

# CITY COUNCIL POLICY MANUAL

City of Wyoming, Michigan

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## Section 1 - RULES OF PROCEDURE

**1.01** Meetings of the City Council shall be conducted according to Roberts Rules of Order Newly Revised, most recent edition, subject to provisions of the Charter and these rules.

**1.02** These Rules of Procedure may be amended by a majority of the City Council and may be suspended at a regular meeting by a majority attending such meeting.

### **1.03 Order of Business**

The order of business for regular council meetings shall be as follows:

- (1) Call to Order
- (2) Invocation
- (3) Pledge of Allegiance
- (4) Roll Call
- (5) Student Recognition
- (6) Approval of Minutes
- (7) Approval of Agenda
- (8) Public Hearings
- (9) Public Comment on Agenda Items (3 minute limit per person)
- (10) Presentations and Proclamations
- (11) Petitions and Communications
- (12) Reports from City Officers
- (13) Budget Amendments
- (14) Consent Agenda
- (15) Resolutions
- (16) Award of Bids, Contracts, Purchases, and Renewal of Bids and Contracts
- (17) Ordinances
- (18) Informational Material
- (19) Acknowledgement of Visitors
- (20) Executive Session (as necessary)
- (21) Adjournment

**1.04 Agenda.** The City Manager shall prepare the agenda for each Regular Council meeting and Work Session. The Agenda shall include petitions and communications and items approved for consideration at the Work Session. The agenda and supporting material shall be available for the City Council by 2:00 p.m. Friday prior to the meeting.

**1.05 Public Discussion at Meetings.** All persons may address the City Council at any meeting which is open to the public during Public Comment or Acknowledgement of Visitors. The person may be asked to give their name and address at the beginning of their comments. The Chairman may limit the comments of any person to items on the agenda or to such matters as may be relevant to the City.

At the discretion of the Chairman, persons may be allowed to speak only once on the same matter. The Chairman may limit to 3 minutes the time that any person is allowed to speak.

**1.06 Regular Meeting Date and Time.** Meeting dates for regular City Council Meetings are hereby established as the first and third Mondays of each month. There shall be an additional meeting on the first Monday following the City Election, except when the first Monday falls on a City holiday. In that case, that meeting shall be on the first Tuesday following the City Election. All regular meetings shall begin at 7:00 p.m.

The City Council work session meetings shall be on the second Monday of each month, and at any time as determined by the City Manager.

**1.07 Audio Recording of Meetings.** The City Clerk shall electronically record all proceedings of the City Council at regular meetings and work sessions. These recordings are to be used by the City Clerk's office for the preparation of minutes of the various meetings. Tape recordings of regular meetings and work sessions shall be disposed of, destroyed or reused at the discretion of the City Clerk. No tape recordings of closed sessions shall be made. The City Clerk shall prepare the required minutes of any closed session, and they shall be approved by the Council before the closed session ends. The minutes of the closed session shall be retained as required in PA 1976, No. 267, as amended, MCL 15.261(2).

**1.08 Committees.** There shall be no standing committees of Council. Special committees and their members may be appointed by the Mayor, subject to the approval of the City Council, or by City Council itself.

Whenever the final report of any special committee of the City Council has been submitted and approved by the City Council, such committee shall be considered as dissolved.

**1.09 Closed Session Minutes.** The City Clerk shall prepare the required minutes of any closed session, and they shall be approved by the Council before the closed session ends. The minutes of the closed session shall be retained as required in PA 1976, No. 267, as amended, MCL 15.261(2).

## **Section 2 – LEGISLATION**

**2.01 Ordinances.** Wyoming City Charter §7.3 describes in the detail the process for ordinance adoption.

If an ordinance fails at first or second reading for lack of a second or a majority vote, any future consideration of the ordinance may be made only by starting the entire ordinance adoption procedure over again, beginning with the introduction of the ordinance for a first reading.

If consideration of an ordinance for final adoption is postponed, it should be postponed to a specific meeting in the future, no more than 90 days later.

**2.02 Zoning Hearings.** Public hearings for zoning changes of the Code will be held by the City Council only when the City Council deems it advisable.

Notice of any public hearing on a request to rezone property before either the Planning Commission or the City Council shall be given by mail addressed to the persons to whom real property is assessed located within 600 feet of the property subject to the rezoning.

## Section 3 - STAFF AND EMPLOYEES

**3.01 City Manager.** The City Manager is hereby authorized to make settlement of claims without the prior approval of the City Council in all cases where the settlement does not exceed \$10,000.

The City Manager is hereby authorized to give such assistance as is needed in the form of equipment or employees to another municipality within the immediate area in the event that such municipality has been affected with a disaster such as a tornado, conflagration or other emergency situation in which the municipality needs assistance.

**3.02 62-A District Court Judges.** (Rescinded July 2, 2012)

**3.03 City Attorney.** In order to obtain a written opinion from the city attorney, the request will be put in writing signed by at least two members of the City Council, or by verbal request at a public meeting with support from at least one other member of the Council.

The Attorney or designee shall attend all meetings of the City Council.

**3.04 Reserved**

**3.05 Employee Service Awards.** Service awards for all employees shall be given annually for continuous years of employment with the City at: 10 years, 15 years, 20 years, 25 years, and 30 years or more of service.

**3.06 Unemployment Compensation.** The City adopts the Michigan State plan for unemployment compensation whereby the City will reimburse the State for the unemployment expenses incurred on its behalf.

**3.07 Affirmative Action Program.** The City subscribes to an Affirmative Action Program for minority group persons employed by certain contractors, agencies, and other business firms which are utilized by the City. The City also subscribes to an Affirmative Action policy regarding minority group persons employed, and to be employed, by the City. A complete copy is on file at the Human Resources office.

**3.08 Authorization for City Treasurer to accept partial payments.** The City Treasurer is hereby authorized to accept partial payments for real and personal property taxes. If the partial payment on a parcel results in a balance of less than \$5.00 on summer taxes and less than \$1.00 on winter taxes, the City Treasurer is authorized to mark the parcel as paid in full prior to the turning the tax roll over to the Kent County Treasurer on March 1 of each year.

## Section 4 - BOARDS AND COMMISSIONS

**4.01 Terms of Boards and Commissions.** Where a qualified citizen has expressed a desire to be appointed to any particular Board or Commission, said citizen shall have a preference for appointment over a member of said Board or Commission who is subject to reappointment and whose service on said Board or Commission has been for the following consecutive periods:

1. For 3 year terms, 3 terms or 9 years
2. For 4 year terms, 2 terms or 8 years
3. For 5 year terms, 2 terms or 10 years
4. For 7 year terms, 1 term or 7 years

This policy may be waived by the City Council where circumstances brought to the attention of the Council warrant retaining a member on any Board or Commission.

**4.02 Appointments to Boards and Commissions.** The City Clerk, at the Direction of the Mayor or City Manager, shall prepare resolutions of appointment and appreciation for consideration by the City Council.

No person shall be appointed to more than one board or commission for which compensation is paid.

A member of any Board, Commission or Committee desiring to resign prior to the end of their term shall file a letter of resignation with the City Clerk.

The City Clerk shall notify the City Council when a vacancy occurs and shall report to the Council from time to time on vacancies existing on all Boards, Commissions and Committees.

Notification shall be given to the Chairperson of the Board, Commission or Committee when an appointment has been made to that Board, Commission or Committee.

### **4.03 Policy and Guidelines for Use by the Board of Review for Granting Poverty Exemptions.**

A. The dollar amounts in items B and C below, being asset and income limits, shall, beginning with the 1996 assessments, be changed annually to reflect changes in the cost of living, as published by the State Tax Commission.

B. The Total Assets, other than a vehicle, personal property and the homestead being claimed, should not exceed:

1. \$1,500 for the claimant, and
2. \$3,500 for the household seeking exemption

C. Total annual income shall not exceed the following amounts according to household size:

1. Claimant, as sole householder:	\$12,000
2. Two persons:	\$13,200
3. Three persons:	\$14,400
4. Four persons:	\$15,600
5. Five persons:	\$17,500
6. Six persons:	\$19,718
7. Seven persons:	\$22,383
8. Eight persons:	\$24,838
9. Nine persons or more:	\$29,529

D. Medical and extraordinary hardship situations may be used to qualify applicants who do not meet the income and asset tests as contained in this Resolution.

E. The Board of Review shall follow the above policy and guidelines when granting or denying a poverty exemption. The same standards shall apply to each claimant in the unit for the assessment year unless the board of review determines there are substantial and compelling reasons why there should be a deviation from the policy and guidelines and the substantial and compelling reasons are communicated in writing to the claimant.

F. Applicants, except as stated above, shall satisfy all requirements of said Public Act 390 of Michigan Public Acts of 1994 and the said State Tax Commission bulletin, both of which were adopted and made a part of the approving Resolution.

#### **4.04 Sale Procedure for Project Notes and Requisition Agreements for the Wyoming Housing Commission**

The advertisement, sale, issuance and delivery of Project Notes and execution of Requisition Agreements on behalf of the Wyoming Housing Commission is hereby authorized to be performed by the Regional Office of the Department of Housing and Urban Development.

## SECTION 5 - PUBLIC WORKS

### 5.01 Special Assessments

#### A. Special Assessments on City Financed and Sponsored Improvement Projects

Philosophy - The following guidelines are established in an effort to provide uniformity in the special assessment process of financing City sponsored improvement projects. It is understood that these guidelines may have to be modified from time to time to provide an equitable method of spreading costs. It is intended that all property owners receiving benefit from improvements share in the cost in a uniform and consistent manner. It is intended that the amount of Special Assessments be in proportion to benefit received.

#### Definitions

ASSESSMENT - shall mean special improvement assessment and shall be the amount of money levied against a parcel of ground for a particular improvement.

COMPLETE IMPROVEMENT - shall mean the installation of storm sewer with lead to property line on commercial and industrial sites, sanitary sewer with lead to property line, water main with service to property line, curb, gutter, pavement, sidewalk, drives, and topsoil in parkway, excluding those structures in the street that conform to current requirements.

EQUIVALENT CORNER PARCEL - shall have the dimensions of 100 feet by 165 feet.

FRONTAGE - any portion or part of a parcel of land abutting on a public street.

IRREGULAR PARCELS - parcels that have front and rear measurements varying more than 10%.

PARCEL - platted or unplatted piece of property having a parcel number.

RESIDENTIAL ZONED PROPERTY - includes all property with residential zoning as identified in the City's adopted Zoning Ordinance, except property with any type of special use approval.

