		197.3		199.0		200.3			

Section 4: During the term of this Agreement (January 1, 2008 – December 31, 2012), there shall be no price increases from month to month or year to year, except as specifically provided herein. The benchmark price of diesel fuel shall be determined by the Department of Energy’s published purchase price of Number Two diesel fuel as listed on January 1, 2008. The compensation paid to the Contractor shall increase \$123.90 per month in the event that the price of fuel is in excess of a \$0.10-per-gallon increment above the benchmark price. The Contractor shall credit the Local Unit’s service charge by \$123.90 per month in the event that the price of fuel is in excess of a \$0.10-per-gallon increment below the benchmark price. By way of example only, the fuel surcharge would apply as follows:

<u>Benchmark (per gallon)</u>	<u>Price of Fuel</u>	<u>Monthly</u>
<u>Surcharge/(Credit)</u>		
\$2.50	\$2.60	\$0
\$2.50	\$2.63	\$123.90
\$2.50	\$2.70	\$123.90
\$2.50	\$2.75	\$247.80
\$2.50	\$2.40	\$0
\$2.50	\$2.38	(\$123.90)
\$2.50	\$2.30	(\$123.90)
\$2.50	\$2.25	(\$247.80)

Any fuel surcharges, which result from the requirements of this section, shall not be included in the base rate calculations for purposes of Section 3 above.

Section 5: Schedule 1 (Customer Fees) shall be amended to reflect that the fee for Yard Waste Carts shall increase from \$55 per season to \$60 per season effective January 1, 2008 through December 31, 2012.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

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Contractor	Date
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John Shay, City Manager	Date
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Deborah Luskin, City Clerk	Date
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**Republic Services**  
**Ludington - Fuel Recovery Fee Table**  
**All Price Per Gallon Information From DOE**

DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee	DOE Avg Price Per Gallon at Least:	Fuel Recovery Fee
\$4.50	0.00%	\$5.01	1.96%	\$5.52	3.92%	\$6.03	5.88%	\$6.54	7.83%
\$4.51	0.04%	\$5.02	2.00%	\$5.53	3.96%	\$6.04	5.91%	\$6.55	7.87%
\$4.52	0.08%	\$5.03	2.04%	\$5.54	3.99%	\$6.05	5.95%	\$6.56	7.91%
\$4.53	0.12%	\$5.04	2.07%	\$5.55	4.03%	\$6.06	5.99%	\$6.57	7.95%
\$4.54	0.15%	\$5.05	2.11%	\$5.56	4.07%	\$6.07	6.03%	\$6.58	7.99%
\$4.55	0.19%	\$5.06	2.15%	\$5.57	4.11%	\$6.08	6.07%	\$6.59	8.03%
\$4.56	0.23%	\$5.07	2.19%	\$5.58	4.15%	\$6.09	6.11%	\$6.60	8.06%
\$4.57	0.27%	\$5.08	2.23%	\$5.59	4.19%	\$6.10	6.14%	\$6.61	8.10%
\$4.58	0.31%	\$5.09	2.27%	\$5.60	4.22%	\$6.11	6.18%	\$6.62	8.14%
\$4.59	0.35%	\$5.10	2.30%	\$5.61	4.26%	\$6.12	6.22%	\$6.63	8.18%
\$4.60	0.38%	\$5.11	2.34%	\$5.62	4.30%	\$6.13	6.26%	\$6.64	8.22%
\$4.61	0.42%	\$5.12	2.38%	\$5.63	4.34%	\$6.14	6.30%	\$6.65	8.26%
\$4.62	0.46%	\$5.13	2.42%	\$5.64	4.38%	\$6.15	6.34%	\$6.66	8.29%
\$4.63	0.50%	\$5.14	2.46%	\$5.65	4.42%	\$6.16	6.37%	\$6.67	8.33%
\$4.64	0.54%	\$5.15	2.50%	\$5.66	4.45%	\$6.17	6.41%	\$6.68	8.37%
\$4.65	0.58%	\$5.16	2.53%	\$5.67	4.49%	\$6.18	6.45%	\$6.69	8.41%
\$4.66	0.61%	\$5.17	2.57%	\$5.68	4.53%	\$6.19	6.49%	\$6.70	8.45%
\$4.67	0.65%	\$5.18	2.61%	\$5.69	4.57%	\$6.20	6.53%	\$6.71	8.49%
\$4.68	0.69%	\$5.19	2.65%	\$5.70	4.61%	\$6.21	6.57%	\$6.72	8.52%
\$4.69	0.73%	\$5.20	2.69%	\$5.71	4.65%	\$6.22	6.60%	\$6.73	8.56%
\$4.70	0.77%	\$5.21	2.73%	\$5.72	4.68%	\$6.23	6.64%	\$6.74	8.60%
\$4.71	0.81%	\$5.22	2.76%	\$5.73	4.72%	\$6.24	6.68%	\$6.75	8.64%
\$4.72	0.84%	\$5.23	2.80%	\$5.74	4.76%	\$6.25	6.72%		
\$4.73	0.88%	\$5.24	2.84%	\$5.75	4.80%	\$6.26	6.76%		
\$4.74	0.92%	\$5.25	2.88%	\$5.76	4.84%	\$6.27	6.80%		
\$4.75	0.96%	\$5.26	2.92%	\$5.77	4.88%	\$6.28	6.84%		
\$4.76	1.00%	\$5.27	2.96%	\$5.78	4.92%	\$6.29	6.87%		
\$4.77	1.04%	\$5.28	3.00%	\$5.79	4.95%	\$6.30	6.91%		
\$4.78	1.08%	\$5.29	3.03%	\$5.80	4.99%	\$6.31	6.95%		
\$4.79	1.11%	\$5.30	3.07%	\$5.81	5.03%	\$6.32	6.99%		
\$4.80	1.15%	\$5.31	3.11%	\$5.82	5.07%	\$6.33	7.03%		
\$4.81	1.19%	\$5.32	3.15%	\$5.83	5.11%	\$6.34	7.07%		
\$4.82	1.23%	\$5.33	3.19%	\$5.84	5.15%	\$6.35	7.10%		
\$4.83	1.27%	\$5.34	3.23%	\$5.85	5.18%	\$6.36	7.14%		
\$4.84	1.31%	\$5.35	3.26%	\$5.86	5.22%	\$6.37	7.18%		
\$4.85	1.34%	\$5.36	3.30%	\$5.87	5.26%	\$6.38	7.22%		
\$4.86	1.38%	\$5.37	3.34%	\$5.88	5.30%	\$6.39	7.26%		
\$4.87	1.42%	\$5.38	3.38%	\$5.89	5.34%	\$6.40	7.30%		
\$4.88	1.46%	\$5.39	3.42%	\$5.90	5.38%	\$6.41	7.33%		
\$4.89	1.50%	\$5.40	3.46%	\$5.91	5.41%	\$6.42	7.37%		
\$4.90	1.54%	\$5.41	3.49%	\$5.92	5.45%	\$6.43	7.41%		
\$4.91	1.57%	\$5.42	3.53%	\$5.93	5.49%	\$6.44	7.45%		
\$4.92	1.61%	\$5.43	3.57%	\$5.94	5.53%	\$6.45	7.49%		
\$4.93	1.65%	\$5.44	3.61%	\$5.95	5.57%	\$6.46	7.53%		
\$4.94	1.69%	\$5.45	3.65%	\$5.96	5.61%	\$6.47	7.56%		
\$4.95	1.73%	\$5.46	3.69%	\$5.97	5.64%	\$6.48	7.60%		
\$4.96	1.77%	\$5.47	3.72%	\$5.98	5.68%	\$6.49	7.64%		
\$4.97	1.80%	\$5.48	3.76%	\$5.99	5.72%	\$6.50	7.68%		
\$4.98	1.84%	\$5.49	3.80%	\$6.00	5.76%	\$6.51	7.72%		
\$4.99	1.88%	\$5.50	3.84%	\$6.01	5.80%	\$6.52	7.76%		
\$5.00	1.92%	\$5.51	3.88%	\$6.02	5.84%	\$6.53	7.80%		

\* The matrix will be adjusted accordingly (.03% for every \$.01) for fuel prices above or below the listed levels.

