



VILLAGE OF SUTTONS BAY

COMMITTEE OF THE WHOLE
420 N Front St.
Suttons Bay, MI 49682
Thursday, March 5, 2020 at 8:10 am

AGENDA

1. Call to Order
2. Roll Call
3. Additions / Deletions to the Agenda
4. Reports / Communications
 - a. Jacob's
 - b. DPW Report
 - c. Marina
 - d. Treasurer Report
5. Committee Member Information / Comments
6. Public Comments (*Please limit remarks to no more than three (3) minutes or less.*)
7. Old Business
 - a. Report VSB – 2020-19 – Ferry Discussion
8. New Business
 - a. Solar Presentation
 - b. Report VSB- 2020-16 - Village Bathroom Discussion
 - c. Report VSB- 2020-17 - Shoreline Erosion Resolution
 - d. Report VSB- 2020-18 - Investment Policy Amendment
 - e. Work Plan Overview
9. Public Comments/Written Communication
10. Committee Member Comments
11. Announcements:
12. Adjourn

SUTTONS BAY WWTP MONTHLY OPERATIONS REPORT February 2020

TO: Rob Larrea
Dave Miller

FROM: Mark Huggard, JACOBS

DATE: February 26, 2020

COPY: Kevin Dahl, JACOBS
Elizabeth Hart, JACOBS

This report describes our activities during the month of February 2020. If there is additional information you would like included in the report, please let us know.

Permit compliance:

Available lab results for the month of February indicate full permit compliance.

JACOBS completed and submitted January's Discharge Monitoring Report (DMR) to the Michigan Department of Environment, Great Lakes, and Energy (EGLE). The facility was in full compliance.

Operations:

January

Average Influent Flow 2020*	161,000	Gallons per day
Average Influent Flow 2019	92,000	Gallons per day
Total monthly hauled truck waste 2020*	128,984	Gallons
Total monthly hauled truck waste 2019	182,516	Gallons

* Data compiled through February 23rd.

We provided the Village a quote for a new Hach influent sampler controller head to replace the recently failed controller. We sent the failed sampler head back to the manufacturer for repair and have recently received it back. The repaired sampler head will be installed and utilized until we receive approval to purchase the new unit. The rebuilt sampler head will then be placed in inventory as a spare.

We have provided a memo to the Village detailing our recommendations for RAS/WAS pump replacement.

Hurst Mechanical installed the new Headworks building exhaust fan.

With the assistance of the Village staff we were able to manually remove accumulated grit upstream of the Influent flow metering Parshall flume. Grit buildup in this location could potentially cause inaccurate influent flow readings. The remaining grit further upstream and downstream will be removed once the Village Vector truck is repaired.

The Ultra Violet (UV) disinfection system bank A UV lamps were replaced; bank B was replaced in Fall of 2019. This replacement is completed approximately every two years depending on the performance of the UV system.

The Headworks building gas monitoring system is now fully functional.

The drive belts on aeration blower #2 were replaced and spare belts were purchased for all three blowers.

On 2/13/20 we responded to a communication error alarm. We walked the facility and verified all plant equipment was operating correctly.

Treatment Plant Aerial View

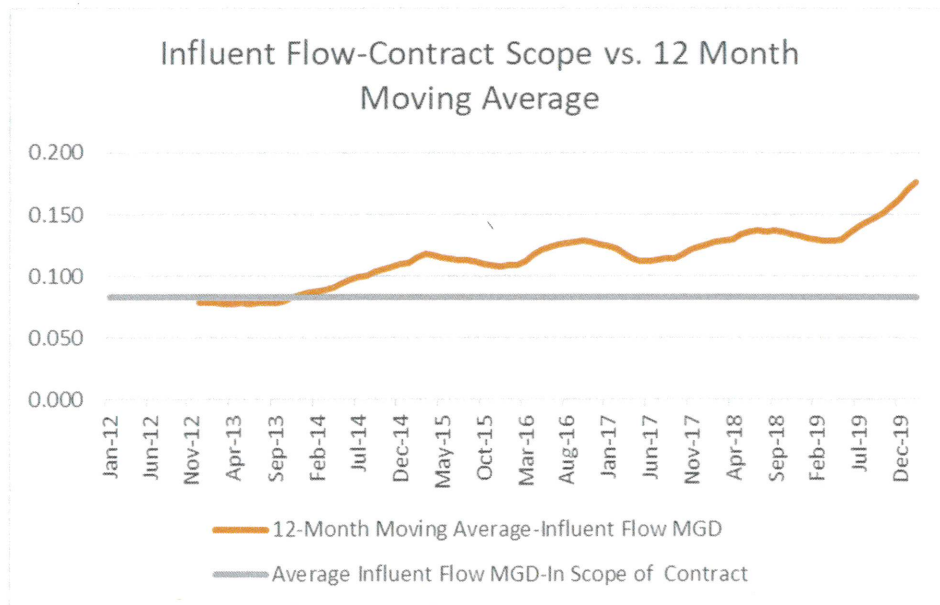


On the Horizon:

