



MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

OCTOBER 17, 2011

- 1) CALL TO ORDER
- 2) ROLL CALL
- 3) INVOCATION – Brandon Crawford, Grace Baptist Church
- 4) PLEDGE OF ALLEGIANCE
- 5) APPROVAL OF AGENDA – Items can be added or deleted from the Agenda by Council action.
- 6) PUBLIC COMMENT ON AGENDA ITEMS – Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.

7) CONSENT AGENDA

A. Establish Work Session Date

City Council will consider the recommendation to schedule a financial forecast work session on Saturday, December 3, 2011 at 8:30 a.m. at the Public Services Building Training Room.

B. City Council Minutes

Regular Session..... Monday, October 3, 2011
Work Session..... Monday, October 3, 2011

C. City Bills

Regular Purchases.....\$ 104,012.60
Weekly Purchases – 9/30/11.....\$6,003.52
Weekly Purchases –10/07/11.....\$67,994.18
Total\$ 178,010.30

8) PRESENTATIONS AND RECOGNITIONS

9) INFORMATIONAL ITEMS

A. Event Report – Brooks Field Aviation Association – Fall Pig Roast

B. Police Department and Fire Department Facilities Update

City Staff will update the Council on the facilities for the Police and Fire Departments.

10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

11) OLD BUSINESS

12) REPORTS AND RECOMMENDATIONS

A. Equipment Purchases

City Council will consider the recommendation to accept bids and the financing options for the following equipment:

- Komatsu WA200PZ-6 Loader from AIS Construction Equipment Corp. for \$121,000.
- John Deere 310J Backhoe from AIS Construction Equipment Corp. for \$90,000.
- Elgin MV Whirlwind Street Sweeper from Bell Equipment Company for \$218,225.
- Freightliner M2-106v 1 m Freightliner of Kalamazoo for \$131,253.14.

Mayor:

James Dyer

Council Members:

Ward 1 - Wayne Booton

Ward 2 - Nick Metzger

Ward 3 - Brent Williams

Ward 4 - Jack Reed

Ward 5 - Jody Mankerian

At-Large - Kathy Miller



It is further recommended that Council approve the suggested reserve amounts for the sale of the fixed assets that will be replaced during this fiscal year.

13) APPOINTMENTS / ELECTIONS

A. Planning Commission Appointments

City Council will consider the recommendation to reappoint Susan Collins and Ken Oates to the Planning Commission and appoint David Revore to the Planning Commission with terms expiring November 1, 2014.

14) PUBLIC COMMENT ON NON-AGENDA ITEMS

Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any item not on the agenda.

15) COUNCIL AND MANAGER COMMUNICATIONS

16) ADJOURNMENT

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tom Tarkiewicz", is written over the printed name and title.

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
October 17, 2011 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Tom Tarkiewicz, City Manager

SUBJECT: Establish Work Session Date

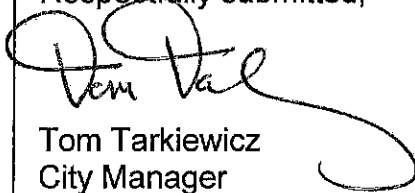
BACKGROUND: City staff would like to hold a financial forecast work session with the Council at 8:30 AM to 11:30 AM at the Public Services Building Training Room on Saturday, December 3, 2011.

RECOMMENDATION: It is recommended that the City Council schedule a work session at 8:30 AM at the Public Services Building Training Room on Saturday, December 3, 2011.

FISCAL EFFECTS: None.

ALTERNATIVES: As suggested by Council

Respectfully submitted,


Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

CALL TO ORDER

IN REGULAR SESSION Monday, October 3, 2011 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

ROLL CALL

Roll was called:

Present: Council Members: Booton, Mayor Dyer, Mankerian, Metzger, Miller, Reed, and Williams.

Also Present: City Manager Tarkiewicz.

Absent: None.

INVOCATION/PLEDGE OF ALLEGIANCE

Kris Tarkiewicz of Family Bible Church gave the invocation and Mayor Dyer led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Metzger, supported Miller, to approve the agenda as presented. On a voice vote: **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

None.

CONSENT AGENDA

Moved Williams, supported Mankerian, to approve the consent agenda:

- A. Approve the purchase of a 2011 Chevrolet Tahoe from Shaheen Chevrolet in the amount not to exceed \$25,462;
- B. Approve minutes of the City Council Regular Session and Work Session held on Monday, September 19, 2011;
- C. Approve city bills in the amount of \$3,779,297.07.