STREETS, LOCAL - shall mean streets on the record of the Michigan State Highway Department under Act 51 of 1951, as amended, listed as local streets.

STREETS, MAJOR - shall mean streets on the record of the Michigan State Highway Department under Act 51 of 1951, as amended, listed as major streets.

UNDEVELOPABLE PARCEL - any parcel that due to existing regulations cannot be legally developed (floodplain, wetlands, etc.).

Petitions - All requirements for petitions, hearings, etc. will following requirements of the City Code.

Determination of Benefit - The City may elect to perform comparative appraisals to determine benefit to adjacent properties as deemed necessary. The determination and comparative appraisals should be scheduled prior to the confirmation of the special assessment roll.

## **B. Assessment Against Public Utilities/Property**

### Electric Utility

1. Where an improvement crosses transmission line property, the assessment shall be 50% of the adjacent frontage for each side. No drives and services shall be provided.
2. Where improvement parallels utility transmission strips, the assessment shall be 35% of the adjacent frontage. No services and drives shall be provided.
3. Where an improvement crosses a vacant parcel purchased for transmission lines, the assessment shall be the same as for normal city parcels. No services or drives will be provided.
4. All other properties used by utility companies for other than transmission line purposes will be assessed according to normal city procedure.

### Railroads

1. Where the improvement crosses railroad track right-of-way, the assessment shall be 50% of the adjacent frontage for each side. No services or drives shall be provided.
2. Where the improvement parallels railroad track right-of-way, the assessment shall be 35% of the adjacent frontage. No drives or services shall be provided.
3. All other properties owned and used by railroad companies for other than active railroad tracks shall be assessed according to the regular assessment procedure.

Public Schools - Designated school property will be requested to pay assessments for all improvements according to the benefit received for the appropriate zoning.

Governmental Units - Designated governmental property will be assessed for all improvements according to the benefit received for the appropriate zoning.

## **C. Financing Special Assessments of Capital Improvements**

For financing of special assessments for capital improvements from the special assessment revolving fund or through the sale of special assessment bonds, the following shall apply:  
Sidewalk or individual utilities - 5 years. Streets, multiple utilities or Full Improvements - 15 years.

**D. Residential Parcels** - In order to lessen the impact of the special assessment on larger residential parcels, the following conditions apply for all improvements:

- Unplatted Parcels will be assessed at full rate for a minimum frontage for the current zoning up to and including the developed portion of parcel plus side yard set-back requirements. The remaining frontage, if less than required for development in the current zoning, will be assessed at 50% rate for all improvements.

- Platted Parcels shall be assessed based on the actual frontage unless said actual frontage is greater than 150% of the minimum frontage required by current zoning. When frontage exceeds 150%, then it shall be treated as an unplatted parcel.

- Parcels with assessable frontage 330 feet or greater shall have assessments deferred as follows:

1. Payment of assessment for that portion of the property which exceeds the minimum parcel frontage as determined by the current zoning requirements shall be deferred for a period of 10 years.
2. Deferment will be terminated on the entire parcel at the time of hook-up or when the parcel changes ownership, if prior to the 10 year deferment period in section 1 above.
3. Interest on the special assessments will not be deferred but will be added to the overall assessment and will be due and payable with the remaining assessments.
4. In the event that the deferment is terminated, the special assessments plus interest may be paid off over the same 5 or 15 year period as the original special assessments.
5. At such time as a parcel owner becomes eligible for the State funded special assessment deferment established by Public Act 225 of 1976, as amended, the owner shall apply for said deferment. When the State funded deferment is approved, the ten year City deferment will no longer apply. Failure to apply for the State funded deferment when eligible will result in loss of the City deferment.

**E. Commercial/Industrial** - All commercial/industrial zoned property will be assessed for actual frontage except as provided by individual improvement policies.

#### **F. Assessments for Streets and Alleys**

1. The assessed cost of street improvements shall be based on the benefit to adjacent property for the construction of the curb and gutter, sub-base and base, pavement, topsoil and other work necessary to complete the project.
2. The assessment shall be based upon the amount of improvements that service the property (front or side).
3. The Equivalent Corner Parcel (100' x 165') shall be assessed at a full rate on the side that is improved first, and one-half assessment rate for up to 165 feet on the side that can reasonably be developed. The side assessed with the second improvement shall receive one-half assessment for frontage up to 165 feet, the remaining frontage will be assessed at one-half rate if it cannot be developed. If access to the secondary street is prohibited, then no special assessments will be levied for that frontage.
4. Parcels abutting on two streets shall receive assessments on both streets provided the parcel can normally be developed with frontage on both streets. If the depth is insufficient to permit development on both streets, the rear of the parcel shall be assessed at one-half rate unless access to the rear street is prohibited - then no assessment will be levied.
5. **Assessment Charges Against Major Street Frontage.**  
Improvements for major streets in an improvement district shall be assessed based on current zoning as follows:

Residential - (project includes only street improvement of two lanes) property may be assessed based on benefit.

Residential - (project includes improvements greater than two lanes) property will not be assessed for the street improvement but may be assessed for drive approaches, sidewalk, and utilities.

Residential with Special Use Approval - allowing a commercial or industrial use will be considered on an individual basis to determine method of assessment.

Commercial and Industrial - shall be assessed at a rate no greater than the cost to construct a standard industrial street based on current City Engineer's design standards.

6. Assessment for undevelopable parcels or areas within a parcel will be deleted if the property owner executes a restrictive covenant requiring that the parcel or area in question will remain undeveloped. At such time as any portion of the parcel or area is developed, the assessments will become due and payable at an adjusted assessment rate based on the average change of the C.P.I. utilizing the confirmed rates as the base.
7. Platted Lots shall be assessed at the full rate, except for Corner parcels which shall be assessed at full rate for each improvement constructed on the short side of the parcel, and one-half assessment for each improvement constructed on the long side of the parcel.

#### **G. Assessment for Water Mains**

1. The assessment for water main shall be based on the cost of installing a 6" water main for residential areas, and a 12" water main for industrial and commercial areas. The commercial/industrial size may be reduced to not less than 8" if the demands of the area served and the requirements of the insurance underwriters can be met. The assessed costs for the water main shall be based on the benefit to the adjacent property for the construction of the improvement, less any portion assumed by the City.
2. The assessment shall be based upon the front footage of a parcel served by the water main. Parcels not abutting on the water main, but able to be served, shall be assessed on parcel frontage or shall be treated as an "equivalent corner parcel" and be assessed accordingly.
3. Where the dimension of a corner parcel does not exceed an "equivalent corner parcel," the parcel shall be assessed only once. Where the side footage of the parcel exceeds 165 feet, the excess footage shall be assessed as frontage if it can be reasonably developed as such.
4. Parcels abutting on two streets shall receive the assessments on both streets provided the parcel can normally be developed with frontage on both streets. However, such parcels shall be assessed for frontage on only one street if such parcels cannot be subdivided into additional parcels.
5. The water service shall be included as a separate item in the assessment roll. Deletion of such service will require an execution of a Restrictive Covenant.
6. Assessment for undevelopable parcels or areas within a parcel will be deleted if the property owner executes a restrictive covenant requiring that the parcel or area in question will remain undeveloped. At such time as any portion of the parcel or area is developed, the assessments will become due and payable at an adjusted assessment rate based on the average change of the C.P.I. utilizing the confirmed rates as the base.
7. Parcels will be assessed for a minimum frontage of 75 feet (65' for R-2 zones parcels) for water main improvements.
8. Platted Lots shall be assessed at the full rate except for Corner parcels, which shall be assessed at full rate for each improvement constructed on the short side of the parcel, and one-half assessment for each improvement constructed on the long side of the parcel.

## H. Assessment for Sewer Mains - Sanitary

1. The assessment for sanitary sewer shall be based on the cost of installing an 8" diameter sanitary sewer for residential areas and a 12" diameter sanitary sewer for commercial/industrial areas.
2. The assessed costs for sanitary sewer shall be based on the benefit to adjacent property for the construction of the improvement, less any portion assumed by the City.
3. The assessment shall be based upon the front footage of a parcel served by the sanitary sewer. Parcels not abutting on the sanitary sewer, but able to be served, shall be assessed on parcel frontage or shall be treated as an "equivalent corner parcel" and be assessed accordingly.
4. Where the dimension of a corner parcel does not exceed an "equivalent corner parcel", the parcel shall be assessed only once. Where the side footage of the parcel exceeds 165 feet, the excess footage shall be assessed as frontage if it can be reasonably developed as such.
5. Parcels abutting on two streets shall receive assessments on both streets provided the parcel can normally be developed with frontage on both streets. However, such parcels shall be assessed for frontage on only one street if such parcels cannot be subdivided into additional parcels.
6. A sanitary sewer lateral to the property line shall be installed to each usable parcel and shall be included as a separate item on the assessment roll. Deletion of such service will require an execution of a Restrictive Covenant.
7. Unless otherwise established by a special assessment hearing process, the assessment rates for sanitary sewer connection charges along a trunk sewer are as follows:

Residential Sewer, no lateral	current rate as established by Ordinance
Laterals	current rate as established by Ordinance
Commercial-Industrial sewer	current rate as established by ordinance
8. Assessment for undevelopable parcel or areas within a parcel will be deleted if the property owner executes a restrictive covenant requiring that the parcel or area in question will remain undeveloped. At such time as any portion of the parcel or area is developed, the assessments will become due and payable at an adjusted assessment rate based on the average change of the C.P.I utilizing the confirmed rates as the base.
9. Special assessments for sanitary sewer main and sanitary sewer service shall be deferred without interest until hookup if:

the property is fully developed and the dwelling is located at a distance of 200 feet or more from the public sanitary sewer main

OR

the property cannot be developed with a dwelling located less than 200 feet from the sanitary sewer main
10. Parcels will be assessed for a minimum frontage of 75 feet (65' for R-2 zoned parcels) for sanitary sewer improvements.

## I. Assessment for Sewer Mains - Storm

1. The assessed costs for storm sewer shall be the entire cost of the improvement, less any portion assumed by the City.

2. A storm lateral shall be installed to each commercial or industrial parcel and shall be included as a separate item on the assessment roll. Deletion of such service will require an execution of a Restrictive Covenant.
3. Assessment for undevelopable parcel or area within a parcel will be deleted if the property owner executes a restrictive covenant requiring that the parcel or area in question will remain undeveloped. At such time as any portion of the parcel or area is developed, the assessments will become due and payable at an adjusted assessment rate based on the average change of the C.P.I. utilizing the confirmed rates as the base.
4. Large parcel development shall be subject to designated "developer fees" or regional drainage participation as defined in the City's Storm Water Ordinance or Utility Cost Sharing Policy.