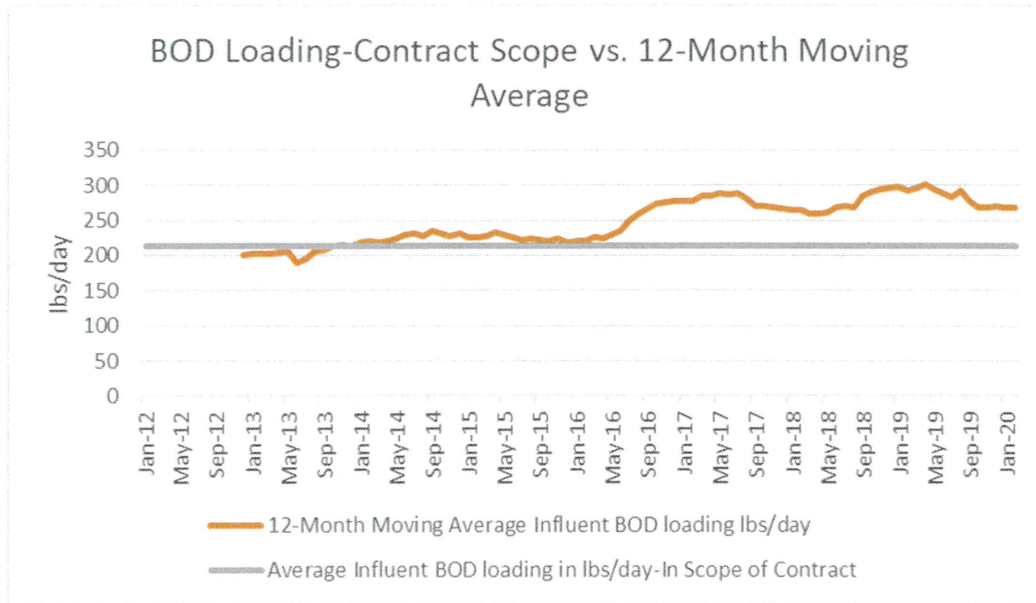
- Complete spare parts inventory list.
- Installation of the new lower bearing unit for the influent building's fine screen. (2020)
- Rebuild of Decant and Scum pump control cabinets. (2020)
- Ferric Chloride pump programming upgrades. (Windemuller to complete week of January 27th).
- Investigate the SCADA hauled truck waste flow logs. (Windemuller).
- Replace influent sampler.
- Removal of Grit from Influent channel.
- Obtain cost for HTW unloading upgrade
- Provide Village a map of suggested camera locations

The following graphs illustrate the facility's influent characteristics encompassed in our scope per Amendment 3 to our 2010 agreement compared to actual influent characteristics. Influent flow characteristics are based on a 12-month moving average.