On a roll call vote – ayes: Booton, Mayor Dyer, Mankerian, Metzger, Miller, Reed, and Williams; nays: none. **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITIONS

None.

INFORMATIONAL ITEMS

Director of Public Services Carl Fedders introduced Mike Hackworth as the new Department of Public Works Superintendent.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

None.

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. City of Marshall Utilities – Standard Rules and Regulations:

Moved Metzger, supported Mankerian, to approve the revisions to the City of Marshall – Standard Rules and Regulations. On a roll call vote – ayes: Mayor Dyer, Mankerian, Metzger, Miller, Reed, Williams, and Booton; nays: none. **MOTION CARRIED.**

B. FY 2012 Mid-Year Budget Amendment:

Moved Metzger, supported Mankerian, to adopt the resolution to amend the FY 2012 Adopted Budget for the Byrne Stimulus Grant. On a roll call vote – ayes: Mankerian, Metzger, Miller, Reed, Williams, Booton, and Mayor Dyer; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2011-41**

**City of Marshall Authorizing Resolution
To Amend FY 2012 Adopted Budget**

**Provide Increased Funding for the General Fund Police Department
Expenditure Budget for the Byrne Stimulus Grant**

WHEREAS, City Council adopted the FY 2012 Budget at the May 16, 2011 meeting;

WHEREAS, City Council recently approved the Byrne Stimulus grant at the September 19, 2011 Council meeting;

WHEREAS, the grant will provide improved safety services for the Marshall

community;

THEREFORE, BE IT RESOLVED, that the General Fund Federal Grants revenue line item 101-000-505.00 be increased by \$72,500, the General Fund Police Department Payroll (and fringe benefits) expenditure line item 101-301-702.00 be increased by \$72,500, and the General Fund Police Department Part-time Salaries expenditure line item 101-301-703.00 be decreased by \$19,500 for this grant. The net impact in the General Fund is a \$19,500 savings.

As Amended, October 3, 2011

Sandra Bird, Clerk-Treasurer

I, Sandra Bird, being duly sworn as the Clerk-Treasurer for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on October 3, 2011 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

Sandra Bird, Clerk-Treasurer

APPOINTMENTS / ELECTIONS

Mayor Dyer announced that there are two vacancies on the Planning Commission and one on the Airport Board that he intends to address at the next City Council Meeting.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Dave Phaner of 354 North Marshall Avenue thanked everyone for their participation in the Annual Conservation Day and reminded everyone of the open house Saturday, October 8th at the Brooks Nature Area.

COUNCIL AND MANAGER COMMUNICATIONS

None.

Marshall City Council, Regular Session
Monday, October 3, 2011
Unofficial

ADJOURNMENT

The meeting was adjourned at 7:30 p.m.

James L. Dyer, Mayor

Sandra Bird, Clerk-Treasurer

IN A WORK SESSION Monday, October 3, 2011 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

Present: Council Members: Booton, Mayor Dyer, Mankerian, Metzger, Miller, Reed, and Williams.

Also Present: City Manager Tarkiewicz, Director of Public Services Fedders, and Clerk-Treasurer Bird.

Absent: None.

A. Director of Public Services Carl Fedders gave a presentation of the FY 2010 Annual Streets Report, the new "See Click Fix" application, how speed limits are established, and introduced the Facebook page for the City of Marshall – Public Services.

B. Clerk-Treasurer Sandra Bird provided Council with an overview of the Economic Vitality Incentive Program – Citizens Guide and Performance Dashboard.

The meeting was adjourned at 7:00 p.m.

