


## AGENDA REPORT

TO: Mayor Pat Humphrey and the Clare City Commission  
FROM: Ken Hibl, City Manager   
DATE: July 14, 2010  
RE: Notice to Proceed: Pettit Park Shower Project

For the Agenda of July 19, 2010

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**Background.** By adoption of its Resolution 2010-063 (*copy att'd*), the Clare City Commission approved the bids for construction of a shower facility at the Pettit Park Campground but withheld the Notice to Proceed on the project until such time the Commission's Fiscal Oversight & Budget Committee and the City's Parks & Recreation Advisory Board met to formulate a recommendation regarding the City's funding allocation for certain parks capital projects – specifically, the City's contribution to construction of the Pere Marquette Rail Trail extension into downtown Clare. The Committee and Advisory Board met on July 7<sup>th</sup> and agreed that the City's costs (approximately \$53K – *see copies of att'd spreadsheets*) should be shared equally (\$26.5K each) between the City's General Fund and the voter-approved parks millage. The City Commission is asked to approve this recommendation and authorize the issuance of the Notice to Proceed for the Pettit Park Shower Project.

**Notes:**

1. *The total cost of the rail-trail project was approximately \$1.2M; however, the \$750K MDOT grant received for this project is not reflected in the attached spread sheets as MDOT paid its share of the project costs directly, whereas, Natural Resources Trust Fund grant dollars (total of \$650K) are required to be initially paid by the grant recipient and are then reimbursed by MDNRE.*
2. *In conversation with MDRNE officials, we are very optimistic that we will be reimbursed for a significant portion (approximately half) of the City's aforementioned \$53K costs for this project. If we received the anticipated reimbursement, we will share the reimbursement equally, thus further reducing the financial impact to both the City's General Fund and the Parks & Recreation Fund.*

**Issues & Questions Specified.** Should the City Commission approve the proposed fiscal recommendation and authorize the issuance of the Notice to Proceed?

**Alternatives.**

1. Approve the fiscal recommendation and authorize the issuance of the Notice to Proceed.
2. Direct that the General Fund bear the burden of the City's entire portion of the trail project costs and direct the issuance of the Notice to Proceed.
3. Direct that the Parks & Recreation Fund bear the burden of the City's entire portion of the trail project costs and direct the issuance of the Notice to Proceed.
4. Do not authorize the issuance of the Notice to Proceed.

5. Set this matter aside for further discussion, consideration, and decision at a future, scheduled meeting.

**Financial Impact.** Approval of the proposed fiscal recommendation will provide approximately \$85K (approximately \$20K to be brought forward from the 2009/2010 appropriation, coupled with approximately \$65K from the 2010/2011 appropriation) to allow commencement of other projects currently listed on the City's Parks Capital Improvement Schedule (the cost of the Pettit Park showers is approximately \$50K) while concurrently reducing the burden on the General Fund by approximately \$26K.

**Recommendations.** I recommend that the City Commission approve the proposed fiscal recommendation and authorize the issuance of the Notice to Proceed for the Pettit Park Shower Project by adoption of the proposed Resolution 2010-073 (*copy attached*).

