1. 2020 Operating Budget Discussion (1 hour)

   A. Downtown Related Items

      Goal: Discuss various funding matters related to downtown projects and programs to determine support or changes desired (Note: Downtown planters information is still being finalized and will be discussed at November 11 work session)

      Attachments:
      ✓ Excerpt from Operating Budget cover letter regarding downtown matters
      ✓ Excerpts from approved Capital Improvement Plan for Michigan Street, pedestrian lighting and alley reconstruction
      ✓ Memos from Michelle Sponseller
         o Additional details on street tree lighting
         o Additional details on increased marketing funds
      ✓ Parking enforcement recommendation

      Discussion Items:

      1. Any questions on proposed funding or scope of work for 2020 Michigan streetscape enhancements, 2020 decorative pedestrian lighting on Michigan Street, design for alley reconstruction (Michigan to University) in 2021?
         Note: These were discussed during approval of CIP, this is merely an additional confirmation opportunity

      2. Tree lighting
         a. Any questions on options available?
         b. Discussion on preferred option
            Note: Proposed budget includes $22,500 from General Fund

      3. Marketing funds
         a. Any questions on information provided?
         b. Support to continue funding at same level?
            Note: Proposed budget includes $16,170 from General Fund

      4. Parking enforcement
         a. Any questions on recommendation?
         b. Next steps

   B. Fee Recommendations

      Goal: Discuss fee recommendations to determine if any changes should be made prior to bringing forward for approval
Attachments:
- Excerpt from proposed Operating Budget detailing fee recommendations
- Parking fine recommended changes which were not in proposed budget

Discussion Items:
1. Any additional information needed on any fee recommendations?
2. Any desired changes to recommendations?

Please note future work sessions will include discussion on:
- Funding from LDFA
- Downtown planter replacement
- Questions from Commissioners
replenishing some of the Assigned Fund Balances for Economic Initiatives funding and vacation balances that were used during 2016. The total payback for these two items is $236,000.

- **Borden Building Bonded Debt Repayment**

  The debt repayment for the Borden Building was refinanced during 2016. This proposed budget includes funding to make the required debt payments for 2020. Adequate funds are provided for the debt payments for 2020 based on the sale price of the land for 410 W. Broadway. The sale is anticipated to be completed prior to the end of the current fiscal year.

- **Downtown**

  During 2019 a significant reorganization of the funding sources for downtown activities was implemented as part of the approved budget. This proposed budget includes the same funding strategy that was put in place in 2019. The following items related to downtown are of note for 2020 and may result in additional discussion during the work sessions:

  - Capital improvement funding is provided for streetscape enhancements for the Michigan Street reconstruction from Washington to Oak. The streetscape includes stamped concrete instead of bricks, trees and tree grates and a fewer number of trash cans and benches than what is in other areas of the core downtown.
  
  - Decorative pedestrian lighting is proposed on Michigan Street from Washington to Oak and is based on a funding strategy of 70% special assessment and 30% Capital Improvement as discussed in the Capital Improvement Plan.
  
  - $10,000 of additional funding was provided in 2019 for marketing of the downtown specifically bringing the total marketing budget to $16,770. Evaluation of the methods used should occur before 2020 funds are appropriated.
  
  - In 2016 white lights were purchased and installed in the street trees in downtown. This budget includes additional funds for replacement of some of those lights and restringing due to the growth of the trees.
  
  - Downtown alley reconstruction is set to occur in 2021 and is based on a funding strategy of 70% special assessment and 30% Capital Improvement as discussed in the Capital Improvement Plan. Design for the 2021 reconstruct will occur in 2020 using Capital Improvement funds.

- **City Owned Building and Infrastructure**

  During the goal setting session, discussion occurred regarding the age of the Water and Wastewater Plants and the resulting maintenance for each of those plants. Also, the standards from the EPA and the State are becoming more stringent. This budget implements the proposed projects from the Capital Improvement Plan for 2020 but special attention will need to continue to be paid to the long-term needs of those plants.
INDIVIDUAL PROJECT DESCRIPTION

Project Title: Streetscape Improvements

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<th>Source of Funding</th>
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1. **Description and Location**
   Streetscape amenities in areas of the Central Business District (CBD)/Tax Increment Finance Authority (TIFA) district that have not been completed include:
   - Illinois – between Washington and University (2021)
   - Michigan (west) – between Oak and Washington (2020)
   - Michigan (east) – between University and Lansing (2022 and 2023)
   - Mosher (east) – between Main and Franklin
   - Mosher (east) – between Franklin and Lansing
   - Lansing (south) – between Mosher and Michigan
   - Franklin (north/south) – between Chippewa and Michigan
   - Court (north) – between Chippewa and Mosher
   - University (south) – between Michigan and Illinois (2024)
   - Washington (south) – between Broadway and Illinois (2024)
   - Pine (south) – between Broadway and Michigan
   - Oak (south) – between Broadway and Michigan