James L. Dyer, Mayor

Sandra Bird, Clerk-Treasurer

VENDOR APPROVAL SUMMARY REPORT

Date: 10/13/2011

Time: 9:18am

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CITY OF MARSHALL

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
A & D LIGHTING SUPPLY	7002	BULBS	286.42	0.00
A-1 AUTO GLASS	8565	RECOVER SEAT & REPR SPRINGS	389.50	0.00
ALEXANDER CHEMICAL CORPORATION	7024	CYLINDER RETURNS	2,043.00	0.00
ALTA EQUIPMENT COMPANY	3857	#412 SHOP SUPPLIES	92.31	0.00
ARISTA TRUCK SYSTEMS, INC	300081	#308 MOTOR	249.58	0.00
ARISTO CHEM, INC	7059	CLEANERS	166.57	0.00
ARROW UNIFORM	6839	CUST #010198-04	577.38	0.00
AUSTIN-BATTERIES PLUS	6532	BATTERY	946.50	0.00
AUTO VALUE MARSHALL	21340	BRACKET	1,039.79	0.00
BLU FISH CONSULTING, LLC	4473	ECON DEV MEDIA EXPENSES	6,735.00	0.00
BOBCAT OF LANSING	5868	#362 BULB	13.74	0.00
BONNIE'S TAILORING	2257	SEW ON PATCHES	8.00	0.00
BUDGET DRAIN CLEANING	7148	MH SERVICE CALL	190.00	0.00
CALHOUN COUNTY TREASURER	7177	TRAILER FEES - SEPTEMBER	80.00	0.00
CARR BROTHERS & SONS	7192	ROAD GRAVEL	165.00	0.00
CONSOLIDATED FLEET SERVICES	300466	GROUND LADDERS	201.00	0.00
COURTNEY & ASSOCIATES	7259	SEPTEMBER RETAINER	250.00	0.00
CRT, INC	6541	BACKUP DR APPLIANCE	339.00	0.00
CRYSTAL FLASH ENERGY	6176	FUEL	1,217.81	0.00
D & D MAINTENANCE SUPPLY	7271	JANITORIAL SUPPLIES	142.01	0.00
DADOW POWER EQUIPMENT	7277	OIL	173.52	0.00
DARLING ACE HARDWARE	7281	DOOR HOLDS, KEYS	351.57	0.00
DENNY CRULL GENERAL CONTRACTOR	5890	MH APT #101	983.82	0.00
DLZ	2787	2011 Bridge Inspections	400.00	0.00
DORNBOS SIGN & SAFETY	6378	BROOKS SIGNS	86.87	0.00
BJUSTICE SOLUTIONS LLC	300114	RMS - NOVEMBER	1,000.00	0.00
EMPLOYEE DATA FORMS OF MO LLC	7337	EMPLOYEE DATA CALENDARS	45.75	0.00
FERRIS STATE UNIVERSITY	7357	TRACK 4--ADV METERING SYSTEMS	411.00	0.00
FIBERTEC INDUSTRIAL HYGIENE	3222	ASBESTOS ANALYSIS	442.50	0.00
FREIGHTLINER OF KALAMAZOO	6502	RADIATOR/AC REPAIR	2,254.61	0.00
GALLS, AN ARAMARK COMPANY	300091	CROSSING GRD VESTS	223.01	0.00
GARAGE DOORS UNLIMITED	300432	DOOR OPENER	790.00	0.00
GOVERNMENT FINANCE OFFICER	7398	MEMBERSHIP - SANDRA BIRD	170.00	0.00
HERMANS MARSHALL HARDWARE	7446	SCREWS	154.64	0.00
PATTY HOCH-MELLUISE	400398	BROOKS NATURE-OPENHOUSE SUPPLI	70.49	0.00
HOLLAND BUS COMPANY	5874	DART #13, ARM REST	93.55	0.00
KAR LABORATORIES INC	8817	CYANIDE ANALYSIS	100.00	0.00
KELLOGG'S REPAIR GARAGE	5869	GRASSHOPPER PARTS	389.95	0.00
KENDALL ELECTRIC INCORPORATED	7511	MIDDLE RAS PUMP STARTER	459.39	0.00
MARSHALL AREA CHAMBER	7556	MEMBERSHIP	700.00	0.00
MARSHALL LUMBERTOWN	7569	PINE BOARD	107.87	0.00
MARSHALL TIRE	3771	LABOR ON TRUCK	776.00	0.00
MARSHALL WELDING & FABRICATION	7590	#501 REPAIR	514.73	0.00
MICHIGAN SOUTH CENTRAL	7614	GAS - AUGUST	7,593.54	0.00
MIDWEST GOLF & TURF	21441	GASKET, DOOR SPRINGS	199.68	0.00
MILLER CANFIELD PADDOCK &	7683	GENERAL MATTERS - SEPTEMBER	2,310.00	0.00
MITCHELL, GARY EUGENE	400402	BOND REIMBURSEMENT	180.00	0.00
MSC INDUSTRIAL SUPPLY CO	6831	MARKING PAINT	94.80	0.00
MUNICIPAL SUPPLY CO.	7701	3/4" HDPE & INSERTS	101.50	0.00
MY ALARM CENTER	400382	MONITORING 10/01--12/31/11	72.00	0.00
NATIONAL TRUST FOR HISTORIC	400400	MEMBERSHIP--DIANE LARKIN	250.00	0.00
NU-TWIST SCREEN PRINTING	7732	T - SUMMER SAND VOLLEYBALL C	653.35	0.00
O'LEARY WATER CONDITIONING	6995	BOTTLED WATER	24.00	0.00
OBERTHERS	21127	MILORGANITE, GRASS SEED	103.14	0.00
POWER LINE SUPPLY	7821	CH/URD SOCKETS	30,623.55	0.00
POWERPLAN	5940	LEAFLOADER BROOM	507.70	0.00
PRECISION LAWN CARE	300237	MOW & TRIM, FERTILIZER	800.00	0.00
COLLINS PROFESSIONAL TREE	8747	Stump Removal	3,250.00	0.00
PVS TECHNOLOGIES	7797	FERRIC CHLORIDE SOLUTION	4,301.64	0.00
QUALITY ENGRAVING SERVICE	7800	NAME PLATE - JACK REED	15.00	0.00
QUALITY LAWN CARE	8838	GRASS CUTTING & TRIMMING	1,641.00	0.00
RADIO SHACK	7811	BATTERIES, COMPUTER SUPPLIES	76.97	0.00
READING FIRE EQUIPMENT	400401	SABER JET SSO NOZZLE	794.31	0.00
RED TAIL RIDGE CONSULTING	400403	ENERGY OPTIMIZATION PROGRAM	800.00	0.00
SAFETY-KLEEN	7849	WASHER-SOLVENT	225.88	0.00
SANDERS FURNITURE & APPLIANCE	3380	#305 REFRIGERATOR	3,108.00	0.00
SHAFER REDI-MIX INC	7867	LIMESTONE	974.99	0.00