**ORDINANCE NO. 253-12**

**AN ORDINANCE TO AMEND ORDINANCE #203-09  
THE ORDINANCE ESTABLISHING THE COMPENSATION OF  
ELECTED OFFICIALS, AS AMENDED" AND TO REPEAL  
ALL ORDINANCES IN CONFLICT HEREWITH**

**THE CITY OF LUDINGTON ORDAINS:**

**Section 1. City Treasurer:** Section 1 of Ordinance #203-09 is hereby amended to read as follows:

**CITY TREASURER.** The annual salary for the City Treasurer, commencing January 1, 2013, shall be Forty-nine Thousand Two Hundred and Thirty Dollars (\$49,230.00).

**Section 2.** The City of Ludington agrees to pay \$250 per month towards the elected officials' (City Treasurer) medical insurance premium upon retirement. In order to be eligible for the monthly payment towards medical insurance, the elected official (City Treasurer) must have a minimum of 25 years of service and be collecting their City pension.

**Section 3. Severability:** Should any provision of this Ordinance or part thereof be held unconstitutional or invalid, such holding shall not be construed as affecting the validity of any of the remaining provisions, and the remainder of this Ordinance shall remain in effect notwithstanding the invalidity of such provision thereof.

**Section 4. Repeal:** All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

**Section 5. Effective Date:** This Ordinance shall become effective twenty (20) days after its adoption and publication as required by the City Charter.

Dated: \_\_\_\_\_, 2012

\_\_\_\_\_  
Deborah L. Luskin CMC  
City Clerk

I, Deborah L. Luskin, being the Clerk of the City of Ludington, certify that the above is a true and accurate copy of the Ordinance adopted by the City Council at their regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Deborah L. Luskin, City Clerk



**ORDINANCE NO. #254-12**

**Short Title:** An Ordinance Amending Ordinance No. 206-09, the Ordinance Establishing the Compensation of Elected Officials, as amended.

**THE CITY OF LUDINGTON ORDAINS:**

**Section 1.** Section 1 of Ordinance No. 206-09 shall be amended to read as follows:

**CITY CLERK.** The annual salary for the City Clerk, commencing January 1, 2013, shall be \$ 53,960.

**Section 2.** The City of Ludington agrees to pay \$250 per month towards the elected officials' (City Clerk) medical insurance premium upon retirement. In order to be eligible for the monthly payment towards medical insurance, the elected official (City Clerk) must have a minimum of 25 years of service and be collecting their City pension.

**Section 3.** Severability: Should any provision of this Ordinance or part thereof be held unconstitutional or invalid, such holding shall not be construed as affecting the validity of any of the remaining provisions, and the remainder of this Ordinance shall remain in effect notwithstanding the invalidity of such provision thereof.

**Section 4.** Repeal: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**Section 5.** Effective Date: This ordinance shall become effective twenty (20) days after its adoption and publication of this Ordinance or a summary thereof.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Deborah L. Luskin CMC  
City Clerk

I, Deborah L. Luskin, being the Clerk of the City of Ludington, certify that the above is a true and accurate copy of the Ordinance adopted by the City Council at their regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Deborah L. Luskin, City Clerk



JOHN HENDERSON, MAYOR  
JOHN E. SHAY, CITY MANAGER  
DEBORAH L. LUSKIN, CITY CLERK  
LINDA J. ROGERS, CITY TREASURER

## CITY OF LUDINGTON

400 SOUTH HARRISON STREET  
LUDINGTON, MICHIGAN 49431  
PHONE (231) 845-6237  
FAX (231) 845-1146

### MEMORANDUM

TO: Mayor Henderson and the Ludington City Council  
FROM: John Shay, City Manager JS  
DATE: November 29, 2012  
RE: City Manager Employment Agreement

I have attached the proposed City Management Employment Agreement for 2013. The only change is a 1.5% increase to my salary. I respectfully request the City Council to approve the City Manager Employment Agreement.