**J. Assessments for Sidewalks**

1. The assessed cost for sidewalks shall be based on the benefit to adjacent property for construction of sidewalk.
2. The assessment shall be based upon the amount of sidewalk adjacent to the parcel. When Sidewalk is constructed along one side of the street only, parcels on both sides of the street will be assessed at 50% of the standard sidewalk assessment rate.
3. Corner parcels shall be assessed at full rate for each foot of sidewalk constructed on the long side of the parcel. The excess footage shall be assessed as frontage if it can reasonably be developed as such.
4. Parcels abutting on two streets shall receive assessments on both streets provided the parcel can be developed with frontage on both streets. If the depth is insufficient to permit development on both streets, the rear of the parcel shall be assessed on one-half rate.
5. Assessment for undevelopable parcels or areas within a parcel will be deleted if the property owner executes a restrictive covenant requiring that the parcel or area in question will remain undeveloped. At such time as any portion of the parcel or area is developed, the assessments will become due and payable at an adjusted assessment rate based on the average change of the C.P.I. utilizing the confirmed rates as the base.
6. Platted Lots shall be assessed at the full rate except for Corner parcels which shall be assessed a full rate for each improvement constructed on the short side of the parcel and one-half assessment for each improvement constructed on the long side of the parcel.

**K. Special Assessments for Irregular Parcels**

The following assessment frontages shall apply to all irregular shaped parcels such as cul-de-sac parcels and irregular shaped parcels lying on curvilinear and straight street:

Sidewalk	Actual frontage
Street	Actual frontage
Water Main	Minimum allowed is 75 feet (65' for R-2 zones parcels)
Sanitary sewer	Minimum allowed is 75 feet (65' for R-2 zones parcels)
Water Main	When the front property line is greater than 10% of the rear line and the rear line is less than 60 feet in length, the assessable footage shall be the average length of the two lines but not less than 75 feet.

Sanitary Sewer                      When the front property line is greater than 10% of the rear line and the rear line is less than 60 feet in length, the assessable footage shall be the average length of the two lines but not less than 75 feet.

**L. Easements**

All parcels containing City or County utility easements which are perpendicular to the street will be assessed at 50% rate over the easement frontage.

**M. Project Costs for Construction Projects**

Project costs for the construction of capital improvements include all materials, labor, and equipment required for the project. The cost also includes engineering, administration and contingencies. These costs will vary on each project, depending on whether the engineering of the project is provided by the city or an outside agency. The following cost standards are established for all improvements.

Administrative Costs

Engineering, Inspections, and Contingencies	(by the City)
Design Engineering	6%
Construction Engineering:	
Survey & Testing & Inspection	7%
Contingencies	5%

Percentages to be applied on the total cost of the project.

**N. Distribution of Assessments When Parcels Are Split**

The Special Assessments shall be proportioned based upon the actual frontage of the parcel not the assessable frontage.

**O. Restrictive Covenants With Owners of Vacant Parcels of Land**

Whenever all the owners of any interest, whether legal or equitable, of any parcel of land which is vacant and which abuts a street which the City plans to improve in the immediate future wish to enter into a restrictive covenant with the City whereby the City promises not to construct a public lateral sanitary sewer from the public sanitary trunk sewer to the vacant parcel of land in exchange for the promise of said owners, their heirs and assigns, not to construct or erect a building on the vacant parcel of land for a period of 10 years from the date of the execution of the restrictive covenant.

Any person who desires to enter into a restrictive covenant with the City whereby the City refrains from installing laterals in certain property shall pay to the City Treasurer the sum as prescribed in the City Code to cover administrative costs and actual expenses to the City.

## **P. Standard Lien Contract**

The Lien Contract shall apply to water, sanitary sewer and storm sewer improvements. The term of the Lien Contract for individual utilities shall be for 5 years. The term of the Lien Contract for multiple utilities shall be for 15 years. The utility fees for the Lien Contract shall be as established by Ordinance for Special Assessment projects and shall be based upon the frontage that would be assessed in a special assessment project. The interest rates shall be the prevailing rate charged in current special assessment districts. The Lien Contract payment shall be due and payable on the first day of May with each subsequent payment due and payable the first day of May of each year thereafter. The preparation fee for the Lien Contract shall be as established by City Code.

### **5.02 Public Involvement - Street and Utility Capital Improvement Program (CIP).**

In order to allow sufficient opportunity for residents to review and comment on proposed improvement projects, the following policy should be followed:

- A. The Street and Utility CIP will be updated annually with specific emphasis on a three-year implementation plan and submitted to the City Council in December.
- B. The uniform special assessment rates to be used on upcoming improvement projects will be reviewed, updated and submitted to City Council for approval in January.
- C. An informational meeting will be held with all affected residents (individual mailing) within the three-year implementation plan project areas. This meeting should include brief descriptions of various projects, financing, and proposed scheduling. The three-year implementation plan may be modified based on the results of the informational meeting and submitted to the City Council for adoption of a resolution of intent to proceed with the identified projects.
- D. Project development will then proceed normally, with special assessment hearings being held as the project progresses to construction.

### **5.03 Policy on Banners Within the Right of Way**

Non-profit governmental, civic, church or school organizations may request the placement of a non-commercial, informational banner within the right-of-way by the Department of Public Works. Such banner and placement shall be subject to rules and regulations issued by the Director of the Department of Public Works, with approval of the City Manager. Permit fees will be established by Resolution of the City Council from time to time.

**5.04 Sidewalk Policy for Street Improvement Projects.** Sidewalks will be required on both sides of the street in all areas of the City where street improvement projects are proposed, except in industrial areas where they will be required only for Principal and Minor Arterials as per the Wyoming Thoroughfare Plan. The City Council may consider the following possible exceptions to this policy:

- A. Streets of less than 1,000 feet in length with no through vehicular traffic.
- B. Construction design impediments such as houses too close to right-of-way, lack of sufficient right-of-way, severe topographic variation, considerable loss of trees or landscaped materials. In order to accommodate through pedestrian traffic, the City Council may require sidewalk on one side of the street.

- C. Full improvements other than sidewalks are already in place. In order to accommodate through pedestrian traffic, the City Council may require sidewalk on one side of the street.
- D. In order for the City Council to consider points A-C above, a petition opposed to the sidewalks must be received from at least 51% of the affected property owners along the block frontage.

#### **5.04 Water and Sewer Services - Grand Rapids and Wyoming**

Because Grand Rapids and Wyoming each has its own water and sewer system, and because each has water and sewer customers within the city limits of the other, it is mutually desirable and agreeable that arrangements be made with respect to water and sewer customers that reside in one city and are served by the other.

Each City will read the meters for the water and/or sewer service furnished to its residents by the other City. Each City shall bill and collect for water and/or sewer charges for its residents who receive water and/or sewer service from the other party.

Within 30 days after the end of the quarter, ending March 31, June 30, September 30 and December 31, each City will prepare a statement of water and sewer charges for services to its residents by the other City based upon the rates to residents of the City providing the service. Each City shall keep a system of records acceptable to the other, which shall be available for inspection at any time.

Customers shall be serviced from the City in which they reside.

This policy shall be from year to year until terminated upon 90 days notice by either party.

#### **5.05 Utility Cost Sharing Policy**

**STORM SEWER** - Refer to City Code

##### **SANITARY SEWER**

It is the City's philosophy that the costs incurred in development of the trunk sanitary sewer system are borne by the City at large through the use of the Street Sewer and Water Improvement Fund or the General Obligation Bonds originally used for the construction of the Wastewater Treatment Plant. Also, all properties within the City have the responsibility to pay their fair share of a sanitary sewer collection system that services their properties.

A trunk sanitary sewer is defined as a sewer that is 12" or larger in diameter serving predominantly residentially zoned property, or 15" or larger in diameter serving commercial/industrial property.

A. Assessment rates (per foot) for trunk sewers will be the established rates set by the City Council.

B. Developments which connect to the trunk system with a dedicated collector system (8" in diameter or larger) to service multiple facilities will be assessed for the trunk sewer. The

assessment amount shall equal the assessment rate per foot times the length of property adjacent to the trunk system (but not less than the minimum street frontage required for such a development) minus the cost to construct the dedicated collector system. If the amount is equal to or less than zero, no assessment will be required.

C. Developments which connect to the trunk system with a service or collector system to service a single facility will be assessed for the trunk system as defined above based on the lengths of property adjacent to the trunk system but no less than the minimum street frontage required for such a development.

D. A developer will be required to construct a trunk sanitary sewer within his development if that trunk sewer location is designated as such in the City's Master Plan. The developer will be reimbursed all costs over and above that which he would normally incur in servicing the development (oversizing, additional depth, and extensions through the property). The City's share will be determined based on bid prices submitted by the developer and approved by the City.

E. The City will not reimburse the developer for costs incurred in extending the sewer system from an existing system to the proposed development. All costs for such extensions will be borne by the developer and no reimbursement will be made from outside properties connecting to the extended system.

F. A developer may be required to extend a service main to the limits of a development to service adjacent properties. The City will reimburse the developer all additional costs for said extension and will assess the adjacent properties served on a per foot cost. Said cost will be collectable upon hookup to the extended sewer.

G. When the City schedules full improvements within an area, a special assessment district is established for the improvements, including the utilities. The property abutting a previously extended sewer shall be assessed for the sewer lateral only. Upon hookup, payment for the previously extended sewer shall be by lien contract in an amount equal to the City's prevailing assessment rates.

## **WATER MAIN**

A. Extensions of watermains to service developments are the responsibility of the developer unless oversizing is required by the City. Oversizing is considered when watermains larger than 8" in diameter in residential areas, and 12" in diameter in industrial areas, are required to be installed. In cases where oversizing is required, the City will reimburse the developer the difference in construction cost and the material cost of the oversized watermain construction and the size required to service the development. The City's share will be determined based on bid prices submitted by the developer and approved by the City.

B. If extensions of the watermain are required to service property outside the development, the total cost of that extension will be paid by the City, which in turn will be assessed to the adjacent properties served on a per foot cost. Said cost will be collectable upon hookup to the extended watermain.

C. The developer may be required to extend the watermain through his development and connect to another existing watermain (looping of the system).

D. Any property connecting to a watermain constructed by a developer shall make a connection payment, in full or by lien contract with the City, in an amount equal to the City's prevailing assessment rate.