2. **History and Plans**
   **2014**
   Discussion held with property owners about the variety of areas downtown that do not have the streetscape features found on Main and Broadway. Property owners requested installation of amenities to match those found in other areas such as (see 2019 notes for details on transitional areas):
   - Banner arms and brackets
   - Decorative brickwork
   - Planters/plant materials
   - Benches
   - Electrical
   - Trash cans
   - Bike racks
   - Irrigation

   Costs were set at $115,000 per year assuming all amenities above would be needed. Costs can be lowered in areas that may already have some of the items listed above or increased if additional infrastructure work is necessary. Infrastructure improvements coordinated with Street Projects when possible.

   **2016**
   Developed streetscape installation plan using the lighting study (see pedestrian lighting plan for more details) as a guide to sequence the lighting and streetscape improvements at the same time if possible. TIFA/Principal Shopping District (PSD) decided to place all pedestrian lighting improvements on hold unless funded by grants.
2017
TIFA agreed to eliminate streetscape improvements in 2019 for the Broadway Street reconstruction which was to:

Begin streetscape improvements on the south side of Broadway from Pine to Washington as part of the street reconstruction. Improvements include widening of sidewalk, moving of brickwork, existing amenities and lights along with curb extensions.

2019
Fund all streetscape improvements for West Michigan in 2020 during the street reconstruction. 2021 funding would then be changed to focus on Illinois reconstruction.

In 2019 discussions were held during the Capital Improvement Plan review on areas considered to be transitional (non-core downtown or areas that divide CD-5 and CD-4 zones), amenities and cost-sharing plans. The recommendation is for those areas considered transitional to receive a scaled down version of streetscape features. Transitional areas would receive:

- Stamped concrete, rather than decorative brickwork in the “furniture zone” area of the sidewalk
- Pedestrian style lighting (instead of decorative light poles) with banner poles and hanging baskets
- No built-in planters
- Fewer benches, bike racks and trash cans
- No irrigation
- Electrical limited to pedestrian lighting, no electrical incorporated under trees
- Trees and tree grates

2020
Streetscape installation will begin based on coordination with the Street Department during West Michigan reconstruction from Oak to Washington.

2021
Streetscape improvements begin for Illinois, specifically between Washington and University to correspond with the reconstruction of Illinois.

2022
Streetscape improvements begin for East Michigan, specifically between University and Lansing.

2023
Streetscape improvements continue for East Michigan, specifically between University and Lansing.

2024
Streetscape improvements begin for South University, specifically between Michigan and Illinois.

2025
Streetscape improvements begin for South Washington, between Broadway and Illinois.
3. **Need and Impact**
Completing the missing streetscape amenities will give downtown a cohesive and unified look throughout.

*Linkage to Vision: We will work together toward being a community…*

- *Where shopping, dining and entertainment options thrive.*
- *With a reliable and sustainable infrastructure.*

4. **Related Cost Details**
Upkeep costs for plant materials and utility costs for irrigation and lighting. Street light installation and streetscape improvements will be sequenced together when possible to reduce costs and disrupt planned areas as little as possible.

5. **Future Funds Needed**
Replacement costs for 20 years should be factored in aging infrastructure.

ST: Coordinated with street project
INDIVIDUAL PROJECT DESCRIPTION

Project Title  Neighborhood Pedestrian Street Lighting

Department  Public Works  Source of Funding  Capital Improvement Fund/Special Assessment/Grant

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1. Description and Location
   This project installs decorative pedestrian lights in residential neighborhoods in the city to provide illumination of the public sidewalks.

   Costs included in this estimate are the lighting fixtures and poles, wiring, conduit and new electrical service and meters. In addition, the projects would include costs for surveys and engineering to assure that lighting levels would be designed to meet industry standards and to appropriately design around driveways and street tree locations. Construction administration and inspection are also factored in.

   Michigan Street, Illinois Street and all public space lighting going forward will use the standard black direct bury concrete poles to match all other existing neighborhood pedestrian street lighting.

2. History and Plans
   At the goal setting retreat in 2013, the City Commission prioritized the installation of pedestrian lighting in additional areas of the city. Below is a list where additional street lighting was installed.