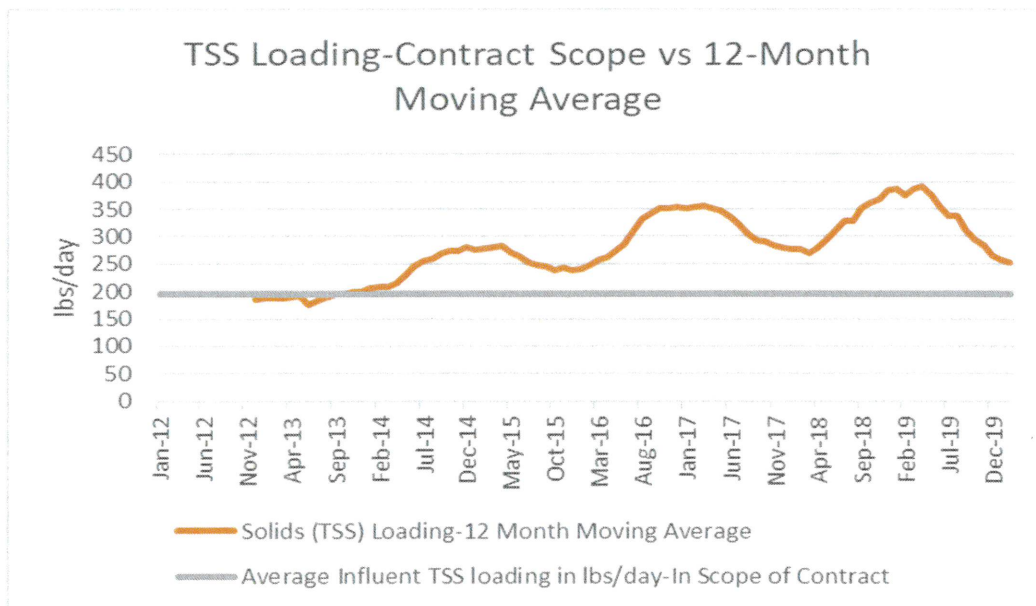
Influent Flow



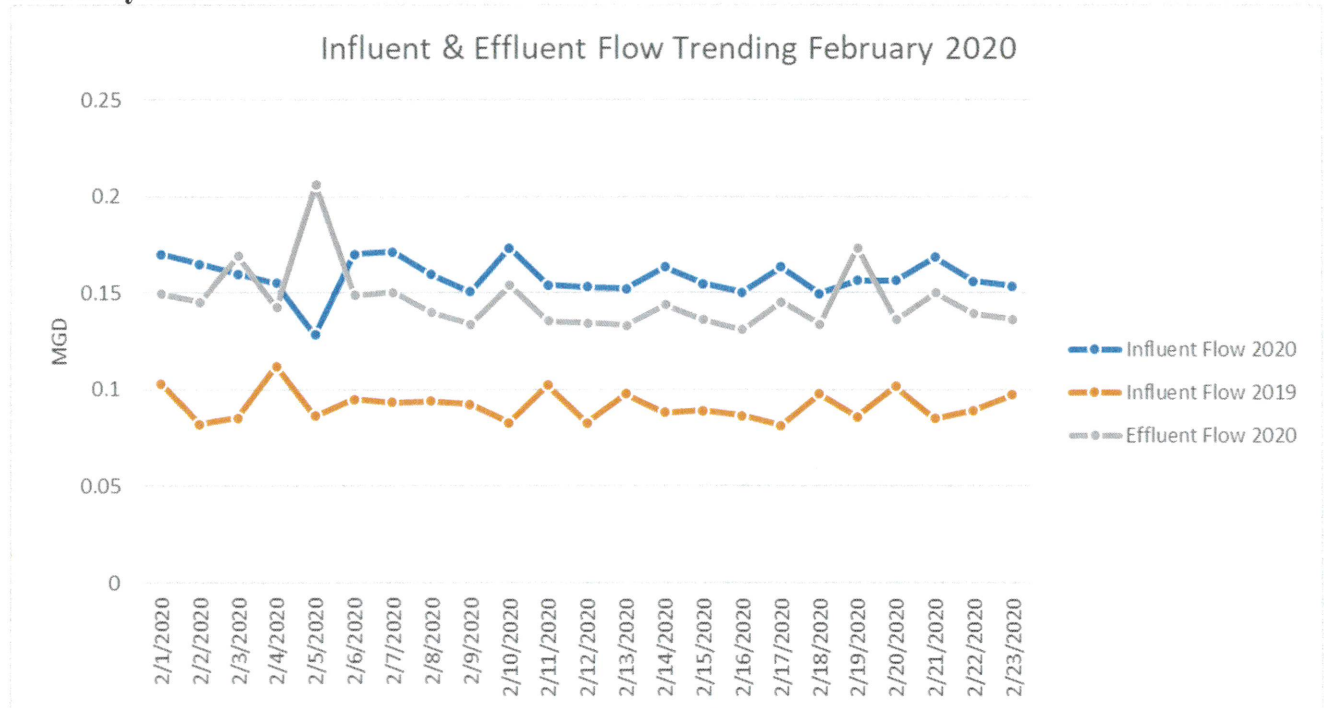
BOD Loading



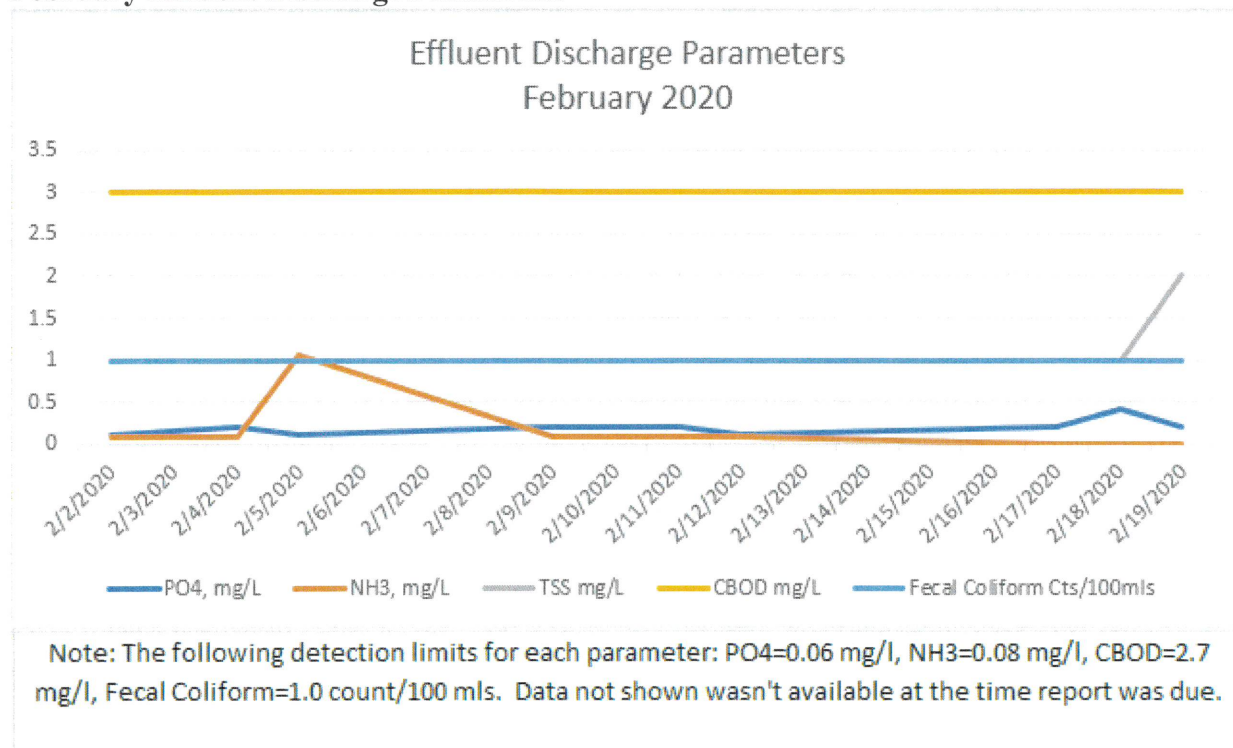
TSS loading



February Plant Flows



February Effluent Discharge Parameters



Financial Report

Current Month	Feb-20	Comments
		\$2,464.00 - Hurst Mechanical removal, purchase and installation of new exhaust fan motor for the headworks building. \$16.10 - FedEx shipping charge for the Hach influent sampler head.
Current Month Repairs	\$ 2,480.60	
Current Month Repair Labor Hrs	\$ -	
Current Month Chemicals	\$ -	
Current Month Utilities	\$ -	
YTD Repairs	\$ 2,480.60	
Repair Budget Remaining (\$6,000 Limit)	\$ 3,519.40	
YTD Repair Labor Hrs	\$ -	
Repair Labor Hrs Remaining (Limit 104 hrs)	\$ 104.00	
YTD Chemicals	\$ -	
Chemical Budget Remaining (\$4,500 Limit)	\$ 4,500.00	
YTD Utilities	\$ -	
Utility Budget Remaining (\$33,000 Limit)	\$ 33,000.00	

Mark Huggard, Jacobs
mark.huggard@jacobs.com
 231-922-4922

Elizabeth Hart, Jacobs
Elizabeth.hart@jacobs.com
 231-922-4922

Committee Status Report

David B. Miller, Director

Suttons Bay DPW and Utilities

2/27/2020

Utilities

WATER: System is operating normally and maintaining a steady production. SBV-CCR (Consumers' Confidence Report) has been reviewed by EGLE and is ready to be published for distribution. EGLE Annual Water Usage Report and Cross Connection Reporting has been finalized and has been reported to EGLE. I will be attending the Cross-Connection Training Seminar in Traverse City on March 3rd to get the latest requirements and updates. Met with MRWA at the plant office to go over services offered by the organization for us as members. Leak detection, rate studies, and onsite technical assistance are a few benefits if needed available to the village.