*On the Shores of Lake Michigan*

**CITY OF LUDINGTON  
CITY MANAGER  
EMPLOYMENT AGREEMENT**

This agreement made and entered into this 5<sup>th</sup>-~~3rd~~ day of December ~~2011~~2012, by and between the CITY OF LUDINGTON, "City", State of Michigan, a municipal corporation, also called "Employer", and JOHN SHAY, "Employee".

**Background**

Employer desires to employ the services of Employee as City Manager pursuant to the Charter of the City of Ludington. It is the desire of the City Council, "Council", to provide certain benefits, to establish certain conditions of employment, and to set working conditions of Employee.

Employee desires to accept employment as City Manager of Employer.

The parties acknowledge that Employee is a member of the International City/County Management Association (ICMA) and that Employee is subject to the ICMA Code of Ethics.

**Agreement**

Now, therefore, in consideration of the mutual covenants herein contained, the parties agree as follows:

**Section 1: Duties.**

Employer hereby agrees to employ Employee as City Manager of said Employer to perform functions and duties specified in the City Charter and by the ordinances of the City and to perform other legally permissible and proper duties and functions as the Council shall from time to time assign.

**Section 2: Term.**

- A. Employee agrees to remain in the exclusive employ of Employer commencing on January 1, ~~2012~~ 2013 and until one (1) year from January 1, ~~2012~~2013, and neither to accept other employment nor to become employed by any other employer until said termination date, unless Employee's employment is terminated as provided in this agreement.
- B. In the event written notice is not given by either party to this agreement to the other at least thirty (30) days prior to the termination date as hereinabove provided, this agreement shall be extended on the same terms and conditions as herein provided, all for an additional period of one (1) year. Said agreement shall continue thereafter for one (1) year periods unless either party hereto gives at least thirty (30) days written notice prior to the termination date to the other party that the party does not wish to extend this agreement.
- C. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Council to terminate the services of Employee at any time, subject only to the provisions set forth in Section 4, Paragraphs A and B, and Section 14 of this agreement and to the provisions of the City Charter.

- D. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provision set forth in Section 5 of this agreement.

### **Section 3: Suspension.**

Employer may suspend the Employee with full pay and benefits at any time during the term of this agreement, but only in accordance with provisions of the City Charter.

### **Section 4: Termination and Severance Pay.**

- A. Except as provided below, in the event Employee is terminated by the Council before expiration of the term of employment, or in the event the Council gives Employee Notice of Intent not to extend the term of Employment as provided in Section 2, Paragraph B, and during such time that Employee is willing and able to perform his duties under this agreement, Employer agrees to continue to pay Employee salary, and to continue to provide the same health care benefits provided in Section 14, Paragraph A but not including other benefits, for an additional six (6) months after the termination. Employee shall also be compensated for earned sick leave, vacation, holidays, compensatory time, and other accrued benefits to date in accordance with the policy in effect for all City employees.

In the event the Employee is terminated for a felony conviction, then, in that event, Employer shall have no obligation to pay the severance amount designated in this Paragraph. In addition, if Employee obtains other employment during such six (6) month severance pay period, if Employee's new salary is equal to or greater than Employee's salary was at the date of termination, such severance pay shall cease upon the date of Employee's new employment. If the Employee's new salary is less than Employee's salary was at the date of termination, the severance pay shall be reduced to the difference between Employee's salary at the date of termination and Employee's new salary for the remainder of such six (6) month severance period. If Employee shall obtain other employment during such six (6) month severance period, which employment provides family health care, Employer's obligation to provide health care shall cease.

- B. Severance pay shall be contingent upon Employee having commenced employment in good faith and upon Employee not being in willful material breach of this agreement.