   2014
   Washington: South of High (70/30 Special Assessment) - $81,900

   2015
   Washington: North of High - $175,500

   2016
   S. Franklin, S. Lansing, S. University and Douglas (70/30 Special Assessment) - $201,600

   2017
   Broadway: Bridge to Maxwell - $130,000

   2018
   Broadway: Maxwell to Bradley (Tribal 2%) - $97,000

   The cost estimates provided reflect the use of the same poles and fixtures selected for the Main Street Downtown to Campus Connection lighting. These poles and fixtures were selected due to their similar design to those in the downtown, but are distinguished in color and material. The estimates provided assume an illumination level similar to the Main Street project and are generally based on providing illumination on two long or four short city blocks. Because block lengths vary, the assumed service area is 600 feet long with 18 poles and fixtures. Once service areas are recommended, annual estimates can be updated to reflect the true conditions of the planned service area.
2019
Installation of pedestrian lighting recommended for future years in the following priority order:

1. May, Clayton, Pleasant and Gaylord (70/30 Special Assessment CD-4) (2019 Project)
2. STMichigan (both sides): Washington to Oak (70/30 Special Assessment)
3. STIllinois (north side): Main to Fancher (70/30 Special Assessment)
4. University (west side): High to Michigan
5. West Campus (west side): Bellows to Preston
6. Preston (north side): Mission to Crapo

3. **Need and Impact**
The project will enhance walkability, safety and nighttime activity in city neighborhoods.

*Linkage to vision: We will work together toward being a community…*
  - With well-maintained, livable and desirable neighborhoods.
  - That is safe, clean and healthy.

4. **Related Cost Details**
While black concrete poles were selected for the lighting project for their durability and low maintenance, it is anticipated that there will be long-term maintenance costs associated with the poles. Those costs are not known at this time.

LED lamps also have a finite life span. Industry estimates vary widely from about 8 to 15 years, but because the oldest LED lights in the city are still only a couple of years old, there is no local track record on lamp life. It will be necessary to budget future funds for these replacements. With technology changes, the costs of lamps are also changing rapidly. Current costs for lamp replacement are around $900 each.

It will also be necessary to budget for annual operating costs for electricity. These costs can be better estimated on a project-by-project basis, but a rough estimate of costs based on the broad assumptions included in this write-up puts the annual cost to operate a long block at approximately $1,100.

5. **Future Funds Needed**
There will be additional installation, maintenance and operational costs as lighting is added to more neighborhood blocks in future.

STCoordinated with street project
INDIVIDUAL PROJECT DESCRIPTION

Project Title | Downtown Alleyway Renovations
---|---
Department | Streets
Source of Funding | Capital Improvement Fund/Special Assessment

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<th>Year Program Proposed</th>
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1. **Description and Location**
   This project includes milling, overlay, crack sealing, reconstruction and re-stripping of various downtown alleyways over time. The inclusion of underground infrastructure such as water and sewer lines will be dependent on the availability of grant funds and these costs are not included in the estimates above. Alleyway selection is based on need and placement within downtown to best utilize funds.

2. **History and Plans**
   Reconstruction, implement milling, overlay and repainting over a multi-year cycle based on the lot priority of need determined by the PASER system. State grants will be used when possible for matching situations.
   
   **2015**
   PASER alleyways and estimates for reconstruction and crack sealing
   
   **2021**
   Reconstruct alley between Michigan and University - $102,000 construction, $15,000 (15%) engineering costs
   
   Beginning in 2021, without TIFA funding, alley costs are expected to be covered in the same manner as residential alleys with property owner special assessments (70/30).
   
   **2022**
   Reconstruct alley between University and Franklin - $141,000 construction, $21,000 (15%) engineering costs

3. **Need and Impact**
   Alleyways with the greatest need should be completed first based upon PASER system. Impact is based on functionality and usage of the alleyways. Alleyways are used by customers, employees, owners and residents within downtown on a daily basis.

   **Linkage to vision:** We will work together toward being a community...
   - Where shopping, dining and entertainment options thrive.
   - With a reliable and sustainable infrastructure.