SEWER: Sewer stations are operating normally and are operating in good condition. Station wet wells have been inspected and some debris removed manually. Pumps inspections are scheduled for mid-April. Collections system cleaning will begin when the Vactor is back around the end of March. Some cleaning has been done this month in the low flow areas with the small trailer unit. Evaluation of shoreline erosion and waterways and low laying areas near the collection system will continue to be monitored. South shore beach concerning the effluent manhole structure on the beach is being watched. We will continue to keep a watchful eye regarding village assets.

Emergency/Critical Equipment: Generator training at Port Sutton regarding the portable units for the water and sewer sites has been completed. SOP (Standard Operating Procedure) has been written and laminated for operators to refer to when using the units. Color coded plugs and receptacles along with control setting have been clearly marked. Training for Main LS at South Shore Beach was completed for emergency operations with laminated instructions onsite in the station.

DPW

Scheduled daily work continues, hauling snow to the dump has been as needed. New U-bolts were installed on the salt truck recently after breaking due to normal wear. Asphalt Patch Wagon has had the rust scrapped and sanded off the unit along with holes patched and a fresh coat of paint applied. Maintenance of DPW equipment continues to be emphasized and repairs are being addressed as they arise.

Seasonal weight restrictions for roads are in effect beginning 3/2/2020. We have received a waiver form from the county to exempt deliveries to the plant which includes holding tank haulers.

Data Management Update: We have decided to implement Limble CMMS work order system for the DPW/Marina as the best application for a mobile work environment. Preventative maintenance inspections of equipment, tracking of hours and miles for equipment maintenance, scheduling of work for various village assets and locations, inventories and invoice tracking for repairs. Also, QR codes will be strategically placed at locations for public use of the Work Request portal. The request is initiated by opening the camera app and holding the camera lens over the code of a smart phone. A link will pop up on the screen to being completing the request.

Sample reporting is attached with this report.

- 1A. Screenshot of Salt Truck Asset Page
- 1B. YTD Report for the Salt Truck
- 1C. YTD Report for all Vehicles located at the Pole Barn
- 1D. QR Code Work Request Example

STAFF

SAFETY and TRAINING: February training was completed and documented. As previously mentioned highlights were the safe operation of emergency back-up power equipment and emergency operation of Village Main LS.

STERLING SINGLE AXLE



Information

Category: ODMR TRUCK
MILEAGE: 55340.7
Hours: 6795



- Info
- PMs
- WOs
- Parts
- Vendors
- Log
- Reports

Planned Maintenance - Build, plan and schedule everything needed to keep your asset running smoothly



PM Templates

Name	Schedules	Assigned To	Options
GREASE EQUIPMENT	Every 8 Hours PM is currently Open Repeats Every 1 Month on the 1st Next Due on Sun Mar. 01, 2020	Unassigned	
Pre-Trip Ops Check		Unassigned	

[New PM Template](#)

Open PMs


Name	Due	Assigned To
1 GREASE EQUIPMENT - #428 - STERLING SINGLE AXLE	2020/02/28	Unassigned

Completed PMs

Search...

Name	Due	Completed	Time Spent	Completed By
Pre-Trip Ops Check - #425	2020/02/28	2020/02/28	0.08 hrs	Lou Bufka
Pre-Trip Ops Check - #415	2020/02/27	2020/02/27	0.05 hrs	Lou Bufka

Reports - Important statistics for only this asset.

All Time  

12 Completed Planned Work
4 Completed Unplanned Work

75.00 % vs 25.00 %
Planned vs Unplanned

7.14 hrs
Time Spent

65.71 hrs
MTBF

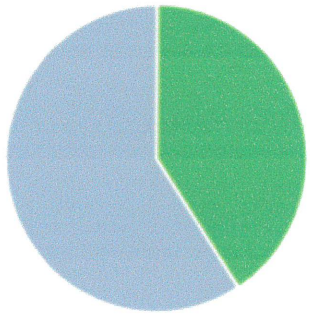
48.75 hrs
MTTR

97.50 hrs
Downtime

0.000
Parts Used

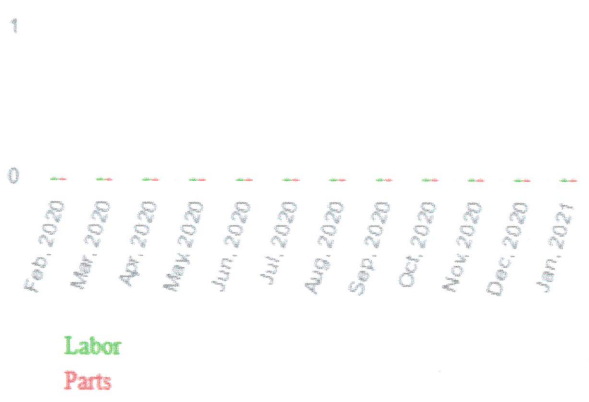
Total Cost of Ownership : \$349.54

Future Estimated Costs : Labor \$0.00 | Parts \$0.00 | Total: \$0.00



Parts Cost - 0 parts have been used | Total: \$0.00
Labor Cost - 7.14 hours | Total: \$142.33
Invoice Cost - 2 invoices have occurred | Total: \$207.21