E. When the City schedules full improvements within an area, a special assessment district is established for the improvements, including the utilities. The property abutting a previously extended watermain shall be assessed for water services only. Upon hookup, payment for the previously extended watermain shall be by lien contract in an amount equal to the City's prevailing assessment rates.

F. Relocation of watermain to accommodate a development is the responsibility of the developer. When the developer chooses to replace a greater length of said public watermain in order to reduce the possibility of a future watermain failure negatively impacting their development, the City may elect to reimburse the developer the construction and the material cost if said main has reached approximately half its widely estimated useful life of 100 years. The City's share of said cost will be based upon the remaining useful life of the watermain and bid prices submitted by the developer and approved by the City. The City's cost share, as a percentage of the approved construction and material cost, is equal to the age of the watermain.

## Section 6 - MISCELLANEOUS

**6.01 Attendance at Conferences and Meetings; Expenses.** The Mayor and City Council shall receive prior approval by the City Council for expenses to attend meetings, conferences or conventions if the expense shall cover a period of more than one day. This section shall be waived if a member must attend such meeting before the Council is able to meet and take action on the expenses. Expenses for one day or less need not be acted upon before the expense is incurred.

Attendance at conventions shall be determined in advance as the need for attendance prevails. The Council shall direct the attendance at such events by resolution.

Expenses for the spouse of the Councilperson shall not be paid for by the City.

In the event that anticipated travel expenses will exceed the budget appropriation, additional funds shall be appropriated by the Council in advance.

If expenditures are anticipated to be over \$100, the Mayor and Council may draw advance expense money. They will reimburse the City any unused advance within 48 hours after conclusion of travel. They will submit expenses to the City Manager upon return from travel for consideration by the City Council at the next regular meeting.

**6.02 Flowers and Memorials.** Flowers or memorials will be sent by the Mayor and City Council from the designated Council Flower Fund, in accordance with the following:

In the case of serious illness or hospitalization:  
to a present City Councilmember or spouse

In the case of death:  
of present City Councilmembers, spouse, child, father or mother  
of past City Councilmember or spouse

**6.03 Fee for Marriage Ceremonies.** The fee for marriage ceremonies performed by the Mayor is \$25.00.

**6.04 Property Tax Administration Fee.** A 1% (one percent) property tax administration fee is imposed on all property taxes levied by the City.

**6.05 Mileage Allowance for Personal Car Use on City Business.** The mileage allowance for use of personal cars by elected City officials, City officers, and City employees while on City business shall be that rate allowed as a deductible business expense by the United States Internal Revenue Service rounded off to the nearest whole cent.

**6.06 Use of Intoxicating Liquor in the Wyoming Grand Valley Armory.** Pursuant to MSA 4.678(336), all nonprofit, religious, fraternal, civic and patriotic organizations hereby have consent of the City to use, serve and sell intoxicating liquors in the Wyoming Grand Valley Armory. Private parties, individuals and others using the Wyoming Grand Valley Armory hereby

have the consent of the City to use and serve but not to sell intoxicating liquors in the Wyoming Grand Valley Armory. All rules and regulations of the Michigan Liquor Control Commission and the Armory Board must be observed.

**6.07 Use of Public Meetings Rooms.** Meeting rooms have been provided in the City of Wyoming Public Library and Gezon Fire Station #3 to enable the City to promote programs of service to the community. Organizations in the community are encouraged to use these rooms.

Meeting room usage is for civic, educational, or cultural type programs. Soliciting, lobbying, fundraisers, auctions or sales of any type are not permitted with the exception of City and Library events. Personal events, such as birthday parties, weddings, and bridal showers are not allowed.

Fees for use of the rooms will be established by Resolution of the City Council from time to time. The City Manager shall develop rules and regulations governing use of the meeting rooms.

**6.08 Recognition of High School State Champions.** The City shall have a special recognition of any high school located within the City limits that obtains a state championship in any competition. Recognition will include a formal proclamation by the City Council presented at a regular City Council meeting. The City will furnish the school with a sign to be erected on school property identifying the year and activity of the championship. The sign will be made in the school's colors and will incorporate the school mascot.

#### **6.09 Uniform Adult School Crossing Guard Program for the City**

The City will furnish complete supervision of crossing guard program and will accept the responsibility of 50% of guard salaries, uniforms and training costs, with the schools accepting the remaining 50% costs. Participation in the adult school crossing guard program is contingent upon the joint participation of each of the four school districts within the City. Additional guards may be provided when requested by the schools in accordance with school crossing warrant criteria.

#### **6.10 Parks and Recreation Program Fees**

Due to the volume and constantly changing nature of the recreation and other programs offered by the Parks and Recreation Department, it is not feasible to include these fees in the Fee Schedule adopted from time to time by resolution of the City Council. These fees are to be set in accordance with the Fee Allocation Guideline approved by the Parks and Recreation Commission.

## **6.11 Nondiscrimination Policy**

Title VI Plan

### **Policy Statement**

The City of Wyoming (City) assures that no person shall, on the grounds of race, color, national origin, gender, disabilities or any other reason prohibited by law as provided by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Civil Rights Restoration Act of 1987 (P.L. 100.259), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. The City further assures every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs and activities are federally funded or not.

In the event the City distributes federal aid funds to another governmental entity, the City will include Title VI language in all written agreements and will monitor for compliance.

The City's Human Resources Department is responsible for initiating and monitoring Title VI activities.

Any person who believes they have been aggrieved by an unlawful discriminatory practice under Title VI has a right to file a formal complaint with the City of Wyoming. Any such complaint must be in writing and filed with the City Clerk within ninety (90) days following the date of the alleged discriminatory occurrence.

### **Organization and Staffing**

The Director of Human Resources is responsible for ensuring the implementation of the City's Title VI Plan and is responsible for the overall management of the Title VI Plan including data collection and review. Questions about the City's Title VI Plan can be directed to:

City of Wyoming  
Human Resources Department  
1155 28<sup>th</sup> Street SW  
PO Box 905  
Wyoming, MI 49509-0905

Phone: (616) 530-7241

Fax: (616) 261-7103

The City's Director of Human Resources shall have a designated Title VI liaison for each of the special emphasis program areas listed below (if applicable):

Planning  
Project Development  
Right-of-Way  
Construction  
Research  
Public Involvement  
Compliance

The liaison shall be responsible for ensuring compliance, program monitoring, reporting, and education within their respective programs (if applicable).

All complaints will be directed to the Director of Human Resources.

### **Public Meetings**

All meetings of the City Council, and all boards, commissions and committees established by the City Council, are conducted in compliance with Public Act 267 1976, as amended (MCL 15.261 - 15.275 Open Meetings Act).

Regular meetings of the Wyoming City Council are typically held on the first and third Mondays of each month. The meetings begin at 7:00 p.m. and are held at Wyoming City Hall located at 1155 28<sup>th</sup> Street SW, Wyoming, Michigan.

Work Sessions of the Wyoming City Council are typically held on the second Monday of each month. The meetings begin at 7:00 p.m. and are held at Wyoming City Hall located at 1155 28<sup>th</sup> Street SW, Wyoming, Michigan.

### **Public Involvement**

The City Council has established several Boards and Commissions, which address specific needs of the community. All citizens interested in being appointed to a Board or Commission are encouraged to complete an application. Applications are available in the Office of the City Clerk. Most appointments are made by City Council. The City has a policy of nondiscrimination in all appointments.

### **Communication with Citizens**

The City uses several methods of communication to provide the citizens of the community with information and opportunities. The City embraces diversity within the community and makes every attempt to effectively communicate with all citizens. This is accomplished by having bilingual staff members available for interpreting needs, contracting with professional interpreters, and providing citizens the opportunity to receive translated copies of correspondence and reports.

## Section 7 - COMMUNITY & ECONOMIC DEVELOPMENT

### 7.01 Act 198 Industrial Facilities Exemptions

In order to maintain the development and redevelopment of industrial property, and an adequate tax base, plus create or retain quality jobs, an application for an Industrial Exemption Certificate will be reviewed on its merits with respect to the degree to which it will assist in achieving the defined goals of the City of Wyoming. All procedures, rights and obligations concerning such exemptions are subject to the Plant Rehabilitation and Industrial Development Districts Act, P.A. 198 of 1974, as amended.

PERSONAL PROPERTY EXEMPTIONS Effective June 15, 2015, if personal property qualifies for an exemption under Sections 9m, 9n or 9o of Public Act 206 of 1893, as amended, the General Property Tax Act, MCL 211.9m, 211.9n and 211.9o, there will be no exemption under Public Act 198.

#### GOALS

Industrial Development Districts and Plant Rehabilitation may be established for the following reasons:

- a. To enhance, over the long run, the tax base of the City of Wyoming;
- b. To encourage development and redevelopment that will increase the economic vitality of the industrial districts;
- c. To create and retain employment in industrial facilities that otherwise might leave the City;
- d. To assist in the rehabilitation of older facilities and/or expansion of existing industrial facilities;
- e. To reduce property taxes as an obstacle to development of problem parcels of industrial real estate;
- f. To enhance the general attractiveness of the community.

#### ELIGIBLE FACILITIES

Industrial plants eligible for tax benefits under Act 198 are those that primarily manufacture, or process, goods or materials by physical change. Related facilities of Michigan manufacturers such as offices, engineering, research and development, warehousing or parts distribution are also eligible for exemption.

The exemption applies to buildings; building improvements; machinery; equipment; furniture and fixtures. Real property and personal property are eligible, whether owned or leased (provided the lessee is liable for payment of taxes on the property).

The exemption covers only the specific project that is the subject of the application for an Industrial Facilities Exemption Certificate. Any existing buildings and any equipment, which existed prior to construction of a "new facility," are not exempt. If the property is a "rehabilitation," the value of any preexisting, obsolete, property is exempt from ad valorem taxes but will be used as the base for the Industrial Facility Tax. Similarly, any structures, or equipment, added subsequent to the completion of the project are fully taxable.

Land is specifically excluded by State Statute.

### INDUSTRIAL FACILITY TAX

#### Obsolete Facility

For an obsolete plant that is being replaced or restored, the Industrial Facilities Tax is determined like an ad valorem property tax, except the assessed value of the plant is “frozen” at the level of the obsolete facility prior to the improvement. This results in a one hundred percent (100%) exemption from the property tax on the value of the improvement.

#### New Facility

For a new plant, the Industrial Facilities Exemption tax is also determined like the property tax but only one-half (1/2) the millage rate (with the exception of the state education tax) is applied. This amounts to a fifty percent (50%) reduction in the property taxes on new construction, and/or new machinery and equipment.