VENDOR APPROVAL SUMMARY REPORT

Date: 10/13/2011

Time: 9:18am

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CITY OF MARSHALL

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
SIGNWORLD CONCEPTS	7471	SIGN FOR AIRPORT	931.50	0.00
SOLOMON CORPORATION	6144	TRANSFORMER	4,290.00	0.00
SSOE GROUP	5886	2400 Volt Switchgear Replaceme	3,588.66	0.00
STANDARD PRINTING & OFFICE	7903	TOWN CRIER	375.70	0.00
STATE OF MICHIGAN	300238	COLD CASE TRAINING	118.50	0.00
STATE OF MICHIGAN	4299	LAB CLASS	1,140.00	0.00
SUMMIT POINTE	5891	CONTRACT MOWING	600.00	0.00
TMI COMPRESSED AIR SYSTEMS	400385	#610 SPRING	238.40	0.00
TYLER TECHNOLOGIES	9749	MAINTENANCE ACCOUNTING SOFTWARE	4,613.00	0.00
UTILITIES INSTRUMENTATION SVC	9204	#6 ENGINE GAUGE PANEL	607.50	0.00
VERMEER OF MICHIGAN, INC	9676	PULLING TOOL	451.86	0.00
WARREN ENERGY SOLUTIONS LLC	400404	ENERGY OPTIMIZATION	300.00	0.00
WIL-MAC SALES AND SERVICE	8029	REMOVE & INSTALL NEW TUB	1,200.00	0.00
JENNIFER WOOD	400156	SUPPLIES REIMBURSEMENT	105.55	0.00
YOU R SPECIAL, LLC	21522	GENERAL CLEANING	920.00	0.00
Grand Total:			104,012.60	0.00

CHECK NUMBER SERIES AS OF FRIDAY, 10/14/11			
	Beginning #	Ending #	Dated
PAYROLL-ACH	71257	71265	10/01/11-10/14/11
A/P & P/R-OTHER	89172	89305	10/01/11-10/14/11