 Change Fields





104
Completed Planned Work

19
Completed Unplanned Work

84.55% vs 15.44
%
Planned vs Unplanned

27.52 hrs
Time Spent

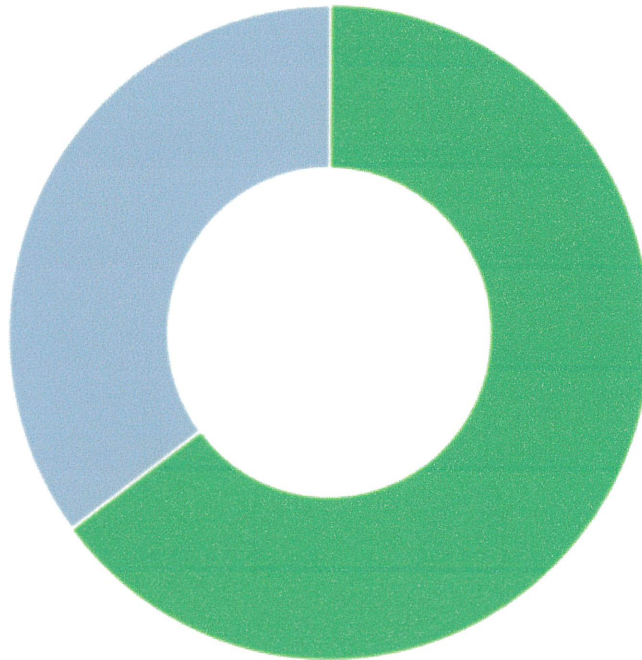
646.54 hrs
MTBF

32.75 hrs
MTTR

98.25 hrs
Downtime

0
Parts Used

Total Cost of Ownership : \$849.99



Parts Cost - 0 parts have been used | Total: \$0.00
Labor Cost - 27.52 hours | Total: \$550.33
Invoice Cost - 7 invoices have occurred | Total: \$299.66



BAHLE WARMING HUT



<https://app.limblecmms.com/#!/problem/kb86uh1863/6453/91>

Having a problem with Warming Hut?
You can submit a work request by either
scanning the QR Code or by visiting the
following URL.

Suttons Bay Marina
February 2020, Staff Report

Seasonal slip fees with assessed late fees are due by the beginning of business March 2nd. All current vacant slips have been filled from the waiting list. Currently we are waiting on a small handful of customers to see if they renew.

I have stayed busy updating the marina POS database of new and existing customer information that may have changed.

We are currently working on purchasing a new John Deere Gator TS 4x2 for the marina. The approximate pricing for the unit is around \$6300. The deal is for government units directly from John Deere. The Gator will replace the 2 gold carts that no longer work.

High water and a seiche have pushed the rafted end of the North Pier off of its spuds. The section has been secured. In the spring longer spuds will need to be added to this section. We have already maxed the length of the sleeves within the docks but still can add length to the spuds. I continue to monitor the harbor with high water a few times a week and as needed with winds out of the northeast.

I have created a preliminary supply order. These items are the majority of supplies the marina will use throughout the season. These items range from cleaning supplies to replacement tools.

I have received a couple of estimates on replacing the roof on the bathhouse. Both estimates are extremely close in price; around \$6000. Other items I am awaiting estimates for include; drywall (bathhouse ceilings), fixtures and countertops (bathhouse) and epoxy within the bathhouse. The bathhouse needs some small ascetic improvements. All of these items have been budgeted for.

I have been reviewing old masterplans of the marina. These masterplans range back to the mid 80's. I have been assessing re occurring needs and items that have been already improved. Examining old plans from high water in the mid 80's have been helpful with education in shoreline erosion. Water levels this summer nearly reached the high watermark of that time.

I have been preparing the transient reservation book for the 2020 season. We receive constant inquiries about reservations for the 2020 season. The marina does not officially start taking reservations until April 15th.

The rest of my time had been spent corresponding with customers on many different marina related questions.

Sincerely,

Edie Aylsworth

Suttons Bay Marina, Harbor Master

User: LORRIE

DB: Suttons Bay

PERIOD ENDING 01/31/2020

GL NUMBER	DESCRIPTION	2020 AMENDED BUDGET	YTD BALANCE 01/31/2020	AVAILABLE BALANCE	% BDGT USED
Fund 101 - General Fund					
Net - Dept 000		855,675.00	14,453.22	841,221.78	
Net - Dept 101 - Village Council		(24,000.00)	0.00	(24,000.00)	
Net - Dept 171 - Village Manager		(31,600.00)	(2,576.83)	(29,023.17)	
Net - Dept 215 - Village Clerk		(10,290.00)	(703.42)	(9,586.58)	
Net - Dept 253 - Treasurer		(23,100.00)	(1,655.14)	(21,444.86)	
Net - Dept 265 - Village Hall		(48,506.00)	(1,519.40)	(46,986.60)	
Net - Dept 345 - Police		(82,000.00)	0.00	(82,000.00)	
Net - Dept 441 - Public Works		(109,125.00)	(3,504.30)	(105,620.70)	
Net - Dept 443 - Motor Pool Department		(98,700.00)	(3,736.08)	(94,963.92)	
Net - Dept 448 - Streetlighting		(13,000.00)	(1,010.69)	(11,989.31)	
Net - Dept 701 - Zoning & Planning		(51,150.00)	(2,301.49)	(48,848.51)	
Net - Dept 751 - Parks & Recreation		(130,000.00)	(4,125.22)	(125,874.78)	
Net - Dept 999 - Transfers to Other Funds		(250,100.00)	0.00	(250,100.00)	
Fund 101 - General Fund:					
TOTAL REVENUES		855,675.00	14,453.22	841,221.78	1.69
TOTAL EXPENDITURES		871,571.00	21,132.57	850,438.43	2.42
NET OF REVENUES & EXPENDITURES		(15,896.00)	(6,679.35)	(9,216.65)	42.02
Fund 202 - Major Street					
Net - Dept 000		(413,358.00)	(4,999.20)	(408,358.80)	
Fund 202 - Major Street:					
TOTAL REVENUES		178,500.00	0.00	178,500.00	0.00
TOTAL EXPENDITURES		591,858.00	4,999.20	586,858.80	0.84
NET OF REVENUES & EXPENDITURES		(413,358.00)	(4,999.20)	(408,358.80)	1.21
Fund 203 - Local Street Fund					
Net - Dept 000		(19,180.00)	(4,828.00)	(14,352.00)	
Fund 203 - Local Street Fund:					
TOTAL REVENUES		101,900.00	0.00	101,900.00	0.00
TOTAL EXPENDITURES		121,080.00	4,828.00	116,252.00	3.99
NET OF REVENUES & EXPENDITURES		(19,180.00)	(4,828.00)	(14,352.00)	25.17
Fund 248 - DDA Fund					
Net - Dept 000		(7,212.00)	(277.89)	(6,934.11)	
Fund 248 - DDA Fund:					
TOTAL REVENUES		5.00	0.00	5.00	0.00
TOTAL EXPENDITURES		7,217.00	277.89	6,939.11	3.85
NET OF REVENUES & EXPENDITURES		(7,212.00)	(277.89)	(6,934.11)	3.85