Within sixty (60) days of the City granting an Industrial Facilities Exemption Certificate, the State Treasurer may exclude one-half (1/2), or all, of the number of mills levied under the State Education Tax Act, from the specific tax calculation on the facility if it is determined that reducing the number of mills used to calculate the specific tax is necessary to reduce unemployment, promote economic growth, and increase capital investment in the state.

#### Effective Date

An Industrial Facilities Exemption Certificate shall become effective on December 31 following the issuance of the Certificate. The maximum period that a Certificate may be in effect is twelve (12) years after the completion of the facility with respect to the real property and personal property components of the facility. The date of issuance of a certificate of occupancy shall be the date of completion of the facility.

The City Council may revoke the Certificate if it is determined that completion of the project has not occurred within two years after the effective date of the Certificate; or a greater time as authorized by the City Council for good cause; or if the holder of the Certificate has not proceeded in good faith in a manner consistent with the purposes of the Plant Rehabilitation and Industrial Development Districts Act in the absence of circumstances beyond the control of the holder.

### AGREEMENT

An Industrial Facilities Exemption Certificate shall not be approved and issued unless a written agreement is entered into between the City of Wyoming and the owner of the industrial facility and filed with the Michigan State Department of Treasury. A sample copy of an agreement is attached to this policy statement.

### REPAYMENT

Applicant agrees that if during the term of the Agreement, Applicant moves the jobs employed at the Project Site to a location outside the City of Wyoming, the City shall have the right to require a repayment equal to the total taxes abated by the City under the IFT Certificate. In the event a repayment is required under the terms of this paragraph the Applicant shall make such payment within 30 days of written demand by the City.

#### APPLICATION PROCESS

Granting Industrial Facilities Exemption Certificates is a two-step process and involves the City of Wyoming and the State of Michigan.

##### A. Establish Industrial Development District or Plant Rehabilitation District

Either the City Council or owners of seventy-five percent (75%) of the State Equalized Value of the industrial property located within the district may initiate action to establish an Industrial Development District, or a Plant Rehabilitation District. A request for establishment of such district must be filed with the City Clerk prior to commencement of the construction, alteration, or installation of equipment.

Written notice, by certified mail, of the proposed district must be provided to the owners of all real property within the proposed district prior to a public hearing.

##### B. Request for Industrial Facilities Exemption Certificate

Upon receipt of an application for certificate made to the City Clerk, on forms provided by the State Tax Commission, notices (copy attached) will be given to each taxing jurisdiction that levies ad valorem property taxes and shall afford the various taxing units an opportunity for a hearing.

##### C. Submittal to State

If the application for a Certificate is approved, the City Clerk shall forward the application to the State Tax Commission and the Michigan Economic Development Commission for their review and approval. The State Tax Commission grants the final approval and issues the exemption certificate.

##### D. Application Fee

A non-refundable fee equal to one-tenth (1/10<sup>th</sup>) of one percent (1%) of the total project cost up to a maximum of ten thousand dollars (\$10,000) must accompany a request to create a Plant Rehabilitation District or an Industrial Development District.

#### GUIDELINES FOR TAX ABATEMENT

The City Council reserves the right to exercise its discretion in applying the tax abatement guidelines in any individual case. The City Council reserves the right to modify the tax abatement guidelines to reflect changing objectives, priorities or conditions.

Criteria used in reviewing applications will include, but may not be limited to:

- a. Compliance with the Wyoming Zoning Ordinance and Master Plan;
- b. Must use City of Wyoming as local Business address;
- c. There must be no delinquent taxes owed by the applicant;
- d. Submission of site plans and elevations;
- e. The project is a redevelopment or rehabilitation project, or a new development that is a benefit to the City;
- f. Permanent jobs will be created or retained as a result of the project;
- g. The new investment will not harm community health, safety and welfare;
- h. The prospects for long-term growth and viability are present;
- i. No pending or current litigation against the City by the applicant or its agent.

### **Industrial Facilities Exemption Certificate Formula**

Points are calculated to determine the number of years for abatement as follows:

<b><u>SCORING FACTORS</u></b>	<b><u>EXAMPLE</u></b>	<b><u>DIE-TECH &amp; ENGINEERING</u></b>
	<ol style="list-style-type: none"> <li>1. \$1,000,000 Real Property Investment</li> <li>2. \$500,000 personal property investment</li> <li>3. Existing TCV \$10,000,000</li> <li>4. 10 new jobs</li> <li>5. 50 retained jobs</li> <li>6. New product line</li> <li>7. 10 years in Wyoming</li> <li>8. Not Redeveloping vacant industrial property</li> </ol>	<ol style="list-style-type: none"> <li>1. \$640,000 Personal Property Investment</li> <li>2. Existing Personal Property TCV \$1,446,200</li> <li>3. 4 new jobs</li> <li>4. 35 retained jobs</li> <li>5. 15 years in Wyoming</li> </ol>
<p><b><u>Firm Commitment:</u></b> Determine the "proposed investment amount." The proposed investment amount equals the real property plus 50% of personal property. The proposed investment amount is then divided by the total cash value (assessed value times 2). Points awarded are 10% of this expansion figure.</p>	<p>Proposed investment amount</p> $1,000,000 + 250,000(500,000/2) = 1,250,000$ $1,250,000/10,000,000 = 12.50% * 10\% =$ <p style="text-align: center;"><b><u>1.25 points</u></b></p>	$640,000/2 = 320,000$ $320,000/1,446,200 = 22.13% * 10\% =$ <p style="text-align: center;"><b><u>2.21 points</u></b></p>
<p><b><u>Quantity of Jobs:</u></b> Points awarded are 50% of the number of new jobs.</p>	$10 * 50\% =$ <p style="text-align: center;"><b><u>5 points</u></b></p>	$4 * 50\% =$ <p style="text-align: center;"><b><u>2 points</u></b></p>

<p><u>Retention of Jobs:</u> Points awarded are 25% of the number of jobs retained.</p>	<p>50 * 25% =</p> <p><b><u>12.50 points</u></b></p>	<p>35 * 25%</p> <p><b><u>8.75 points</u></b></p>
<p><u>Quality of Jobs:</u> Proposed investment amount is divided by the number of new jobs to arrive at "dollars per job." Points are awarded equal to "dollars per job" divided by \$100,000 to a maximum of 10 points.</p>	<p>Dollars per Job \$1,500,000/10 = \$150,000</p> <p>\$150,000/\$100,000 =</p> <p><b><u>1.5 points</u></b></p>	<p>\$640,000/4 = \$160,000</p> <p>\$160,000/\$100,000 =</p> <p><b><u>1.6 points</u></b></p>
<p><u>Citizenship:</u> A judgmental category – refers to conformance, compliance, etc. Is the company a good corporate citizen? This involves issues such as timely filing of personal property statements, taxes being current, etc. Up to a maximum of ten (10) points.</p>	<ol style="list-style-type: none"> <li>1. Pays Taxes on time</li> <li>2. Files Personal Property Taxes on Time</li> <li>3. Has current Business license</li> <li>4. No outstanding zoning issues</li> <li>5. No Code Violations</li> <li>6. No Tax Tribunal in last 10 years</li> <li>7. Wyoming Address</li> </ol> <p><b><u>10 points</u></b></p>	<ol style="list-style-type: none"> <li>1. Pays Taxes on time</li> <li>2. Files Personal Property Taxes on Time</li> <li>3. Has Current Business License</li> <li>4. No outstanding Zoning Issues</li> <li>5. No Code Violations</li> <li>6. No Tax Tribunal in last 10 years.</li> <li>7. Wyoming Address</li> </ol> <p><b><u>10 points</u></b></p>
<p><u>Diversification:</u> A diversification bonus shall only be granted when a company installs new or modifies existing equipment or machinery for the purpose of manufacturing new products for an industry not currently served by the company.</p>	<p>New product line =</p> <p><b><u>10 points</u></b></p>	<p>No new Product line</p> <p><b><u>0 points</u></b></p>

The diversification bonus is ten (10) points.		
<b>Business Life:</b> Points awarded are 25% of each year business has been located in the City of Wyoming.	10 * 25% = <b><u>2.5 points</u></b>	15 * 25% = <b><u>3.75 points</u></b>
<b>Redevelopment:</b> New investment in existing vacant industrially zoned facilities automatically qualifies for thirty (30) points. Points earned through factors a – e shall be in addition to the redevelopment points earned.	Not redeveloping vacant existing industrial property <b><u>0 points</u></b>	Not redeveloping vacant existing industrial property <b><u>0 points</u></b>

**Total Score**

**42.75 points**

**28.31 points**

**TOTAL SCORE:**

25 – 26.99	=	Four	(04) years
27 – 28.99	=	Five	(05) years
29 – 30.99	=	Six	(06) years
31 – 32.99	=	Seven	(07) years
33 – 34.99	=	Eight	(08) years
35 – 36.77	=	Nine	(09) years
37 – 38.99	=	Ten	(10) years
39 – 40.99	=	Eleven	(11) years
41 and up	=	Twelve	(12) years

**CERTIFICATE REVIEW POLICY**

Biannually, companies receiving Industrial Facilities Exemption Certificates will be required to submit a notarized affidavit verifying conformance with the statements included in their application.

The biannual affidavit will be required throughout the life of the certificate unless modified by the City Council. Additionally, all existing certificate holders will be subject to the same requirement and review process.

Results of the affidavits will be reported to the City Council. In the event that a certificate holder is found not to be in compliance with the commitments made in their application, Council may take action to request revocation of the certificate from the State Tax Commission in accordance with the law.

**7.02 U.S. Department of Housing and Urban Development (HUD).** Documentation required by HUD in its Community Development Program for City Council approval, such as the Five Year Consolidated Housing and Community Development Plan, the One Year Action Plan and Rehabilitation Manual shall be referred to the Community Development Committee for recommendation. Thereafter, the City Council shall review and adopt the appropriate documentation and follow the recommendations therein.

### **7.03 Providing Housing Opportunities for Low and Moderate Income Families Throughout the City**

**Need:** The City recognizes the need to provide housing for families of low and moderate income.

**Location:** Such housing shall be dispersed as equally as practical among the three wards of the City in order to be integrated into different neighborhood environments or cultures, to distribute children more evenly among the various school districts, to avoid undesirable concentrations in one section of the City, and to eliminate any stigma that might be applied to families segregated in one area.

**Implementation:** In implementing this housing policy, emphasis and priority shall be given to acquiring existing vacant dilapidated homes, under the federally funded HUD Program, "Acquisition with Substantial Rehabilitation," with the intent of rehabilitating such homes for City owned rental properties and/or future sale.