4. **Related Cost Details**
   Per engineering, the cost is $300 per lineal foot for reconstruction.
5. **Future Funds Needed**

A systematic review utilizing the PASER system to determine the priority of repair of downtown alleyways will take place just as we do for roads, parking lots and paths in our park system.
Memorandum

TO: Nancy Ridley, City Manager
FROM: Michelle Sponseller, Downtown Development Director
CC: William Mrdeza, Economic and Community Services Division Director
Mary Ann Kornexl, Treasurer and Finance Division Director
Chris Bundy, Parks and Public Spaces Director

DATE: October 23, 2019

SUBJECT: Downtown Christmas Tree Lights

Background
At the conclusion of the extensive 2015 review of downtown funding priorities and streamlining budgets, the decision was made by the TIFA board to eliminate the annual street tree Christmas lights and instead allocate $34,440 from the Economic Initiative Fund to purchase a long-lasting holiday décor option. However, due to the public comments received during the 2016 budget process by the City Commission, staff was directed to have LED lights installed on the downtown trees to be lighted throughout the year. The City Commission allocated $15,200 to fund tree lights and installation. The tree lights were installed in December 2016 and expected to last at least five years. At the same time the TIFA board brought forward a proposal to provide matching funds for building screen lights.

Although the lights were in good operation for the first six months after installation, there became significant challenges shortly thereafter. These challenges include:

- Tree growth has made the light strands tight, damaging the trees and may result in shorter life-spans for them.
- Constant pulling and cutting of light strands by the public has resulted in only about 50% of the original number of trees retaining a full lighted appearance. Originally the semi-annual budget for labor and replacement strands was $1,500. This semi-annual budgeted amount is now needed on a quarterly basis just to keep up on the number of light strands pulled and torn out of the trees.
  - Labor for rehanging and replacement of tree lights is contracted out as 1.) we are not adequately staffed with parks seasonal staff throughout the year to complete the work at a competitive rate and 2.) the use of full-time staff would be more than the outsourced cost.
- Trees with different heights, canopies and access to electrical outlets give an uneven appearance, even when all trees are fully lit.
- The tree lights are not fully visible for at least half of the year once the trees have leafed out.
- The aged streetscape electrical system will continue to have greater costs for repairs.

Staff recognizes the complexity of finding a balance between continuing to have a healthy downtown tree canopy, working with aged infrastructure, and providing a cheerful holiday appearance. With this in mind staff outlines the following options and recommends option #2 below:

1. INSTALLATION / REMOVAL – EVERY TWO YEARS
   Removal of all tree lights and replace with new light strands $11,400
   20’ LED lights $11,000
   TOTAL (every two years) $22,400

Additional Annual Costs:
   Contractor to rehang light strands every three months $6,000
   Replacement of broken strands of LED tree lights $1,500
   TOTAL (annually) $7,500
2. INSTALLATION / REMOVAL – ANNUALLY FOR CHRISTMAS SEASON
   Removal of existing LED tree lights – one-time $  2,700
   Installation and removal of tree lights each year* $11,400
   Purchase Non-LED 20’ lights annually $  4,500
   TOTAL $18,600

   * Installation and Removal Schedule as follows:
     • Installation of tree lights by November 10.
     • Tree lights unplugged on January 15.
     • Tree lights removed by April 15 to avoid damaging budding trees.

3. REMOVE PERMANENTLY
   Removal of all tree lights $2,700

Requested Action
Review options for Christmas tree lights and select preferred option.
TO: Nancy Ridley, City Manager
FROM: Michelle Sponseller, Downtown Development Director
CC: William Mrdeza, Economic and Community Services Division Director
    Mary Ann Kornexl, Treasurer and Finance Division Director
DATE: October 24, 2019
SUBJECT: Downtown Marketing Review

Background
Included in the 2019 operating budget was an increase of $10,000, for a total of $16,170, to market the downtown district.

A review of how the marketing funds have been used and feedback to date are:

Billboard = $5,270
  • Lamar lighted billboard on northbound 127 highlighting dining.

WCMU Radio = $6,000
  • Spots promoting the downtown district throughout the state.

WCZY/WMMI Radio = $4,000
  • Holiday shop/eat local campaign launching December 1 and continuing through Christmas.
  • Additionally, WCZY will be onsite in downtown December 9-13 and conducting on-air interviews with businesses at each break.

Social Media Ad Buys = $500
  • Facebook and Instagram.

Miscellaneous = $400
  • Purchase of stock images for social media posts, billboards or print materials.
  • Applications for social media content creation (Canva, Ripl).

Feedback
  • We’ve had great feedback on the WCMU radio spots as they are bringing an awareness of downtown from the whole state due to the range of the station.
  • Social media has a low cost entry point for marketing but requires significant staff time to keep outlets with fresh content and active engagement. Facebook is holding steady with content from PR and events, from both the City and businesses. Instagram has great potential in reaching more gen y and z followers but engagement is limited due to staff time needed for this.
  • Billboard has mixed feedback with overall positive in that we have one but, desire has been to change the content and partner with businesses to share the space.