PERIOD ENDING 01/31/2020

GL NUMBER	DESCRIPTION	2020 AMENDED BUDGET	YTD BALANCE 01/31/2020	AVAILABLE BALANCE	% BDGT USED
Fund 402 - Property Replacement Fund					
Net - Dept 000		100,966.00	0.00	100,966.00	
<hr/>					
Fund 402 - Property Replacement Fund:					
TOTAL REVENUES		158,050.00	0.00	158,050.00	0.00
TOTAL EXPENDITURES		57,084.00	0.00	57,084.00	0.00
NET OF REVENUES & EXPENDITURES		100,966.00	0.00	100,966.00	0.00
<hr/>					
Fund 590 - Sewer Fund					
Net - Dept 000		548,800.00	42,437.68	506,362.32	
Net - Dept 537 - Sewer Fund - Collection		(355,912.00)	(9,771.95)	(346,140.05)	
Net - Dept 538 - Sewer - Plant		(547,232.00)	(5,647.91)	(541,584.09)	
<hr/>					
Fund 590 - Sewer Fund:					
TOTAL REVENUES		548,800.00	42,437.68	506,362.32	7.73
TOTAL EXPENDITURES		903,144.00	15,419.86	887,724.14	1.71
NET OF REVENUES & EXPENDITURES		(354,344.00)	27,017.82	(381,361.82)	7.62
<hr/>					
Fund 591 - Water Fund					
Net - Dept 000		(56,149.00)	1,348.01	(57,497.01)	
<hr/>					
Fund 591 - Water Fund:					
TOTAL REVENUES		230,075.00	13,601.15	216,473.85	5.91
TOTAL EXPENDITURES		286,224.00	12,253.14	273,970.86	4.28
NET OF REVENUES & EXPENDITURES		(56,149.00)	1,348.01	(57,497.01)	2.40
<hr/>					
Fund 594 - Marina Fund					
Net - Dept 000		(175,971.00)	254,287.09	(430,258.09)	
<hr/>					
Fund 594 - Marina Fund:					
TOTAL REVENUES		477,800.00	287,335.00	190,465.00	60.14
TOTAL EXPENDITURES		653,771.00	33,047.91	620,723.09	5.05
NET OF REVENUES & EXPENDITURES		(175,971.00)	254,287.09	(430,258.09)	144.51
<hr/>					
TOTAL REVENUES - ALL FUNDS		2,550,805.00	357,827.05	2,192,977.95	14.03
TOTAL EXPENDITURES - ALL FUNDS		3,491,949.00	91,958.57	3,399,990.43	2.63
NET OF REVENUES & EXPENDITURES		(941,144.00)	265,868.48	(1,207,012.48)	28.25

		VILLAGE OF SUTTONS BAY	
		REPORT VSB -2020- 19	
Prepared:	February 28, 2020	Pages:	1 of 1
Meeting:	March 5, 2020	Attachments:	<input type="checkbox"/>
Subject:	Ferry Discussion Continued		

PURPOSE

To update the Village Council on the DDA’s request to pursue ferry discussion with the Village of Elk Rapids.

STAFF COMMENTS

As you are all aware, a multi-jurisdictional collaboration has been occurring over the past several months regarding a ferry service between the Village of Elk Rapids and Suttons Bay. Both villages are excited about the possibility of having this transportation alternative available to our guests. We know it will be a very large upfront investment to adapt our marinas for the use so amending the appropriate plans and preparing for granting would have to occur. We will also have to identify granting opportunities for a feasibility study to get us started. I am confident that grants are available to supplement a study however an RFP/RFQ will need to be drafted.


The Village DDA made the following motion at their February meeting:

THAT the Village Manager contact the Village of Elk Rapids and work together to develop an RFP/RFQ for a feasibility study and bring the cost of the study back to the DDA.

Being that the DDA makes recommendations to the Village Council it is before you for direction.

ACTION REQUESTED

Discussion

		VILLAGE OF SUTTONS BAY	
		REPORT VSB -2020- 16	
Prepared:	February 28, 2020	Pages:	1 of 1
Meeting:	March 5, 2020	Attachments:	<input checked="" type="checkbox"/>
Subject:	Village Bathroom Discussion		

PURPOSE

To discuss the new (old) topic of year-round Village bathrooms.

OVERVIEW

The type of construction used on the marina bathrooms suggests that they were constructed around the 1950's. They are not insulated, lack heaters and have exposed pipes therefore suggesting that they were never intended for winter use. That is not to say that several thousands of dollars invested into the bathrooms wouldn't fix the issue, however, it is not likely to alleviate the winter restroom concern due to their location.

It is typically the mess (melting snow, dirt etc) associated with the winter use, that causes everyone headaches. The more the restroom is used, the larger the mess, and the more likelihood of someone slipping and falling, so again, I can understand the frustration. This is not a new community topic, in fact, it is common among communities with strong downtowns. These types of issues warrant discussion and most importantly need to be planned. These are the type of concerns that DDA's typically budget for long term, unfortunately, our DDA is new and was established following the recession, rather of during the recession, when property values were low.

There may be other strategies to consider and maybe this discussion will initiate those strategies.

ACTION REQUESTED

Discussion

DDA Public Comment
02-12-2020

(For the record)

My name is Karen Pontius and my address is 310 N. St Joseph Ave. Suttons Bay. I am also the President of the Suttons Bay Chamber of Commerce and as such I am representing myself not only in this capacity but also as a business and property owner.

I am here today to comment on two critical items for the DDA's consideration.

First there is the Suttons Bay Visitors Center, a function of the Chamber and an important element of our public and visitor engagement with our Village and its many businesses and amenities.