**Attachments.**

1. Resolution 2010-063.
2. Spread Sheets.
3. Resolution 2010-0073.

**Pere Marquette Rail-Trail  
Clare Extension Project**

**Michigan Department of Natural Resources Grant Funding Receipts**

<b>Date</b>	<b>DNR Grant Descriptions</b>	<b>Received</b>	<b>Audit Retainage</b>
5/4/2009	DNR Grant - Property Purchase (Price = \$133,410 * 64% MNRTF Portion)	76,844.16	
10/20/2009	DNR Grant - Property Purchase Final Audit Payment	<u>8,538.24</u>	
		85,382.40	
11/18/2009	DNR Reimbursement Request One	55,320.92	
	DNR Reimbursement Request Two	63,291.13	
	DNR Reimbursement Request Three	88,337.55	
	DNR Reimbursement Request Four	<u>29,252.92</u>	
		236,202.52	
1/11/2010	DNR Reimbursement Request Five (\$100,370.24 less \$25,000 audit retainage)	75,370.23	25,000.00
	DNR Reimbursement Request Six	4,339.24	
1/11/2010	DNR Reimbursement Request Seven (the entire \$13,542.35 was retained for the audit)		13,542.35
5/26/2010	DNR Reimbursement Request Eight (\$17,482.18 less \$11,457.65 audit retainage)	6,024.54	11,457.65
	DNR Reimbursement Request Nine	<u>4,195.91</u>	
		10,220.45	50,000.00
	<b>Total Grant Funds Receive</b>	<b>411,514.84</b>	
<b>Community Donations Received</b>			
9/1/2007	Property acquisition donation from the Clare Area Fitness Enthusiasts (C.A.F.é.)	168.00	
10/1/2007	Property acquisition donation from the Friends of the Pere Marquette Rail-Trail	68,080.00	
7/16/2010	Bicycle rack donatino from the Clare Area Fitness Enthusiasts (C.A.F.é.)	1,125.00	
8/3/2010	Rail-Trail donatino from the Friends of the Pere Marquette Rail-Trail	5,000.00	
	<b>Total Donations Received</b>	<b>74,373.00</b>	
	<b>Total of all funds received for the Rail-Trail Extension Project</b>	<b>485,887.84</b>	

**CITY OF CLARE**  
**PARKS & RECREATION CAPITAL IMPROVEMENTS**  
**JULY 1, 2007 THROUGH JUNE 30, 2010**

DATE	CHECK PAYABLE TO	DESCRIPTION	DEBITS	TOTALS
8/7/2007	G R GOTSHALL ASSOCIATES INC	Rail Trail - Summary Appraisal Report	3,500.00	
9/5/2007	ROWE INCORPORATED	Rail Trail - Grant Preparation/Topographic Survey/Design	2,000.00	
9/12/2007	IBT TITLE - CLARE CO	Rail Trail Right-of-Way Purchase	150,000.00	
12/4/2007	ROWE INCORPORATED	Rail Trail - Grant Preparation/Topographic Survey/Design	4,000.00	
3/18/2008	ROWE INCORPORATED	Rail Trail - Grant Preparation/Topographic Survey/Design/ Preliminary Bridge Plans/Final Bridge Plans/Soil Borings	6,987.50	
4/22/2008	ROWE INCORPORATED	Rail Trail - Grant Preparation/Topographic Survey/Design/ Preliminary Bridge Plans/Final Bridge Plans/Soil Borings	7,762.50	
6/17/2008	OTWELL MAWBY, PC	Rail Trail - Phase I Environmental Site Assessment	1,100.00	
	<b>FY2007/08 Total</b>			<b>175,350.00</b>
11/17/2008	CORPORATE TITLE (Steve & Amy Stark)	Rail-Trail Property Purchase	11,244.27	
11/18/2008	ROWE INCORPORATED	Rail-Trail Extension Design and Grant Application	1,475.00	
12/16/2008	ROWE INCORPORATED	Rail-Trail Extension Design and Grant Application	4,200.00	
12/16/2008	CITY OF CLARE	Rail-Trail Property Purchase - Winter Property Taxes	36.00	
3/3/2009	ROWE INCORPORATED	Rail-Trail Certified Survey of Parcel Division	1,475.00	
4/8/2009	ROWE INCORPORATED	Rail-Trail Design Services	16,259.00	
	<b>FY2008/09 Total</b>			<b>34,689.27</b>
7/7/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	55,320.92	
7/10/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	63,291.13	
9/9/2009	JD METALWORKS	Rail-Trail - Bike Rack Powder Coated	1,108.49	
9/9/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	88,337.55	
10/6/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	29,252.92	
11/3/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	100,370.24	
12/8/2009	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	4,339.24	
3/2/2010	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	13,542.35	
4/6/2010	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	17,482.18	
5/4/2010	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	4,195.91	
6/8/2010	MICHIGAN DEPARTMENT OF TRANSPORTATION	Rail-Trail Extension Engineering and Construction	1,469.57	
	<b>FY2009/10 Total</b>			<b>378,710.50</b>
	<b>Grand Total - Rail-Trail Extension Project</b>			<b>588,749.77</b>

**RESOLUTION 2010-063**

**A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING PETTIT PARK SHOWER BIDS.**

**WHEREAS**, the top priority project listed in Capital Improvement Schedule for the City of Clare Parks & Recreation Master Plan is the construction of a showers at the Pettit Park Campground; and

**WHEREAS**, the City solicited design bids for said shower building; and

**WHEREAS**, said design and site plan was awarded and completed; and

**WHEREAS**, said design and site plan was reviewed and recommended for approval by the City's Parks & Recreation Advisory Board and subsequently approved by the City of Clare Planning Commission, thus allowing the solicitation of bids for the construction of said showers; and

**WHEREAS**, the City received three bids, the lowest submitted by JBS Contracting of Mt. Pleasant, Michigan; and

**WHEREAS**, said contractor is well-known to the City as a reputable contractor with excellent work performance standards, said acquaintance being through past capital project work accomplished by the said contractor for the City.