VENDOR APPROVAL SUMMARY REPORT

Date: 09/30/2011

Time: 10:01am

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CITY OF MARSHALL

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
ALLSTATE WORKPLACE DIVISION	3431	POLICY #ALLMI550	792.70	0.00
SANDRA BIRD	21701	EXPENSE REIMBURSEMENT	66.60	0.00
BROADSTRIPE	3293	ACCT #198-040293	172.98	0.00
COMMERCIAL OFFICE PRODUCTS	9769	CORRCTN TAPE,RCPT BOOK, FLDRS	65.23	0.00
CONSUMERS ENERGY	8560	1000 0033 5602	1,069.35	0.00
ED COSTINE	6061	MEAL REIMBURSEMENT	40.37	0.00
MARY & ROBERT CURRIE	400390	REFUND UTILITY OVERPAYMENT	45.40	0.00
JAMES R DEVENEY	300006	INSPECTION COMMISSION	240.00	0.00
EDDIE EAKINS	400389	REFUND UTILITY DEPOSIT	51.38	0.00
DARYL GANO	8148	INSPECTION COMMISSION	660.00	0.00
GRIFFIN PEST SOLUTIONS	400246	323 W MICHIGAN	31.00	0.00
JOHN GROSS	300013	INSPECTION COMMISSION	160.00	0.00
TRACY HALL	6028	EXPENSE REIMBURSEMENT	44.20	0.00
K-MART	7501	SEPTEMBER CHARGES	88.02	0.00
MARSHALL COMMUNITY CU	7558	2113 - TRUDEAU	1,179.00	0.00
MARSHALL FIREFIGHTER AMBULANCE	7561	RPLCE CHECK DEPOSITED IN ERROR	25.00	0.00
CITY OF MARSHALL	7595	PETTY CASH REIMBURSEMENT	27.00	0.00
MEDLER ELECTRIC COMPANY	7604	CODING TAPE	257.14	0.00
WILL NASH	9523	REMOVE&INSTLL EQUIP IN NEW M7	120.00	0.00
DAVID OWENS	400388	ADVANCE IN PAYROLL	403.80	0.00
CYNTHIA ROWE	400391	REFUND UTILITY DEPOSIT	30.35	0.00
PEARL TYRRELL	400387	REFUND SECURITY DEPOSIT	419.00	0.00
Grand Total:			5,988.52	0.00

PRESCRIPTION REIMBURSEMENTS 15.00

TOTAL CASH DISBURSEMENTS \$6,003.52

VENDOR APPROVAL SUMMARY REPORT

Date: 10/07/2011

Time: 1:44pm

Page: 1

CITY OF MARSHALL

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
AD-VISOR & CHRONICLE	7557	SEPTEMBER ADS	1,028.80	0.00
BATTLE CREEK AREA CHAMBER	21377	CIVIC LEADERS TOUR--K. MILLER	80.00	0.00
BOSHEARS FORD SALES INC	7117	2012 FORD F250	20,355.00	0.00
SANDRA CARTER	400395	REFUND SECURITY DEPOSIT	111.00	0.00
CITGO	3724	FLEET #132271610	12,754.31	0.00
COMMERCIAL OFFICE PRODUCTS	9769	POUCH, PAPER, CRTDGS, FLDRS, FILES	185.21	0.00
CULLIGAN	736	ACCT #1155180	34.00	0.00
CODY DRUMM	25123	EXPENSE REIMBURSEMENT	283.64	0.00
MORRIS EVANS	2218	EXPENSE REIMBURSEMENT	87.59	0.00
TRACY HALL	6028	EXPENSE REIMBURSEMENT	47.82	0.00
MICHAEL HICKERSON	400394	REFUND UTILITY DEPOSIT	12.53	0.00
J.O. GALLOUP COMPANY	4624	PLUMBING PARTS	56.34	0.00
JERRY & CAROL LEHMANN	400397	SEWER BACKUP REIMBURSEMENT	1,215.10	0.00
MARTIN OVERHISER	5181	DISPOSAL OF DEHUMIDIFIERS	20.00	0.00
REPUBLIC SERVICES #249	2096	ACCT #3-0249-1022021	520.84	0.00
NICOLE SAUTER	400392	REFUND UTILITY DEPOSIT	17.16	0.00
DOLORES SCHULTZ	400396	REFUND SECURITY DEPOSIT	132.00	0.00
STATE OF MICHIGAN	4872	38-6004708, 09/11, SALES TAX	30,823.73	0.00
RONALD TAYLOR	400393	REFUND UTILITY DEPOSIT	38.51	0.00
LUCAS TICE	300431	SCHOOL LUNCH	12.73	0.00
SHERI ZIENERT	5152	COFFEE & TRAINING SUPPLIES	177.87	0.00
Grand Total:			67,994.18	0.00