**Rehabilitation Program:** The City prefers to promote said "Rehabilitation Program," as compared to the development of new HUD approved public housing, since the "Rehabilitation Program" offers the additional benefit of eliminating neighborhood blight, protects property values, restores a structure which has architectural compatibility with the neighborhood, as well as providing additional family rental units.

**New Housing:** The City will continue, as part of its housing opportunities plan, to construct new public housing rental units depending upon the need, the availability of federal funds and the location of suitable vacant lots or parcels.

**Sites:** All housing sites shall have adequate public facilities, be free from adverse environmental conditions so as to enhance the attractiveness and desirability of the housing units, and shall meet all current HUD standards and requirements.

**7.04 Public Housing Sales Manual.** The Public Housing Sales Manual is adopted and the Wyoming Public Housing Commission is authorized to utilize said Manual in the Public Housing sales program.

## 7.05 Minority and Women Business Enterprise Plan

Purpose: The definitions, policy and actions stated below are developed to encourage minority and women business enterprises (MBE/WBE's) to participate in construction projects financed through the City's Community Development Block Grant (CDBG) program. It is also the intent of these policies to make general construction contractors aware of the availability of MBE/WBE's as subcontractors and suppliers.

### Definitions:

Minority and Women Business Enterprise (MBE/WBE) - a business enterprise that is owned or controlled by at least 51% minorities or women.

Minorities - all persons classified as Black, Hispanic, American Indian or Alaskan Native, and Asian or Pacific Islander.

Construction Contract - a contract through the City for such purposes as construction of public facilities and renovation of private businesses and residential structures.

Responsible Bidder - a pre-qualified individual or firm formally submitting a proposal for work, which is complete and in compliance with all City bid requirements.

Policy: It shall be the City's policy to encourage minority and women business enterprises to participate in all federally funded construction contracts. This policy shall be implemented by taking the following actions stated below.

### Actions:

A listing of all qualified MBE/WBE's shall be compiled and maintained by the Planning/Community Development Department for use in CDBG financed construction projects.

The MBE/WBE list will include prime and subcontractors, as well as construction suppliers.

All applicable bid proposals shall contain the MBE/WBE listing.

MBE/WBE's on the list will be notified of construction projects related to their area of expertise.

Periodically the Urban League will be notified of potential contracts.

The City will annually advertise its CDBG financed construction projects in the Grand Rapids Press, for regional distribution.

Contract Compliance: MBE/WBE participation in CDBG contracts will be documented through the Planning/Community Development Department. Field examinations may be conducted to substantiate MBE/WBE participation.

## 7.06 Act 328 Personal Property Tax Exemption Policy

The City of Wyoming (the "City") is authorized to grant a personal property tax exemption pursuant to 1998 P.A. 328, as amended, MCL 211.9f ("Act 328"), because it contains at least one "eligible distressed area" as defined by Act 328. The City Council may, upon an individualized review of an application pursuant to this policy, consider granting a personal property tax exemption under Act 328 in order to maintain and stimulate the development, redevelopment and effective use of certain property in the City, enhance the City's tax base, and create or retain quality jobs in the City.

- I. Goals. Act 328 Personal Property Tax Exemptions are intended to:
  - A. Enhance, in the long term, the tax base of the City of Wyoming by increasing capital investment in the City;
  - B. Encourage development and redevelopment that will increase economic growth in the City and the economic vitality of certain districts of the City;
  - C. Foster the creation and retention of jobs in the City by businesses engaged in manufacturing, research and development, wholesale trade, or office operations that otherwise might leave the City or locate outside the City;
  - D. Assist in the utilization and/or expansion of existing business facilities;
  - E. Reduce property taxes as an obstacle to development of challenging parcels of industrial or commercial real estate; and
  - F. Enhance the general attractiveness of the community.
- II. Eligibility Requirements. To be eligible for a tax exemption under Act 328, the personal property must meet the following requirements.
  - A. The personal property must be owned or leased by an "eligible business" as defined by Act 328.
    1. "Eligible business" means a business primarily in manufacturing, mining, research and development, wholesale trade, or office operations in the City.
    2. A casino, retail establishment, or professional sports stadium is not an eligible business. ("Casino" means a casino regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226, and all property associated or affiliated with the operation of a casino, including, but not limited to, a parking lot, hotel, motel, or retail store.)
    3. That portion of an eligible business used exclusively for retail sales is not eligible for the personal property tax exemption.
  - B. The personal property must be located in one or more "eligible districts" in the City as defined by Act 328. "Eligible district" means:
    1. An industrial development district as that term is defined in 1974 PA 198, MCL 207.551 to 207.572.
    2. A renaissance zone as that term is defined in the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

3. An enterprise zone as that term is defined in the enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.
  4. A brownfield redevelopment zone as that term is designated under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.
  5. An empowerment zone designated under subchapter U of chapter 1 of the internal revenue code of 1986, 26 USC 1391 to 1397F.
  6. An authority district or a development area as those terms are defined in the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830.
  7. An authority district as that term is defined in the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174.
  8. A downtown district or a development area as those terms are defined in 1975 PA 197, MCL 125.1651 to 125.1681.
- C. The personal property must be “new personal property” as defined by Act 328, which means:
1. The personal property must not have been previously subject to tax under Michigan’s general property tax act, 1893 PA 206, as amended, MCL 211.1 *et seq.*
  2. The personal property must be placed in an eligible district in the City after the City Council adopts the resolution approving the tax exemption for that personal property.

III. Procedure. The following procedure shall apply to applications for tax exemptions filed pursuant to Act 328.

- A. The applicant shall be the owner or lessee of the personal property that is to be subject to the requested tax exemption.
- B. The applicant shall file with the City Clerk an original and two copies of a fully completed application on the form provided by the state of Michigan, together with all attachments and other information required by the state of Michigan and by this policy and an application fee of 0.1% of the taxable value of the new personal property to be subject to the requested exemption up to a maximum of \$10,000.
- C. The City Clerk shall promptly notify the Deputy City Manager that the application has been filed.
- D. The Deputy City Manager shall review the filed application against this policy and forward it to the City Council, together with a proposed Act 328 Tax Exemption Agreement and a recommendation for terms of approval or denial and the proposed reasons supporting that recommendation.
- E. Following receipt of a recommendation from the Deputy City Manager, the City Council shall schedule a hearing on the application.
- F. The City Clerk shall notify the applicant, the City assessor, and the legislative body of each taxing unit that levies *ad valorem* property taxes in the City of the date, time and place of the hearing.

G. The City Council shall hold a hearing at which it provides the applicant, the City assessor, and a representative of each taxing unit that levies *ad valorem* property taxes in the City to be heard regarding the application.

J. At that same meeting or a subsequent meeting, the City Council may by resolution:

1. Deny the application for the reasons detailed in the resolution; or
2. Approve the application in accordance with the recommendation of the Deputy City Manager conditioned upon the applicant's execution and delivery of an Act 328 Tax Exemption Agreement with terms also approved by the City Council; or
3. Approve the application with terms different than the recommendation of the Deputy City Manager, but still conditioned upon the applicant's execution and delivery of an Act 328 Tax Exemption Agreement with terms also approved by the City Council.

K. The City Clerk shall file with the State Tax Commission at least 2 copies of (i) the resolution adopted by the City Council, (ii) the completed application and all information required to accompany it, and (iii) the fully executed Act 328 Tax Exemption Agreement.

L. The tax exemption will take effect on the December 31 next following its approval by resolution of the City Council if the State Tax Commission also approves it.

IV. Terms of the Exemption. The following shall apply to determining the terms of any exemption granted under this policy.

A. The purposes for establishing the terms in this provision of the policy are to better:

1. Enable the City to compete against other municipalities both inside and outside Michigan to attract and retain businesses, tax base, and jobs in the City.
2. Ensure the City acts fairly in its review and action on Act 328 tax exemption applications so that similar projects, property owners, and property are treated similarly.
3. Ensure the City's decisions are rationally based against a set of criteria rather than on emotional appeal, popularity, or other subjective criteria.
4. Provide predictability for applicants, competitors, tax payers and citizens.
5. Guide City staff in their economic development efforts and their interactions with others such as the Right Place, the MEDC, chambers of commerce, developers, realtors, property owners, etc.
6. Balance competing policy considerations involving economic development, local budgeting and finance, fairness, administrative efficiencies, etc.
7. Provide accountability to ensure the City and its residents and taxpayers receive the promised benefits from tax exemptions.
8. Streamline and de-politicize the process of considering and approving Act 328 tax exemptions.

B. The following general criteria shall apply and the approving resolution and the Act 328 Tax Exemption Agreement shall specifically provide:

1. The exemption must have the effect of meeting one or more of the goals listed in section I above.
2. The exemption must meet the purposes in the preceding subsection IV A.
3. The applicant shall commit to maintaining the promised tax base and number of jobs for a period extending at least 2 years beyond the term of the exemption. (Without this commitment, the City receives no direct benefit from granting the exemption.)
4. The exemption must consider the depreciation schedule for the new personal property to which it applies.
  - a. No exemption shall last longer than the number of years it takes the applicant to depreciate that personal property to 66.67% of its costs for that new personal property.
  - b. If the applicant commits to replacing the personal property when the depreciation reaches a certain level, this period may be extended.
5. The City Council may revoke the exemption if it determines that the new personal property is not installed within six months after the effective date of the exemption; or a longer time as authorized by the City Council for good cause; or if the holder of the exemption has not proceeded in good faith in a manner consistent with the purposes of Act 328 in the absence of circumstances beyond the control of the holder.
6. If, during the period of time including the term of the Act 328 property tax exemption plus 2 years, the holder of an Act 328 property tax exemption (i) moves the new personal property outside the City, or (ii) fails to invest in its personal property and other equipment, facilities, etc., as stated in the application and the Act 328 Tax Exemption Agreement, or (iii) fails to create or retain the promised jobs, or (iv) fails in any other way to meet a commitment made during the procedure and incorporated in the Act 328 Tax Exemption Agreement, then the City Council may require payment to the City and other taxing units of the taxes that would have been paid if the exemption had not been granted.
7. Criteria used in reviewing applications will include, but may not be limited to:
  - a. Compliance of the project and the related facilities with the Wyoming Zoning Ordinance and Master Plan.
  - b. The applicant's use of the City of Wyoming as its local business address.
  - c. There must be no delinquent taxes owed by the applicant.
  - d. The project is a redevelopment or rehabilitation project, or a new development that benefits the City.