Essentially the Visitors Center current status is effectively homeless for 2020 and the foreseeable future. For many years it was located in the lower level of the Millside Building and for the last few years the Visitors Center was co-located in the Inland Seas Education Association building. The Inland Seas collaboration has ended due to the lack of enough Visitor Center volunteers and the fact that Inland Seas personnel were being interrupted from their work by visitors seeking tourist information. We were very grateful for the symbiotic relationship we had at Inland Seas, and we fully understand the extra burden that the Visitors Center placed on their operations and restrooms.

An informal survey of the Village landscape and the business community has indicated that there is virtually no space for this function anywhere in the Village. As the Chamber has relied on the kindness of various landlords for its nominal rent or rent-free existence, and as commercial real estate inventory is for the most part non-existent, and as the Chamber itself does not have a formal business location, our organization is at a crossroad.

Frankly speaking the Visitors Center service, which has greeted and served thousands of visitors to our village may have to be terminated due to dwindling volunteers and a reliable location.

One of the key attributes of the Visitors Center has been the access to restroom facilities for the public and this brings me to the second issue.

Access to public restrooms need to be year-round and not just during the boating season. The Chamber constantly promotes that unlike other communities in Leelanau County, Suttons Bay and its business community is open year-round. Yet for essentially half of the year there are no public restrooms available and it is unfair that private businesses are expected to fulfill this need. Any business owner will tell you that the Village water and sewer rates we pay are among the highest in our region. When our bathroom facilities become the de facto public restrooms for our visitors it places an unfair burden on the commercial sector to absorb the additional cost not only in water and sewer but also wear and tear on our in-house facilities.

I acknowledge that we are blessed with a number of restaurants and bars that are required to provide facilities to their patrons, but we have all seen non-patrons use these facilities because they are accessible. Some businesses have offered their facilities for public use and we acknowledge their generosity BUT at some point, the DDA and the Village need to address this issue. Let me dispel the myth that a visitor coming in to use your restroom facilities does not convert to increased sales.


For several decades the Chamber has heard plans for new, year-round public restrooms and other improvements that other county villages like Glen Arbor and Northport have developed.

I'm here today to ask the DDA, an entity that is funded in part by a successful commercial real estate and business community through the taxes we pay, to help get something done. Decades of talking and planning have delivered nothing in the way of tangible improvements that serve our visitors. The time has come to stop relying on local businesses to be the stop gap for what

should be well designed and executed public projects intended to accommodate an ever-increasing number of locals and visitors who enjoy our village and its diverse merchant, food, entertainment, marina, service industry and business community.

The volunteer-driven Suttons Bay Chamber of Commerce is here to assist but we do not have the capacity to go it alone in solving these two key issues. The time has finally come for us to work together to make plans become reality and not continue to kick the can down the road for another decade or more.

Thank you,

		VILLAGE OF SUTTONS BAY REPORT VSB -2020- 17	
Prepared:	February 26, 2020	Pages:	1 of 1
Meeting:	March 5, 2020 - COMMITTEE OF THE WHOLE	Attachments:	<input checked="" type="checkbox"/>
Subject:	Shoreline Resolution		

PURPOSE

To consider the attached Resolution.

OVERVIEW

Due to the unprecedented high-water levels we will continue to witness an extraordinarily amount of shoreline erosion and costs associated with continued emergency fixes throughout 2020. The attached resolution is an attempt of awareness by way of a unified municipal front, as well as a plea for financial assistance.

On February 7, 2020, we initiated a meeting with representatives of Bingham Township, Suttons Bay Township, the Leelanau County Emergency Management, the LCRC and the Leelanau County Drain Commissioner to discuss the current state of the high water and the extensive erosion occurring in our communities. This collaboration was very well received and due to the success of the meeting we have reached out to other Leelanau County communities to adopt a form of the attached resolution.

We understand that the high-water threats to our infrastructure and quality of life is a *new* type of disaster, one that lacks a definitive *start or completion date* traditionally associated with a natural disaster. This resolution is a challenge to our leaders to address this new type of natural disaster before our infrastructure and history is washed away.

Attached is a copy of the Resolution for your convenience and understanding.

ACTION REQUESTED

To direct Staff to prepare the Resolution for consideration at your March 16, 2020 Village Council meeting,



**Village of Suttons Bay
Leelanau County, MI**

Resolution # 2 of 2020

WHEREAS, record high water levels as well as the bays and rivers connected to them, have contributed toward major erosion on beaches and shorelines across the State of Michigan during high water levels and currently throughout 2019; and

WHEREAS, it is anticipated that the Michigan winter with ice flows and jams will continue to worsen the already bad situation throughout the Great Lakes; and

WHEREAS, the Village of Suttons Bay, Leelanau County, MI, has experienced the impacts of storms, high water, and wind driven wave action that are causing severe erosion of the shoreline as well as related infrastructure damage; and

WHEREAS, the public trust doctrine states that the sovereign holds in trust, for the public use, the resources such as the shoreline regardless of private property ownership; and

WHEREAS, the 3,288 miles of shoreline in the State of Michigan must be protected as referred to in the Public Trust Doctrine; and

WHEREAS, the Great Lakes are the State of Michigan's economic and property value driver for the tax base along the shoreline and connecting tributaries; and

WHEREAS, the conditions of the Great Lakes shoreline effects businesses and the tourism industry by limited access to the beaches; the loss of property along the shoreline directly affects the local, county, and state tax base; and the effects on municipal water systems and the inland water levels throughout the state are all impacted.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Village of Suttons Bay requests that the Governor of the State of Michigan along with the State Legislature declare the State of Michigan shoreline as a disaster area, and seek assistance from Congress and the President of the United States for this devastating situation which has an impact statewide.

YES:

NO:

ABSENT:

RESOLUTION DECLARED -

I hereby certify that the above Resolution was adopted by the Village Council on _____, at a meeting of the Village Council held in the Council Chamber, Village Hall, 420 N. Front St., Suttons Bay, MI 49682

Dated:

Shar Fay
Village Clerk

		VILLAGE OF SUTTONS BAY	
		REPORT VSB -2020- 18	
Prepared:	February 28, 2020	Pages:	1 of 1
Meeting:	March 5, 2020	Attachments:	<input checked="" type="checkbox"/>
Subject:	Policy Amendment		

PURPOSE

To amend the Village investment policy.