**NOW THEREFORE BE IT RESOLVED** that the City Commission of the City of Clare hereby approves the bids received for construction of the Pettit Park Shower Building and awards the contract work to JBS Contracting of Mt. Pleasant, Michigan for a cost not to exceed \$48,384.

**BE IT FURTHER RESOLVED** that the City Commission hereby directs its Fiscal & Oversight Committee to meet with the City's Parks & Recreation Advisory Board and representatives of the City Staff (namely, its city manager, its city treasurer & finance director, and its parks & recreation director) to review the expenditure of parks capital project funds for the period July 1, 2007 to present for the purpose of developing a recommendation of mutual agreement and understanding regarding the source of funding for said projects, namely, whether the source of funding for said projects should be provided by the General Fund in the form of an inter-fund transfer or from funds collected from the voter-approved parks improvement millage.

**BE IT FURTHER RESOLVED** that a Notice to Proceed to construct said Pettit Park Shower Building shall not be issued until said recommendation of mutual agreement and understanding has been achieved and approved by the Clare City Commission.

**ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.**

**The Resolution was introduced by Commissioner Jean McConnell supported by Commissioner John Koch. The Resolution declared adopted by the following roll call vote:**

**YEAS: Bill Horwood, John Koch, Tom Koch, Jean McConnell and Pat Humphrey.**

**NAYS: None**

**ABSENT: None**

Resolution approved for adoption on this 21<sup>st</sup> day of June 2010.

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Diane Schmidt, City Clerk

## **RESOLUTION 2010-0073**

### **A RESOLUTION OF THE CLARE CITY APPROVING A JOINT FISCAL RECOMMENDATION OF THE COMMISSION'S FISCAL OVERSIGHT & BUDGET COMMITTEE AND THE PARKS & RECREATION ADVISORY BOARD AND AUTHORIZING THE ISSUANCE OF A NOTICE TO PROCEED FOR THE CONSTRUCTION OF THE PETTIT PARK SHOWER PROJECT.**

**WHEREAS**, by issuance of its Resolution 2010-063, the Clare City Commission approved the bids for the construction of shower facilities at Pettit Park but withheld the issuance of a Notice to Proceed on said project pending the formulation of a joint recommendation of the City Commission's Fiscal Oversight & Budget Committee and the City's Parks & Recreation Advisory Board regarding cost-sharing for another recreation capital project – specifically, the continuation of the Pere Marquette Rail Trail into downtown Clare; and

**WHEREAS**, said entities have mutually agreed to recommend that an equal cost-share for the City's costs of said trail project is appropriate; and

**WHEREAS**, the City Commission has reviewed said recommendation and deemed it to be fair, equitable, and in the best interests of the City.

**NOW THEREFORE BE IT RESOLVED THAT** the City Commission of the City of Clare hereby approves the recommendation of the City Commission's Fiscal Oversight & Budget Committee and the City's Parks & Recreation Advisory Board that the City's costs related to the construction of the Pere Marquette Rail-Trail Project, which was essentially completed in 2009, should be borne equally by the City's General Fund and the City's Parks & Recreation Fund.

**BE IT FURTHER RESOLVED THAT** the City Commission hereby directs its Treasurer & Finance Director to take all actions necessary to equally spread said City costs to both said Funds.

**BE IT FURTHER RESOLVED THAT** the City Commission hereby authorizes the issuance of the Notice to Proceed for the Pettit Park Shower Project.

**ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.**

The Resolution was introduced by Commissioner \_\_\_\_\_ and supported by Commissioner \_\_\_\_\_. The Resolution declared adopted by the following roll call vote:

**YEAS:**

**NAYS:**

**ABSENT:**

Resolution approved for adoption on this 19<sup>th</sup> day of July 2010.

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Diane Schmidt, City Clerk