### **Section 5: Resignation.**

In the event Employee voluntarily resigns his position with Employer before expiration of the term of his employment, then Employee shall give Employer thirty (30) days notice in advance, unless the parties agree otherwise. Employee shall not be entitled to any severance pay in the event of voluntary resignation.

### **Section 6: Disability.**

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four successive weeks beyond any accrued sick leave, Employer shall have the option to terminate this agreement, subject to the severance pay requirements of Section 4, Paragraph A.

## **Section 7: Salary.**

Commencing on the date set forth in Section 2, Paragraph A, Employer agrees to pay Employee for his services rendered pursuant hereto, an annual salary in the amount of ~~\$86,072.15~~87,363.23 payable in weekly installments at the same time as the other management employees of Employer are paid. In addition, Employer agrees to increase said base salary and/or benefits of Employee in such amounts and to such extent as the Council may determine that it is desirable to do so on the basis of an annual salary review of said Employee.

## **Section 8: Performance Evaluation.**

- A. The Personnel, Resolutions and Rules Committee, "Committee", shall review and evaluate the performance of the Employee at least once annually in advance of the adoption of the annual operating budget. Said review and evaluation shall be in accordance with specific criteria developed jointly by Employer and Employee. Said criteria may be added or deleted from as the Council may from time to time determine in consultation with the Employee. Further, the Committee shall provide the Employee with a summary written statement of the findings of the Council and provide an adequate opportunity for the Employee to discuss his evaluation with the Council.
- B. Annually, the Committee and Employee shall define such goals and performance objectives that they determine necessary for the proper operation of the City and in the attainment of the Committee's policy objectives and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual operating and capital budgets and appropriations provided.
- C. In effecting the provisions of this Section, the Committee and Employee shall mutually agree to abide by the provisions of applicable law.

## **Section 9: Hours of Work.**

It is recognized that Employee must devote a great deal of time outside the normal office hours of business of the Employer, and to that end Employee will be allowed to take compensatory time off as reasonably appropriate during normal office hours.

## **Section 10: Outside Activities.**

Employee shall not spend more than ten (10) hours per week teaching, consulting or other non-Employer-connected business without the prior approval of the Council.

## **Section 11: Residency.**

Employee shall reside within the City of Ludington or within twenty (20) miles of the boundary of the City of Ludington. Employee shall not be deemed in violation of this Paragraph during the period necessary for Employee to sell his current residence and to move to the Ludington area.

## **Section 12: Automobile Expense.**

During Employee's term of employment, Employer shall pay Employee the sum of THREE HUNDRED FIFTY and 00/100 (\$350.00) Dollars per month for automobile expenses. Employee shall be responsible to provide his own automobile for business use in performing his duties under this agreement. Employee shall not be entitled to any mileage reimbursement under City policies for business travel.

## **Section 13: Vacation, Sick and Military Leave.**

- A. Employee shall receive twenty (20) days of paid vacation leave annually on the Employee's hiring anniversary date, which occurs during the one (1) year term of this agreement. Employee may take the twenty (20) day vacation leave at any time during the term of this agreement. Thereafter, if this agreement shall be extended, Employee shall receive twenty (20) days vacation leave annually on the Employee's hiring anniversary date, which occurs during each one (1) year term. Employee may accumulate vacation leave to the same extent and subject to the same terms and conditions as are provided by policy for City employees generally, and receive payment therefore on termination of employment as is provided by policy for City employees generally.
- B. Employee shall be credited with twelve (12) days of sick leave at the commencement of Employee's employment pursuant to this agreement. Thereafter, and including during the initial term of this agreement, Employee shall receive additional sick leave in accordance with the policy in effect for City employees generally. Employee may use such sick leave only in accordance with the policies in effect for other City employees, and may receive sick leave subject to the same terms and conditions as provided in the policy for other City employees generally, and be entitled to payment therefore on termination of employment as is provided by policy for City employees generally.
- C. Employee shall be entitled to military reserve leave time pursuant to state law and City policy.