OVERVIEW

The Village investment policy was adopted February 19, 2018 and provides guidance on investments associated with the Village funds. Upon meeting with our advisors, it was suggested that we add language to state our intent more clearly. The amendment is a housekeeping item that will not in any way negatively affect the Village or change the policy, its simply to clarify the language in place. The changes can be found in **RED** on page #3.

REQUESTED ACTION

Direct Staff to amend the policy as written.

VILLAGE OF SUTTONS BAY INVESTMENT POLICY
Adopted February 19, 2018
Amended March 16, 2020

SCOPE

This investment policy applies to activities of the Village of Suttons Bay (“Village”) with regard to investing the financial assets of all Village funds, including, but not limited to, the following:

General Fund
Special Assessment Revenue Funds
Capital Project Funds
Enterprise Funds
Debt Service Funds
Internal Service Funds
Trust and Agency Funds

PURPOSE AND OBJECTIVES

Funds of the Village will be invested in accordance with Act No. 20 of the Public Acts of 1943, as amended, in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow needs of the Village and in compliance with all state statutes governing the investment of public funds.

Safety: Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective of preservation of capital, diversification is required and speculation is prohibited.

Liquidity: The Village Treasurer shall ensure that funds are constantly available to meet immediate payment requirements including payroll, accounts payable and debt service. Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

Return on Investment: The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and the cash flow characteristics of the portfolio. The core investments are limited to low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity except for the following reasons.

1. A security with declining credit may be sold early to minimize loss of principal.
2. A security swap would improve the quality, yield, or target duration in the portfolio.
3. Liquidity needs of the portfolio require that the security be sold.

DELEGATION OF AUTHORITY

In accordance with MCL 69.4 and 129.91, the Village Treasurer is designated as the investment officer of the Village and is responsible for depositing Village funds and carrying out investment decisions and activities at the direction of the Committee appointed by Village Council (Committee), and in consultation with the Village Manager. The Village Treasurer, with Committee approval shall develop and maintain written administrative procedures for the operation of the investment program, consistent with this policy.

PRUDENCE

The standard of prudence to be applied shall be the “prudent investor” rule stated as follows:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

The members of the Committee acting in accordance with written procedures and exercising diligence shall be relieved of personal responsibility for an individual security’s performance provided that deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

MONITORING AND ADJUSTING THE PORTFOLIO

The Treasurer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio accordingly with the approval of the Committee. The Village Treasurer will prepare and submit to the Committee a report detailing the fund activity and investment summary for the preceding six (6) months in May and November of each calendar year.

INTERNAL CONTROLS

The Treasurer shall establish a system of written internal controls, which shall be reviewed annually by the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions. The Treasurer shall report any significant changes in the Village portfolio to the Committee at the earliest reasonable opportunity.

INSTRUMENTS

The investment officer, as directed by the Committee, may invest in any of the following:

(a) In bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States with remaining maturities of two years or less, unless

purchased for a debt retirement or other long-term investment account (e.g. post-retirement health care).

(b) In certificates of deposit or investment savings accounts of a bank which is a member of the Federal Deposit Insurance Corporation.

(b1) In reciprocal term deposit relationships (example CDARS), and reciprocal liquid deposit relationships (example Insured Cash Sweep “ICS”).

(c) Money market mutual funds regulated by the Securities and Exchange Commission, whose portfolios consist only of dollar-denominated securities, and limited to securities whose intention is to maintain a net asset value of \$1.00 per share or whose net asset value per share may fluctuate on a periodic basis.

(d) In mutual funds registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of any of the following: (i) the purchase of securities on a when-issued or delayed delivery basis; (ii) the ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned; or (iii) the limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

(e) In United States government or federal agency obligation repurchase agreements, consisting of bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

(f) In investment pools composed of investment vehicles which are legal for direct investment by local units of government in Michigan in accordance with Act No.367 of the Public Acts of 1982, as amended.

(g) Obligations described in subdivisions (a) through (g) of Section 1(1) of Act No. 20 of the Public Acts of 1943, as amended, if purchased through an interlocal agreement under the urban cooperation act of 1967, Act No. 7 of the Public Acts of 1967 (Ex Sess), as amended.

(h) The investment pools organized under the local government investment pool act, Act No. 121 of the Public Acts of 1985, as amended.

Notwithstanding the above, the Village shall not deposit or invest funds in a financial institution that is not eligible to be a depository of funds belonging to the State of Michigan under a law or rules of the State of Michigan or the United States.

DIVERSIFICATION

The Committee shall diversify its use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

QUALIFIED INSTITUTIONS

The Village shall maintain a list of financial institutions which are approved for investment purposes. In addition, a list of approved security broker/dealers selected by creditworthiness will also be maintained. All financial institutions and broker/dealers which desire to become qualified for investment transactions must supply the following as appropriate:

- . Audited financial statements
- . Proof of National Association of Securities Dealers certification
- . Proof of state registration
- . Certification of having read and understood and agreeing to comply with the Village's investment policy

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer.

The Village Council will approve all qualified institutions. Selection of depositories shall be based on the institutions offering the most favorable terms and conditions for the handling of Village funds consistent with requirements previously stated (e.g. diversification).

SAFEKEEPING AND CUSTODY

All security transactions shall be conducted on a cash (or delivery-versus-payment [DVP]) basis. Securities will be held by a third party custodian designated by the Committee and evidenced by safekeeping receipts.

PERFORMANCE EVALUATION AND REPORTING

The Treasurer shall produce quarterly reports for the Committee and Village Council, listing by fund each investment within the fund. The report shall show the amount of investment, the institution, maturity date, and interest rate. A summary of all investments shall be shown at the end of each report, listed by institution and type of investment. An annual report to the Village Council shall be provided as required by law.

EFFECTIVE DATE

This amended policy shall become effective on March 16, 2020.