Staff strongly believes marketing the downtown district is vital and that by promoting the district we are helping to strengthen the small business community across all segments of the business community, whether retail, service, or restaurant focused.
Downtown Parking

Background:
- U.S. Court of Appeals ruled in April 2019 that chalking of tires was unconstitutional
- City suspended enforcement of timed parking violations in downtown
- Staff researched other options for enforcement and submitted report of options available in July
  - Options were summarized into two categories:
    - Pay for parking
    - Allow for free parking
- Feedback received from City Commission focused on free parking options
- Staff committed to obtain feedback from downtown property owners and businesses
- Survey distributed to email list for downtown property owners and businesses and to downtown overnight parking permit holders

Survey Results:
- 110 responses
  - Survey link was emailed to downtown list through Constant Contact (181 emailed, 96 opened, 35 clicked on the survey link).
  - Email to overnight permit holder list with survey link.
  - “Watch your email” message given at Merchants Meeting on September 11.

- Enforcement option preferred:
  - Offer free 3-hour on-street parking and free parking lots (with the exception of Lots 7 and 8) with no enforcement of time limits. = 78.18%
  - Free time-limited parking in most areas enforced via a camera, mounted to a vehicle, with license plate recognition capabilities. = 16.36%
  - "Pay to Park" option such as mobile app or kiosk program. = 5.45%

- Affiliation of respondents:
  - Staff 76.36%
  - Business Owner 16.36%
  - Resident 10.91%
  - Property Owner 10%
  - Please note: Respondents could choose more than one category and therefore percentages exceed 100%

Recommendations:

 Permit Lots
- Change Lot 10 to be a permit lot
- Sell permits that allow for parking in Lot 7, 8 or 10 (Note: One permit would apply to all three lots) see attached map for location and chart depicting number of spaces
- Regularly enforce/ticket multiple times per day in the permitted lots
- Encourage business owners and staff to buy permits and park in the permitted lots

Note: Permit fees as approved December 2018 are $75 annually per permit.
Note: Violation fines for no permit displayed are $40, but if paid within seven calendar days $30
Other Lots and On-street Parking

- Leave signs in place indicating three hour parking and ten hour parking
- No enforcement would occur. The time limit signs become a “recommendation” and are based on the honor system

Overnight Parking in Lots

- Downtown residents still obtain overnight parking permits
- Parking still occurs on odd/even sides of the parking lots to allow for snow clearing
- Only enforcement for odd/even would be when a snow emergency is declared
  - Would notify of snow emergency by email to permit holders
  - Use social media postings to indicate when a snow emergency is declared.

Note: Overnight permit fee as approved December 2018 is $25 per six months

Downtown On-Street Parking 4-6 a.m.

- Enforce occasionally to allow for street cleaning and snow clearing

All of these recommendations to be evaluated after six months (May 2020).

Anticipated Impacts

1. Expects business owners and staff to voluntarily park in areas that are not considered prime spaces for customers/patrons convenience
2. Adding an additional permit lot increases opportunity for “guaranteed parking spaces” for permit holders
3. Frees up time of Code Enforcement Officer and Park Rangers to carry out non-parking duties (consistent with what has occurred since April 2019)
4. Approximate reduction in net General Fund revenues = $10,000
5. Provides an opportunity to test the utilization of a snow emergency notification process to determine if such a process could be used City-wide instead of the current ordinance of no parking from 2- 4:00 a.m. December to April in the non-downtown areas

Next Steps

- Discussion with City Commission on October 28
- If City Commission concurs, a Traffic Control Order for Lot #10 would be issued to change it to a permit lot
- Communication sent to downtown business and property owners and staff regarding sale of permits for permitted lots.
- Evaluate in May 2020
## PARKING LOT LOCATIONS AND QUANTITIES

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*Note: Riverview (28), JE Johnson (5), Supreme Court (10) are committed via use agreements*
Summary of Fee Recommendations

In July of 2017, the City Commission approved the Fee/Charges Guidelines. The guidelines state that services or programs that generally fit the following criteria should be funded via fees/charges instead of tax dollars.

- Service/program primarily benefits one property or one user
- User of the service/program generally has a choice/option to use it

This does not cover services operated as enterprise funds/self-supporting entities are always funded only be fees/charges.

The full cost for providing the identified service/program should be set at a level to cover the entire cost. Exceptions to the covering full cost are limited to recreational programs for children and other programs specifically identified by the City Commission action.