EVENT REPORT

EVENT: Fall Pig Roast – Open Meeting

EVENT LOCATION: Brooks Field

SPONSOR: Brooks Field Aviation Association (BFAA)

EVENT DATE: Saturday, October 22nd

EVENT TIMEFRAME: 6pm – 9pm

MDOT PERMIT REQUIRED: YES NO

MDOT PERMIT GRANTED: YES NO

LANE CLOSURE TIMEFRAME: None

EVENT STREETS AFFECTED: None

DETOUR DETAIL: None

EVENT DETAIL: Annual airport seasonal wrap-up Fall Pig Roast/Open Meeting on Saturday evening, October 22 at 6pm. Event will serve as one of our bi-annual open meetings for all the airport people/groups/clubs to come together and wrap up the season and allows reflection for improvement. A donation will be collected for dinner.

Contact Brooks Field Aviation Assoc: airport.bfaa@gmail.com 269-419-0332.

COUNCIL NOTIFICATION DATE: October 17, 2011



ADMINISTRATIVE REPORT
October 17, 2011 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Sandra Bird, Clerk-Treasurer
Tom Tarkiewicz, City Manager

SUBJECT: Equipment Purchases

BACKGROUND: Included in the FY 2012 Motor Pool budget was the purchase of a new backhoe, loader, street sweeper, dump truck, and a bucket truck. Below you will find a brief synopsis on why each piece of equipment is being replaced, the budgeted amount, and the actual cost of replacement.

The City is able to benefit from the State of Michigan MIDEAL program by purchasing from the State's contracts on the same terms, conditions, and prices as State government. This program allows the City to take advantage of the reduced cost of goods and services, and indirect savings related to writing specifications, researching industries, processing invitations to bid, recruiting a diverse pool of potential suppliers, and making awards.

Backhoe - The current backhoe was purchased in 1989 and is used by the Department of Public Works (DPW), the Water Department, and the Electric Department. Typically the backhoe is used to dig graves and perform emergency repairs on water and sewer breaks. The FY 2012 budget for this replacement is \$77,667 which will be financed over the next 5 years. Staff was able to demo a number of machines that are part of the MIDEAL program and is recommending that Council approve the purchase of a John Deere 310J backhoe from AIS Construction Equipment Corp. (Contract Number 071B1300116) for a cost of \$90,000.

Loader - The City currently operates two loaders which were purchased in 1991 and 1994 respectively. The 1991 loader is scheduled for replacement and is mainly used by the Department of Public Works (DPW) for storm clean up, tree removal, salt and aggregate loading, snow removal, and compost center operations. The budgeted amount for the loader is \$143,310, which will be financed over the next 5 years. Staff was able to demo a number of machines that are part of the MIDEAL program and is recommending that Council approve the purchase of a Komatsu WA200PZ from AIS Construction Equipment Corp. (Contract Number 071B1300081) for a cost of \$121,000.

Street Sweeper - The City of Marshall has operated a mechanical street sweeper since 2000. In recent years the sweeper has begun to have more frequent failures that have resulted in high maintenance costs. The FY 2012 budget for this replacement is \$243,000 which will be financed over the next 5 years. Staff was able to demo two sweepers that are part of the MIDEAL program and is recommending that City Council approve the purchase of an Elgin MV Whirlwind from Bell Equipment Company (Contract Number 071B1300075) for a cost of \$218,225.

Dump Truck - The City of Marshall operates six large dump trucks which are typically used during the winter months for snow and ice removal. Included in the FY 2012 budget was the replacement of a 1996 model that has been experiencing higher than normal maintenance costs and has demonstrated a lack of power to push snow. The budgeted amount for the new dump truck is \$120,000. Although the budget was approved for the outright purchase of the truck, staff is recommending financing this purchase over the next 5 years. The following bids were received:

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

Western Michigan International Truck LLC (Truck and Trailer)	\$123,132.00
Freightliner of Kalamazoo (Truck and Trailer)	\$126,142.14
Freightliner of Kalamazoo (Arista)	\$131,253.14

After reviewing the bids it is recommended that council approve the purchase of the truck from Freightliner of Kalamazoo (Arista). Below is a summary of the rational behind this recommendation:

- The Arista equipped truck is outfitted with a Root snow plow which is manufactured in Kalamazoo and is consistent with the equipment that is used on the rest of the fleet. The other two trucks are outfitted with a different brand of snow plow.
- The rear axle capacity exceeds the International Truck which will extend the life of the truck.
- The Freightliner trucks have an additional 55 horsepower which will extend the life of the truck.
- The diagnostic software will be compatible with other Freightliner equipment that the city owns, including the new sweeper.
- The guaranteed delivery time is 90 days because the cab and chaise is currently being used as a demo. This will allow the DPW to utilize this truck this winter. The other freightliner truck has a delivery of 130 days and the International truck has a delivery of 175 days.
- The Freightliner truck has a selective catalytic reduction system which is being pushed by the EPA. There is some concern that this system will become required on all trucks making replacement parts for engines that are not equipped with these types of systems harder to find and more costly.
- Historically the mechanic has seen an increase in malfunctions with the International truck brand. The issues include problems with abs system, turbo chargers, fuel injectors, and the electronic control modules.

Bucket Truck – The City of Marshall's Electric Department operates three bucket trucks. In 2002 the city purchased a truck that has experienced a number of mechanical problems. This truck is no longer in service due to an engine malfunction which staff determined was too expensive to repair. The FY 2012 budget for this replacement is \$153,080 which will be financed over the next 5 years. At the time of this report the bids have not been received. The estimated cost of the bucket truck is \$158,000. Staff will be bringing an additional report to the November 7th meeting with a recommended replacement. In order to obtain the best financing available this estimate will be used to bundle all five pieces of equipment together.

Equipment Sale – As the purchased equipment gets introduced into the fleet the old equipment will be taken out of service and sold. Staff has not determined the method of sale at this point, but is recommending that the Council approve the following minimum bid requirements:

1989 Ford Backhoe	\$ 9,500
1991 John Deere 444E Front End Loader	17,500
2000 Broom Bear Street Sweeper	20,000
1996 International Navastar Dump Truck	10,000
2006 Crown Victoria	3,500
2008 Crown Victoria	3,500
1999 Dodge Ram 4 x 4 Pickup	2,500
1999 Dodge Ram 4 x 4 Pickup	2,500
1999 Dodge Van	2,500
2004 John Deere Lawn Tractor	1,000
2005 Dixie Chopper	1,000
2005 Dixie Chopper	1,000
Walk behind Mower	800
	<u>800</u>
	\$75,300

The prices recommended above are consistent with comparable sales and trade in offers that we received by equipment vendors and neighboring local governments.

RECOMMENDATION:

Purchases:

Staff recommends that City Council accept the following bids for the purchase of the following equipment:

- Komatsu WA200PZ-6 Loader from AIS Construction Equipment Corp. for \$121,000.
- John Deere 310J Backhoe from AIS Construction Equipment Corp. for \$90,000.
- Elgin MV Whirlwind Street Sweeper from Bell Equipment Company for \$218,225.
- Freightliner M2-106V from Freightliner of Kalamazoo for \$131,253.14

Financing:

It is also recommended that the equipment above, plus the bucket truck, estimated cost \$158,000, be financed with an installment purchase contract through Tax-Exempt Leasing Corporation. The Motor Pool Fund balance is slowly building up funds for future replacement costs, and it is more beneficial at this time to finance heavy equipment purchases vs. pay-as-you-go.

Three bids were solicited from the following financial institutions; Tax-Exempt Leasing Corporation, Republic First National and Bank of America. Bank of America did not bid because the total projected loan amount, \$718,478.14 is lower than their minimal level for municipal equipment financing. The bids from Tax Exempt Leasing and Republic First are attached to this report. Tax Exempt Leasing offered the best financing terms.

The loan proceeds for the bucket truck will be held with Tax Exempt Leasing, until the equipment (bucket truck) is purchased.

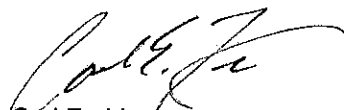
Fixed Assets Sales:

Finally, staff recommends that City Council approve the suggested reserve amounts for the sale of the fixed assets that will be replaced during this fiscal year totaling \$75,300.