## **Section 14: Health, Life and Vision Insurance.**

- A. Employer agrees to put in force and to make required premium payments for full family coverage for medical insurance with the same deductibles and co-pays as are in effect for other City employees, VSP optical with the same deductible and co-pay as other City employees, and prescription coverage with the same co-pay per prescription as other City employees. ~~Effective January 1, 2012,~~ Employee shall pay 10% of the medical insurance premiums. In any year in which the medical insurance premiums increase by more than 15% from the previous year for a specific medical-insurance plan, then either 1) Employee shall select a new plan whose premiums do not exceed an amount greater than 15% above the previous year's premiums; or 2) Employee shall pay 50% of the amount of the premium above the 15% increase in addition to paying the 10% contribution.
- B. Employer agrees to purchase and pay the required premium on term life insurance on Employee's life in an amount equal to the term life insurance provided for the City Clerk and City Treasurer, which is currently \$60,000.00.

## **Section 15: Retirement.**

Employer agrees to execute all necessary agreements provided by ICMA Retirement Corporation, "ICMA-RC", for Employer's participation in said ICMA-RC retirement plan for Employee and, in addition to the base salary paid by the Employer to Employee, Employer agrees to pay fourteen and one-half (14.5%) percent of the Employee's salary into the ICMA-RC on Employee's behalf, in equal proportionate amount each pay period, and to transfer ownership to succeeding employers upon Employee's resignation or termination.

The parties shall fully disclose to each other the financial impact of any amendment to the terms of Employee's retirement benefit.

**Section 16: Dues and Subscriptions.**

Employer agrees to budget for and to pay for professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for his continued professional participation growth, and advancement, and for the good of the Employer.

**Section 17: Professional Development.**

- A. Employer hereby agrees to budget for and to pay for travel (other than for automobile or mileage) and subsistence expenses of Employee for professional and official travel, meetings, and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official functions for Employer, the state league of municipalities, and such other national, regional, state, and local governmental groups and committees thereof which Employee serves as a member.
- B. Employer also agrees to budget for and to pay for travel (other than for automobile or mileage) and subsistence expenses of Employee for short courses, institutes, and seminars that are necessary for his professional development and for the good of the Employer.
- C. Nothing in this Section shall require Employer to pay expenses for travel, lodging, meals, or other expenses for conferences or meetings outside the State of Michigan.

**Section 18: General Expenses.**

Employer recognizes that certain expenses of a non-personal and generally job-affiliated nature are incurred by Employee, and hereby agrees to reimburse Employee and the City Treasurer is hereby authorized to disburse such monies upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

Employer shall reimburse Employee the sum of THIRTY and 00/100 (\$30.00) Dollars per month for phone expenses incurred at Employee's residence. In addition, Employer shall provide the Employee with a cellular phone at Employer's expense; however, Employee shall reimburse Employer for any personal expenses incurred in connection with the use of the cellular phone.

**Section 19: Civic Club Membership.**

Employer recognizes the desirability of representation in and before local civic and other organizations, and Employee is authorized to become a member of one (1) such civic club or organization, for which Employer shall pay all expenses. Employee shall report to the Employer on such membership that he has taken out at Employer's expense.

**Section 20: Indemnification.**

To the fullest extent allowed by law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claims or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Manager.

Employer may compromise and settle any such claim or suit and shall pay the amount of any settlement or judgment rendered thereon.

**Section 21: Bonding.**

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

**Section 22: Other Terms and Conditions of Employment.**

- A. The Council, in consultation with the manager, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement, the City Charter or ordinances, or any other law.
- B. All provisions of the City Charter and ordinances, and regulations and rules of the Employer relating to holidays, jury duty, bereavement leave, and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of Employer, in addition to said benefits enumerated specifically for the benefit of Employee except as herein provided.

**Section 23: No Reduction of Benefits.**

Employer shall not at any time during the term of this agreement reduce the salary, compensation or other financial benefits of Employee, except to the degree of such a reduction across-the-board for all employees of the Employer.