- e. The applicant will directly employ persons or will directly retain jobs as a result of the project. The jobs shall be permanent, full-time jobs with the applicant as the employer and shall provide reasonable wages and benefits.
- f. The new investment will not harm community health, safety and welfare.
- g. The prospects for long-term growth and viability are present.
- h. Neither the applicant or any affiliated person or entity has any pending or threatened litigation against the City, the EDC or any of their officers, employees or representatives.

V. Property Tax Exemption Formula

A. Points are calculated to determine the number of years for exemption as follows:

<u>SCORING FACTORS</u>	<u>EXAMPLE</u> 1. \$1,000,000 New Personal Property Investment 2. 10 new jobs 3. 50 retained jobs 4. New product line 5. 10 years in Wyoming
A. Firm Commitment: Determine the "proposed investment amount." The proposed investment amount equals the cost of the new personal property. Points awarded are 10% of this figure.	Proposed investment amount \$1,000,000 10 points
B. Quantity of new jobs: Points awarded are 50% of the number of new jobs.	10 x 50% = 5 points
C. Retention of Jobs: Points awarded are 25% of the number of jobs retained.	50 x 25% = 12.50 points
D. Quality of Jobs: Proposed investment amount is divided by the number of new jobs to arrive at "dollars per job". Points are awarded equal to "dollars per job" divided by \$100,000 to a maximum of 10 points.	Dollars per Job \$1,000,000/10 = \$100,000 \$100,000/\$100,000 = 1 point
E. Citizenship:	1. Pays taxes on time. 2. Files personal property tax statements

<p>A discretionary category - refers to conformance, compliance, etc. Is the applicant a good business citizen? This involves issues such as timely filing of personal property statements, taxes being current, etc. Up to a maximum of ten (10) points</p>	<p>on time.  3. Has current business license.  4. No outstanding zoning issues.  5. No code violations.  6. No Tax Tribunal appeals in last 10 years.  7. Wyoming address.  10 points</p>
<p>F. Diversification:  A diversification bonus may be granted to a business that installs new or modifies existing equipment to manufacture products for an industry it does not currently serve, or to provide a service to new customers. The diversification bonus is ten (10) points.</p>	<p>New product line =  10 points</p>
<p>G. Business Life:  Points awarded are 25% of each year the business has been located in the City.</p>	<p>10 x 25% =  2.5 points</p>
<p>H. Redevelopment:  Redevelopment of existing targeted vacant industrially or commercially properties designated by the City Council qualifies for 30 points.</p>	<p>Not redeveloping targeted industrial property.  0 points</p>

Total Score 42.75 points

B. Years for exemption based on total points:

<u>Total Score</u>	<u>Years for Exemption</u>
At least 25	2
26 – 29.99	3
30 – 34.99	4
35 – 39.99	5
40 – 44.99	6
45 – 49.99	8
50 or more	10

VI. Annual Reviews.

A. An Act 328 property tax exemption holder shall annually file with the City Clerk a notarized affidavit verifying conformance with the statements included in its application and any other information required to be annually certified in accordance with the Act 328 Tax Exemption Agreement.

B. Results of the affidavits will be reported to the City Council.

C. If a project does not comply with the commitments made in its application, the Council may take action to request revocation of the exemption from the State Tax Commission in accordance with the law and repayment as provided in this policy.

VII. Rules of Construction and Application.

A. This policy is intended to give effect to its goals in section I and the purposes and general criteria set forth in subsection IV A and B. Therefore, it shall be applied and construed to maximize the numbers of the goals, purposes and criteria that are met.

B. Where the title of a City official is given, it shall be interpreted to mean the official with that title and anyone he or she designates to perform such functions or such other City official to whom such functions may from time-to-time be assigned by the City Council or City Manager.

C. The City Council may, by resolution, deviate from this policy in those circumstances where the City Council, in its sole discretion, determines there are compelling reasons why it is in the best interests of the public health, safety or general welfare to do so.

## Section 8 - UTILITIES

### 8.01 Water Main and Sanitary Sewer Breaks and Overflows

COVERAGE - City shall pay the amounts below specified subject to exclusions, minimums, maximums and other conditions below specified for losses due to the following causes:

- A. Water main or water service overflow or breaks for which the City would not be responsible on the basis of negligence, strict liability, intentional tort or any other common law or statutory basis.
- B. Sanitary sewer or sanitary sewer service (one and two family residential) backups, overflow or breaks located within City right-of-way for which the City would not be responsible on the basis of negligence, strict liability, intentional tort or any other common law or statutory basis.
- C. Payment shall be made only if the water main, water service, sanitary sewer main or sanitary sewer service is under the ownership or control of the City.

#### EXCLUSIONS

- A. Nothing shall be paid for personal injuries of any nature or description. The losses hereunder covered shall be only for losses to tangible personal and real property.
- B. No payments (except deductible amounts) shall be made if the property owner has insurance of any nature to cover the losses mentioned herein from the causes mentioned herein.
- C. No payments shall be made if the break or overflow of the water main or sanitary sewer is located within or on or through the property where the loss occurred except where the City has ownership by easement.
- D. No payments shall be made if the loss or increase in loss is contributed to by any person or entity other than the City.
- E. No payments shall be made if the other person or entity is liable therefor.
- F. No payments shall be made for property, real or personal, used in violation of any laws.
- G. No payments will be made for increased value due to special value (family heirlooms, pictures, collector items, etc.).
- H. No payments will be made for lost wages or time spent on clean-up or preparation of claim.

NO CAUSE OF ACTION: No cause of action shall be based on this policy. This policy shall not waive any rights of the City nor shall it estop the City in any manner.

MAXIMUM: The maximum claim to be allowed without approval of the City Council shall be \$10,000.

VALUATION: The valuation of losses shall be based on fair market value or cost to repair, whichever is lower, as determined solely by the City.

A. When replacement is necessary, the fair market value will be determined by the appropriate depreciation of the replacement cost.

B. Under normal conditions "out-of-pocket" expenses and "repair" of damaged items will be paid at actual cost.

NOTICES:

A. First Notice: The City shall be given notice as soon as practicable but no later than 48 hours from the time of damage to permit inspection. The City shall be permitted to inspect the premises involved immediately.

B. Second Notice: Claim - The claimant shall deliver a written notice to the City Manager within 30 days from the date of loss which shall include the following items:

1. Date of occurrence and loss
2. Specifications of the nature and extent of the losses
3. All facts pertinent to the cause of the loss
4. Names and addresses of all witnesses then known
5. Estimation of dollar value of losses including an itemized list of damaged items, their replacement cost and respective ages
6. Comparative estimates shall be submitted for any item over \$500.00
7. The claim shall be signed by the claimant. Both notices herein specified shall be conditions precedent to payment.

REVIEW: The claim shall be processed by the City Manager within 60 days of receipt. The City Manager shall allow or disallow said claims or portions of said claims as are consistent with the policy set forth herein. The City Manager shall investigate any said claim and may ask for advice and evidence from other persons. The decision of the City Manager shall be final, except for an appeal to the City Council.

BACKFLOW PREVENTERS: At single family residential locations experiencing mainline sanitary sewer backups, the City will offer to have a service line backflow preventer installed by a licensed plumber at no cost to the property owner. Maintenance of the backflow preventer will be the property owner's responsibility. [rev. 7/2006]

APPLICATION: The policy stated herein shall apply to all losses covered hereby from and after May 20, 1996.

## **8.02 Rules and Regulations for the Water Distribution System Service Line Maintenance**

A. The City shall maintain (at no cost to the customer) all services from the main to the curb stop and all one inch residential services which are less than one hundred feet in length from the main to the meter, provided that:

1. The service line was installed by City forces; or
2. The service line was installed by a licensed plumber with a Water Department permit and is older than 1 year; and
3. The service line failure was not due to improper customer use.

B. The City shall charge on a cost plus basis for damage resulting from action of the water customer, such as:

1. Damage to the service line during digging or trenching operations.
2. Malicious destruction of line or meter.
3. Freezing of meter or service line within the building.
4. Damage due to backup of hot water or deleterious material into the meter or service line.
5. Damage caused by water hammer created by customer's use or damage due to excess flow.

### **METER MAINTENANCE**

A. The owner of the premises upon which a meter is installed is responsible for said premises. If the meter is damaged or stolen, such must be reported to the Water Department at once. The City shall make all meter repairs. If any damage occurs to the meter through the fault of the water mains, repairs will be made at the expense of the City.

B. The City shall maintain all water meters at no cost to the customer provided that:

1. Damage was not caused by excessive use.
2. Damage was not caused by a backup of hot water or other deleterious substances.
3. Damage was not caused by freezing.
4. Metering system was approved by the Water Department prior to installation.
5. Damage was not caused by malicious destruction.

### **METER FAILURE**

If any meter shall fail to register properly, the Water Department shall estimate the consumption on the basis of former consumption and adjust the bill accordingly.

## METER TESTING

At the request of the customer the City will test all meters 2 inches and under in the City Meter Shop at no cost to the customer provided that:

1. The customer or his agent will accompany the meter serviceman during removal of the meter and will observe the meter test.
2. The meter has not been tested during the preceding 12 months.

The City does not maintain facilities for testing meters larger than 2 inches. When a test is requested on these meters, the City will have said meter tested by the manufacturer. If the test indicates the meter was not reading "fast," (greater than 5%) a charge in the amount of the cost incurred shall be made to the customer.

## ACCURACY REQUIRED

A meter shall be considered accurate if it registers 5% or less, either more or less than the quantity of water passing through it. If a meter registers in excess of 5% more than the actual quantity of water passing through, it shall be considered "fast" to that extent. If a meter registers in excess of 5% less than the actual quantity of water passing through it, it shall be considered "slow" to that extent.

## BILL ADJUSTMENT

If a meter has been tested and shall have been determined to register "fast," the City shall credit the consumer with a sum equal to the percent "fast" multiplied by the amount of all bills incurred by said consumer within the 3 billing periods prior to the test. If the meter is determined to register "slow," the City may collect from the consumer a sum equal to the percent "slow" multiplied by the amount of all the bills incurred by the customer for the prior 3 billing periods.

## METER INSTALLATION POLICY

Water Meters - All premises using water shall be metered, unless otherwise provided in this policy. No person, except an authorized City employee or a person authorized by the Water Department shall break or injure the seal or change the location of, alter or interfere in any way with any water meter.