All fees/charges were reviewed to prioritize the phase in of these guidelines. The fees/charges that were the most out of date and used most frequently were analyzed to compare to the cost to provide service and were also compared with neighboring communities. In 2019, the fees/charges for Building Permits, Zoning/Planning, DPW Permits, Downtown Parking Permits, PEAK and Water/Sewer Service and Demand were analyzed and adjusted. Below is a listing of the fee recommendations contained in this proposed budget, followed by a schedule of proposed fee changes.

Cemetery – General Fund & Perpetual Care Fund

Cemetery lot sales and internment fees were approved in 2000. The General Fund incurs costs to construct the cemetery, maintain the cemetery and provide the internment service. Cemetery maintenance will need to continue to be performed after all lots are sold and interned. Therefore, the Perpetual Care Fund was established to set aside funds for maintenance when there is no longer any revenue from sales/services. Currently, a portion of the lot sale, $150 for resident and $200 for non-resident, is deposited in the Perpetual Care Fund. The remaining amount from lot sales and internment fees currently cover approximately 47% of the Cemetery expenditure budget.

Since the Cemetery budget relies heavily on the taxpayer support, non-resident fees are recommended to be approximately 40% higher than resident fees. A comparison of Cemetery fees for local cemeteries and neighboring municipal cemeteries was conducted and the proposed fees are in line with these fees. Due to the variability of lot sales and services and unknown impact on sales with the proposed fee increases, the 2020 budget does not include additional revenue for the Cemetery fee increases. If the proposed fee increases are implemented, staff will evaluate revenue trends and include in future budgets if appropriate.

DPW Inspections – General Fund

Occasionally, Engineering staff is asked to do an after-hours permit inspection and we currently do not charge a fee. The fee recommended for this service is for the cost of the average inspection time since the time spent on each inspection varies.
DPW Work for Others – Various Funds

DPW staff provides work for others under two different scenarios, work to repair damages by a contractor/property owner and work requested by contractors and other municipalities. The charge is currently based on the actual cost for time and equipment plus overhead. It is recommended that this practice continue for work to repair damages by a contractor/property owner, but when we are requested to work for others, we recommend the charge be twice the actual cost for time and equipment plus overhead. We don’t want to be competition to other contractors who could perform the work, but want to assist if we have expertise and or equipment to help.

Solid Waste – Solid Waste Fund

Currently there is no charge to pick up and dispose of Christmas Trees. In accordance with the Fee/Charge guidelines, this should be paid for by the residents utilizing the service. To make it easy for residents to discard trees, we recommend the fee to be two refuse tickets attached to the tree for pickup at their curbside. Similar to the Cemetery fees, we are unsure how much additional revenue will be generated the proposed changes and therefore did not include any additional revenue in the 2020 proposed budget. If the proposed fee is implemented, staff will keep track of how many trees are picked up so we can have a baseline to budget the additional revenue in future years.

Last year the curbside recycling fee was increased to cover the costs of the program. There are still a handful of customers that are not required to have curbside recycling but choose to. We recommend the fee for these customers be adjusted to equal the fee charged on the utility bill.

The fee for a replacement recycling bin was set in 2015. The fee no longer covers the cost of the bin. Therefore, we recommend the fee be increased to cover the cost of the bin. We will continue to provide one original bin to a new household at no charge.

Wastewater Fees – Sewer Fund

Currently there is no charge for use of the RV dump station at the WWTP. We recommend that a $5 fee be charged to dump. It is cost prohibitive to actively bill/collection this fee; therefore, we recommend we place an honor box with envelopes for voluntary payment of the $5 fee. The area of the dump station has video surveillance to increase security of the honor box.

Many contractor and other municipalities utilize our WWTP lab for various tests. Currently some of the tests have fees set in 2007 and some we bill time and material for. We are recommending a fee for all lab tests performed for others at the WWTP to cover our costs.

Water Services – Water Fund

When a new water service with a 2-inch meter or less is installed by Water staff, the applicant must pay a deposit at the time of the permit and the deposit is adjusted to the actual cost when the work is completed. The initial deposit was set in 2008 and is no longer adequate. For meters greater than 2-inch, a contractor is required to install the service and Water staff to inspect it.
We currently don’t have a fee for inspection of this work. We are recommending an inspection fee to cover the staff time to inspect. We also recommend we adding a fee for unauthorized use of a hydrant by a contractor.