**Section 24: Notices.**

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

(1) Employer: City Clerk  
City of Ludington  
400 South Harrison Street  
Ludington, Michigan 49431

(2) Employee: John Shay  
910 Seminole Drive  
Ludington, Michigan 49431

**Section 26: General Provisions.**

- A. The text herein shall constitute the entire agreement between the parties.
- B. This agreement shall be binding upon and inure to the benefit of the parties and their successors in interest.
- C. This agreement shall become effective commencing January 1, ~~2012~~2013. Upon the effective date of this agreement, it shall supercede the prior agreement between the parties.



D. If any provision, or any portion thereof, contained in this agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this agreement, the day and year first above written.

Employer:  
City of Ludington

By: \_\_\_\_\_  
Deborah L. Luskin, City Clerk

By: \_\_\_\_\_  
John Shay, City Manager

Employee:

\_\_\_\_\_  
John Shay

**APPOINTMENT OF CITY MANAGER**

**WHEREAS**, the City of Ludington Charter requires the appointment of the City Manager to be made on an annual basis; and

**WHEREAS**, John Shay has continued to prove his ability to perform his City Manager's job duties and received a very good performance evaluation from the City Council.

**THEREFORE, BE IT RESOLVED** that I hereby recommend the re-appointment of City Manager John Shay for the year 2013.

Yeas \_\_\_\_\_

Nays \_\_\_\_\_

Absent \_\_\_\_\_

Motion \_\_\_\_\_

I, Deborah L. Luskin, Ludington City Clerk, do hereby certify that the foregoing is a true and original copy of a resolution adopted by the Ludington City Council at a regular meeting thereof held on the 3rd day of December 2012.

\_\_\_\_\_  
Deborah L. Luskin, CMC  
City Clerk

# MEMO

November 30, 2012

**TO: City Council**  
**FROM: Mayor John Henderson**  
**RE: Downtown Ludington Board - 2013**

Due to the fact that the Downtown Ludington Board will hold its first meeting in 2013 at 11:00 AM on Monday, January 7<sup>th</sup>, and City Council does not meet until January 14<sup>th</sup>, I am recommending that the following Downtown Ludington Board appointments be made effective January 1, 2013.

Re-appoint Alesky Urick, Julie Payment and Wayne Brown.

The Downtown Ludington Board membership would be as follows:

Term Expiring December 31<sup>st</sup>

VACANCY	2013
Marilyn Cunic	2013
VACANCY	2013
Sara Jeruzal	2014
Les Johnson	2014
Gail Lyons	2014
Barry Neal	2015
Kathy MacLean	2015
Carrie Kosla	2015
Julie Payment	2016
Aleksy Urick	2016
Wayne Brown	2016
Mayor John Henderson	

**\*Ex-Officio Members: Community Development Director, City Manager, Ludington Planning Commission Representative, Mason County Growth Alliance CEO & Ludington Area Center of the Arts Representative.**

**MEMO**

**November 30, 2012**

**TO: City Council**

**FROM: Mayor John Henderson**

**RE: Planning Commission Appointments – 2013**

**Due to the fact that the Planning Commission will hold their first meeting in 2013 on Tuesday, January 8th and City Council does not meet until Monday, January 14<sup>th</sup>, I am recommending that the following Planning Commission appointments be made effective January 1, 2013.**

**Re-appoint Roger Starr, Robert Sassin and Mike Nekola.**

**Upon re-appointment of the above members, the Planning Commission membership would be as follows:**

**Term Expiring December 31<sup>st</sup>**

<b>Mike Lenich</b>	<b>2013</b>
<b>John Kreinbrink</b>	<b>2013</b>
<b>Kirk Josvia</b>	<b>2014</b>
<b>Lynn Pontz</b>	<b>2014</b>
<b>Kaye Holman (City Council Liaison)</b>	<b>2014</b>
<b>Joe Moloney</b>	<b>2015</b>
<b>Roger Starr</b>	<b>2015</b>
<b>Robert Sasin</b>	<b>2015</b>
<b>Mike Nekola</b>	<b>2015</b>