FISCAL EFFECTS: To approve and appropriate \$143,695.63 from the Motor Pool Fund Capital Outlay expenditure budget line item 661-898-970.00 for the 20% down payment towards the equipment purchase, and to increase the Motor Pool Fund Proceeds from Bonds/Notes revenue budget line item 661-000-698.00 by \$574,782.51 for the installment loan contract proceeds. There is no budget amendment required at this time, because the expenditure budget is not being increased (only the revenue budget accounts). The amendment will be handled through the year-end budget amendment process.

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,


Carl Fedders
Director of Public Services


Sandra Bird
Clerk Treasurer


Tom Tarkiewicz
City Manager



September 14, 2011

VIA E-MAIL: sbird@cityofmarshall.com

Sandra Bird
Clerk/Treasurer
City of Marshall

Dear Sandi:

I am pleased to provide the following quote for City of Marshall for the financing of various vehicles. This quote is valid for 14 days and is subject to credit review and proper documentation.

Equipment Cost (Approximate):	\$690,000.00	
Down Payment:	\$138,000.00	
Financed Amount:	\$552,000.00	
Payment Frequency:	Annual, in arrears	
Term:	5-years	7-years
Rate*:	2.89%	3.19%
Payment*:	\$120,153.42	\$89,235.02
Factor^:	.21767	.16166

* Rate and payment assumes that the Customer is a tax-exempt entity and the purchase of the equipment falls within the type of equipment allowed as tax-exempt under the I.R.S. Code. In the event this purchase is not exempt, the rate and payments will be adjusted accordingly. Further, it is assumed that the transaction will be "bank-qualified" and that the customer will not issue more than \$10 million in tax-exempt leases or bonds in the current calendar year.

^ Factor is based on quoted rates. If the equipment cost changes or a down payment is made, the new payment amount can be calculated by multiplying the new financed amount by the rate factor.

Note: If the equipment will require a "build-out period", the financed amount will be placed into an escrow account at lease signing and funds disbursed as instructed by the customer.

I have attached an application that must be completed in order to proceed with the credit process. In addition, we will need copies of the City's 2011 year-end financial statement, along with a copy of its current interim financial statement. Once these items are gathered, please fax all of the information to 866-2-FAX-APP (866-232-9277) or e-mail to markz@taxexemptleasing.com.

I appreciate this opportunity and look forward to proceeding. Please let me know if I can answer any questions. I can be reached at 866-EXEMPT-1 (866-393-6781).

Kind Regards,

Mark M. Zaslavsky
President

Republic First National

when results matter

2525 West State Road 114 * Rochester, IN 46975 * (300) 700-7878 * Fax (800) 865-8517

September 14, 2011

To: Sandra Bird
Vendor: To Be Determined
From: Laura Woolever

Customer: City of Marshall, Michigan

Thanks for the opportunity to give you a quote on your latest project!

Equipment: Five (5) Pieces of Heavy Equipment

Unit Cost: \$690,000.00
Down Payment: \$138,000.00
Net Financed: \$552,000.00
Frequency of Payments: Annual

Term:	5	7
Payments:	\$121,771.35	\$90,771.30
Factor:	.22061	.16441
APR:	3.36%	3.65%

Progress or Prepayments Due: None
First Lease Payment Due: September, 2012

The lease is to be executed within 14 days of the equipment purchase contract. The quote is subject to acceptance of our documentation and credit approval. Payments and rates reflect pre-application of escrow earnings and manufacturer discounts (if any); and are based upon vendor payments being made no earlier than above dates. Rates are subject to change with Treasury Bills of like-maturity prior to funding. The lease must qualify for Federal Income Tax Exempt status for the Lessor.

Sincerely,
Republic First National Corporation

Laura Woolever
laura@rfnonline.com

www.republicfirstnational.com



ADMINISTRATIVE REPORT
October 17, 2011 – City Council Meeting

REPORT TO: Honorable City Council Members

FROM: James L. Dyer, Mayor

SUBJECT: Planning Commission Appointments

BACKGROUND: The Planning Commission consists of nine members. The terms of Susan Collins, Ken Oates, John Barrett, and Dave Stevenson expire on November 1, 2011. John Barrett and Dave Stevenson have requested to not be reappointed. David Revore has shown interest to be appointed to the Planning Commission.

RECOMMENDATION: It is my recommendation that Susan Collins and Ken Oates be reappointed and David Revore be appointed to the Planning Commission with terms expiring on November 1, 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James L. Dyer", with a long horizontal flourish extending to the right.

James L. Dyer
Mayor

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com