**Water/Sewer Demand Rates – Water and Sewer Funds**

A multi-year analysis of Water/Sewer rates is in Appendix F & G. Sewer bonds issued in 2007 were paid off in 2019. Therefore, the portion of the rates allocated to debt can be allocated to the plant reserves to begin to put us in the position of pay as you go for improvements rather than debt. Unfortunately, the cost of capital improvements needed in the plant have gone up significantly from the last Capital Improvement Plan. In order to fund the operations and increased capital improvement costs a demand fee increase of 20% is recommended in 2020. This amounts to $1.44 per month for a 5/8-inch household meter. Based on historical volumes, it is estimated the increase will generate $180,000.

The WWTP is aging and state regulations are becoming more stringent. We will be studying if we should continue with the same processes as the original plant or convert to a new process. We will also evaluate if we should continue pay as you go repairs or bond for a large project. We plan to begin processing for Nottawa Township in 2020. This has not been factored into the rate analysis for future years until the timeline for customers joining the system is established. This will assist with covering some of the fixed costs in the plant.

In order to adequately fund operations and reserves for the Water fund, an increase in the monthly demand rate of 5% is recommended. This amounts to $.56 per month for a 5/8-inch household meter. Based on historical volumes, it is estimated the increase will generate $77,000. The results of the Joint Water Study with Union Township have not been factored into the rate analysis for future years.

**Parking Fines** – Parking fines were last increased in 2005. We will be recommending a fee increase for yard parking and handicap once a decision is made on how to enforce three-hour parking downtown. This will provide for discussion of parking fines all at the same time.

**PEAK Fees** – Peak fees for summer programming don’t cover the cost to run the programs. Since we want to give parents as long as possible to plan for the increases, we plan to have the Parks & Recreation Commission consider an increase in Summer PEAK fees by March 2020 and have the City Commission consider the fee increase for 2021 shortly thereafter.
## Cemetery - General Fund and Perpetual Care Fund

<table>
<thead>
<tr>
<th>Service/Program</th>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot*</td>
<td>2000</td>
<td>$350 $600</td>
<td>$450 $750</td>
</tr>
<tr>
<td>Internment (per lot)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infant - up to 36&quot; casket</td>
<td>2000</td>
<td>$300 $400</td>
<td>$400 $560</td>
</tr>
<tr>
<td>Child - 36 - 60&quot; casket</td>
<td>2000</td>
<td>$350 $450</td>
<td>$450 $630</td>
</tr>
<tr>
<td>Adult &gt; 60&quot; casket</td>
<td>2000</td>
<td>$450 $550</td>
<td>$550 $770</td>
</tr>
<tr>
<td>Ashes</td>
<td>2000</td>
<td>$100 $200</td>
<td>$200 $280</td>
</tr>
<tr>
<td>Mausoleum</td>
<td>2000</td>
<td>$400 $500</td>
<td>$500 $700</td>
</tr>
<tr>
<td>After 4 p.m. Additional Fee</td>
<td>2000</td>
<td>$250 $300</td>
<td>$350 $490</td>
</tr>
<tr>
<td>Sunday/Holiday Additional Fee</td>
<td>2000</td>
<td>$500 $600</td>
<td>$600 $840</td>
</tr>
<tr>
<td>Disinternment</td>
<td>2000</td>
<td>$500 $600</td>
<td>$600 $840</td>
</tr>
<tr>
<td>Disinternment with Reinternment</td>
<td>2000</td>
<td>$950 $1,150</td>
<td>$1,050 $1,470</td>
</tr>
<tr>
<td>Winter Storage</td>
<td>2000</td>
<td>$50 $100</td>
<td>$150 $210</td>
</tr>
<tr>
<td>Foundations per square inch</td>
<td>2000</td>
<td>$0.20 $0.20</td>
<td>$0.40 $0.56</td>
</tr>
</tbody>
</table>

Taxpayers cover approximately 53% of cemetery maintenance. Like recreation fees, non-resident maintenance fees other than lot sales are 40% higher than resident fees.

*Perpetual care portion - $150 resident & $250 non-resident

### DPW Inspections - General Fund

<table>
<thead>
<tr>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>After hours permit inspection (after 4:30)</td>
<td>New $0</td>
<td>$50</td>
</tr>
<tr>
<td>After hours permit inspection (weekend/holiday)</td>
<td>New $0</td>
<td>$100</td>
</tr>
</tbody>
</table>

### DPW Work for Others - Various Funds

<table>
<thead>
<tr>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted Work for Others (Requested)</td>
<td>Overhead</td>
<td>Actual Cost + Overhead x 2</td>
</tr>
<tr>
<td>Work for Others (Required)</td>
<td>Overhead</td>
<td>Actual Cost + Overhead</td>
</tr>
</tbody>
</table>

### Solid Waste - Solid Waste Fund

<table>
<thead>
<tr>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christmas Tree Disposal</td>
<td>New $0</td>
<td>2 Refuse Tags-$6.30</td>
</tr>
<tr>
<td>Monthly Recycling Pick up - Elective for those not required to use curbside pick-up</td>
<td>2015 $18.00 per year</td>
<td>2015 $30.00 per year</td>
</tr>
<tr>
<td>Recycle Bin Replacement</td>
<td>2015 $6.00</td>
<td>$7.25</td>
</tr>
</tbody>
</table>

Excerpt from Proposed 2020 Operating Budget
### Excerpt from Proposed 2020 Operating Budget

#### WasteWater Fees - Sewer Fund

<table>
<thead>
<tr>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>RV Dump Station</td>
<td>New</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Lab Fees**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NH3</td>
<td>New</td>
<td>T&amp;M</td>
</tr>
<tr>
<td>BOD</td>
<td>2007</td>
<td>$.31 per lb</td>
</tr>
<tr>
<td>Total P</td>
<td>2007</td>
<td>$5.71 per lb</td>
</tr>
<tr>
<td>TSS</td>
<td>New</td>
<td>T&amp;M</td>
</tr>
<tr>
<td>TDS</td>
<td>New</td>
<td>T&amp;M</td>
</tr>
<tr>
<td>pH</td>
<td>2007</td>
<td>$5</td>
</tr>
<tr>
<td>DO</td>
<td>New</td>
<td>T&amp;M</td>
</tr>
<tr>
<td>F. Coliform</td>
<td>2007</td>
<td>$12</td>
</tr>
<tr>
<td>Total or E. Coliform</td>
<td>2007</td>
<td>$20</td>
</tr>
</tbody>
</table>

#### Water Services - Water Fund

<table>
<thead>
<tr>
<th>Service/Program</th>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-inch Service Installation Deposit**</td>
<td>2008</td>
<td>$1,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>2-inch Service Installation Deposit**</td>
<td>2008</td>
<td>$1,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>Larger than 2-inch Service Installation Inspections***</td>
<td>New</td>
<td>$0</td>
<td>$250</td>
</tr>
<tr>
<td>Unauthorized Use of Hydrant</td>
<td>New</td>
<td>$0</td>
<td>$200</td>
</tr>
</tbody>
</table>

**Adjusted to actual T&M after installed

***Contractor installs

#### Water/Sewer Demand Rates - Water and Sewer Funds

<table>
<thead>
<tr>
<th>Year Set</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sewer Demand</strong> Meter Size</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/8&quot;</td>
<td>2018</td>
<td>$7.25</td>
</tr>
<tr>
<td>1&quot;</td>
<td>2018</td>
<td>$18.04</td>
</tr>
<tr>
<td>1.5&quot;</td>
<td>2018</td>
<td>$36.09</td>
</tr>
<tr>
<td>2&quot;</td>
<td>2018</td>
<td>$57.68</td>
</tr>
<tr>
<td>4&quot;</td>
<td>2018</td>
<td>$115.36</td>
</tr>
<tr>
<td>3&quot;</td>
<td>2018</td>
<td>$180.29</td>
</tr>
<tr>
<td>6&quot;</td>
<td>2018</td>
<td>$360.51</td>
</tr>
<tr>
<td>10&quot;</td>
<td>2018</td>
<td>$1,992.38</td>
</tr>
</tbody>
</table>

| **Water Demand** Meter Size | | |
| 5/8" | 2019 | $11.09 | $11.65 |
| 1" | 2019 | $27.73 | $29.12 |
| 1.5" | 2019 | $55.46 | $58.24 |
| 2" | 2019 | $88.74 | $93.18 |
| 4" | 2019 | $177.48 | $186.35 |
| 3" | 2019 | $277.31 | $291.18 |
| 6" | 2019 | $554.62 | $582.35 |
| 10" | 2019 | $3,032.24 | $3,183.86 |

Note: Irrigation Meters are charged demand for six months

XIX
## Parking Fine Recommended Changes

<table>
<thead>
<tr>
<th>Violation</th>
<th>Current Fine</th>
<th>Discount if paid within 7 days</th>
<th>Proposed Fine</th>
<th>Discount if paid within 7 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yard parking (Ordinance 71.29)</td>
<td>$30</td>
<td>$15</td>
<td>$40</td>
<td>$20</td>
</tr>
<tr>
<td>Handicap Space (MVC 257.674(s)</td>
<td>$100</td>
<td>$75</td>
<td>$100</td>
<td>N/A</td>
</tr>
</tbody>
</table>