Meter Location - Meters shall be set in an accessible location and in the manner and place designated by the Water Department

## ACCESS TO METERS

The City shall have the right to shut off the supply of water to any premises where there is not any easy access to the meter. Any authorized City employee shall, at all reasonable hours, have the right to enter the premises where such meters are installed for the purpose of reading, testing, removing or inspecting the meter or for the purpose of inspecting any pipe or fixture

connected to the City water system. No person shall hinder, obstruct or interfere with such employee in the lawful discharge of his duties.

#### METER PITS

Where the premises contain no basement or cellar or other suitable place for meter, the meter may be installed outside in a meter pit subject to the prior approval of the Water Department, at the expense of the owner.

Meter pits shall be constructed according to the standard design of the City. The customer may submit his own design for a pit. The plans shall carry the seal of a registered professional engineer in the state of Michigan. If this is approved by the Water Department, it may be constructed. All pits located in areas of vehicle travel shall have the structure reinforced to carry the load, and shall have a cover of adequate strength to support the same load. Standard manhole cover and ring shall be considered the minimum for strength. Pits shall be located so that their outside edge (street side) is one foot inside the property line, unless otherwise approved.

All water meter pits shall be installed and maintained by the customer.

When an existing meter pit is found to be unsafe, hazardous or in poor repair, the relocation of the meter to an indoor location is required. Remodeling, additions, and a change of ownership provide optimum opportunities to move the meter inside. This move should be accomplished prior to final inspection.

#### WATER SERVICE INSTALLATION POLICIES

Service Connections: Application for water connections shall be made to the Water Department on forms prescribed and furnished by it. Water connections and water meters shall be installed in accordance with rules and regulations of the Department and upon payment of the required connection fee and meter installation fee. All meters and water connections shall be the property of the City. Connection fees and meter installation charges shall be established by the City Council and shall not be less than the cost of materials, installation and overhead attributable to such installations.

#### Standard Service Sizes

<u>Building Size:</u>	<u>Minimum Service Size:</u>	<u>Minimum Meter Size:</u>
1-2 family unit	1 inch service	5/8" meter
3-4 family unit	1-½ inch service	1" meter
4 or more units	2 inch service	1-½" meter

Commercial and Industrial - Apartment buildings are classified as commercial. Minimum service 1-½ inch. For larger commercial or industrial users, size of service and meter shall be determined by the Water Department.

Meter Bars - Perforated meter bars are allowed for spacing purposes only. The City of Wyoming does not provide these bars. The utilization of an unperforated meter bar will be regarded as an unauthorized water use, and will be penalized accordingly.

Meter Bypasses - The construction and/or maintenance of a system of pipes, tubes or other instrument with the intent to bypass a metering device shall not be permitted unless such system be deemed by the City to be vital to the health and safety of the affected persons or operation; or in the case of industrial use, to be vital to continuous and safe operation. In the event that a meter bypass is deemed to be vital and necessary by the City, the bypass shall be fitted with an additional meter to measure and monitor flow through it. This second meter shall be installed at the business owner's expense and be subject to the normal ready-to-serve and commodity charges that are assessed by the City.

#### FIRE HYDRANT POLICY

No person, except an employee of the City in the performance of his duties, shall open or use any fire hydrant, except in case of emergency, without first securing permission from the Water Department and paying such charges as may be prescribed. All such uses, when including a hose or piped connection to the fire hydrant, shall be equipped with an approved backflow device.

The primary purpose of fire hydrants in the Wyoming Water System is fire fighting use. Therefore, any additional use of hydrants shall be considered secondary and shall be limited and controlled to minimize the interference with fire fighting.

## Section 9 - PROPERTY ACQUISITION AND MANAGEMENT

**9.01 Acquisition of Parcels of Land and Street Right-of-Way.** The following shall govern the acquisition of any parcel of land for public improvements or public purposes:

The City Manager shall have the authority to hire certified Michigan appraisers for the purpose of making an appraisal of such parcel of land. The results of such appraisal shall be furnished to the City Council.

Options for any parcel of land shall be obtained at the appraised price except as hereinafter modified.

The City shall pay for all closing costs which include Title Insurance Policy, Title Transfer Stamps, and Recording Fees.

The City shall also pay moving expenses as required by Michigan State Law or as required in Federal assisted acquisitions.

Whenever special assessments in connection with a project have been levied to the property being acquired after appraisals have been received, the City shall add said special assessments to the appraised price to the extent that the special assessments apply to the property being acquired.

When vacant parcels of land are to be acquired by the City and the estimated land value is less than \$10,000, the offer may be based upon an Estimate of Just Compensation which will be based upon the current property values on record in the City Assessor's Office.

In the event that strips of land or small portion of parcels are to be acquired for additional street right-of-way, the offer may be based upon an Estimate of Just Compensation.

(1) The Estimate of Just Compensation shall be based upon the square foot land value of the property on record in the City Assessor's Office along with a flat rate payment of 5 cents per square foot of land area to be acquired.

(2) The flat rate payment shall not exceed the square foot land value of the subject property.

(3) An additional consideration may be paid as a result of special conditions or unusual circumstances such as: loss of trees, proximity to buildings, loss of parking, etc. the additional consideration shall be subject to negotiation.

(4) The City may pay a minimum consideration of \$200 for any property acquired by the City.

In State and Federally assisted projects, acquisition procedures will follow the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" as amended.

Whenever condemnation proceedings are determined necessary by the City Council, the property owner may submit the results of another qualified appraisal to the City, and the staff is authorized to enter into further negotiations with said property owner based upon the appraisals obtained by the city and the property owner.

Should these negotiations not result in a satisfactory settlement, the City Manager may authorize commencement of condemnation proceedings provided that the City Council has adopted the necessary resolutions prior to taking that action.

This policy is for the purpose of acquiring parcels of land without court proceedings and for settlement purposes only and shall not be considered to create a binding offer by the City in the event that there is litigation concerning such land acquisition.

When Federal or State monies are used for acquisition of properties, their current policies and procedures supersede City policies.

## **9.02 Acquiring Utility Easements**

The City Engineering Department will contact the owner of the property or parcel of land over which the City desires the utility easement, and submit an offer.

If the estimated consideration for the acquisition is over \$10,000, the City shall obtain an appraisal from an certified Michigan appraiser and submit an offer to the owner based upon the appraisal.

If the estimated consideration is less than \$10,000, the offer shall be based upon an Estimate of Just Compensation which will be based upon a consideration of up to one-half the square foot land value of the permanent utility easement area.

(1) The square foot land value of the easement area shall be based upon the current property values on record in the City Assessor's Office.

(2) A flat rate payment of 5 cents per square foot of said easement area shall be paid to compensate the property owner for any incidental expenses that he might incur as result of the acquisition and to insure that the square feet land value is the fair market value of the land. Said flat rate shall not exceed one-half the land value of the parent parcel.

(3) An additional consideration may be paid as a result of special conditions or unusual circumstances such as: loss of trees, proximity to buildings, loss of parking, etc. The additional consideration shall be subject to negotiations.

If the owner refuses the consideration offered for the easement and it has been determined that there are no unusual circumstances that may justify an increase in the consideration offered for the easement, such as - loss of parking on commercial property, relocation of signs, removal or loss of trees, proximity of home to proposed improvements or adverse cuts or fills resulting in appreciable elevation changes, then the City will inform the owner by letter that the original offer is final and if not reconsidered, condemnation proceedings will be recommended.

If additional consideration is warranted, due to unusual circumstances, the City Engineering Department shall determine such additional consideration and include same in the offer to the property owners. If the owner refuses this offer, the City Engineering Department will proceed with either of the following:

(1) Obtain an appraisal and submit final offer to owner based on appraisal

(2) Recommend that condemnation proceedings commence, in which case the owner would be notified of pending action

The City may pay a minimum consideration of \$200 for any permanent utility easement. This consideration will insure that the Property Owner is compensated for incidental expenses such as notary fee, etc.

The City shall request the donation of a utility easement when one of the following occurs:

- (1) In the case where the property owner requests the installation of a utility and there is an immediate need of a utility an immediate benefit will occur.
- (2) When easements lying within a development are located to have minimum impact on the site and the conveyance of the easement to the City will result in City ownership of the Utility. The future maintenance cost of the utility by the City will be of benefit to the developer and shall be deemed as just compensation for the conveyance of the easement.

This policy is for the purpose of acquiring easements without court proceedings and for settlement purposes only and shall not be considered to create a binding offer by the City in the event that there is litigation concerning such land acquisition.

### **9.03. Acquiring Temporary Construction Easements**

The consideration for a Temporary Construction Easement shall be based upon the length of time of actual use of the easement area. A rental rate of up to 10% per year of the land value of the easement area will be paid if it is determined by the City Engineer that usage of the easement area will result in an economic loss or hardship to the property owner.

An additional consideration may be paid as a result of special conditions or unusual circumstances such as: loss of trees, proximity to buildings, etc. The additional consideration shall be subject to negotiations.

In the event that the consideration for a temporary construction easement is less than \$2,000 the City Manager may accept the easement and authorize payment of said consideration without City Council action.

### **9.04. Sale of Surplus Property**

In order to establish a uniform policy for the sale of surplus City owned property, the following procedures shall be followed:

The City Manager shall periodically review all City owned real property and upon determination that the property is not being used by the City and that it would be in the best interest of the City to sell the property, the City Manager shall submit a list of such properties to the City Council. Said list shall contain the following information:

- (1) Fair Market Value of the property
- (2) Recommended minimum price
- (3) Restrictions and conditions

The City Council shall review the surplus parcels and accept, reject, or modify the list and recommendations. Thereafter, after approval by the City Council, the list shall be known as "Surplus Parcels." The Surplus Parcels list shall be re-evaluated by the City Council on a year to year basis until all parcels are sold.

The sale of surplus parcels shall be determined by sealed bids in the following manner:

- (1) Notification of the sale of surplus parcels by sealed bids shall consist of a simple notice of sale in the official newspaper of the City. The notice shall contain the date, time, and place of the sale along with a telephone number to call for information. The duration of publication shall be at the discretion of the City Manager.
- (2) All bids shall be submitted to the City Clerk and shall contain the following:
  - (a) Name, address, and telephone number of bidder
  - (b) Address, listing number and permanent parcel number of surplus parcel
  - (c) Good Faith Deposit of ten percent (10%) of the bid price up to a maximum of \$10,000 (Only money order or cashier check acceptable)
- (3) Bids may be withdrawn in writing by the Bidder prior to opening.

Notice of surplus parcel shall be given to each owner of property abutting any side of each parcel (not including street or alleys) as determined by the Assessor's Office.

The City Clerk shall open the bids, and shall tabulate the bids and submit the tabulation to the City Council. If bids are identical in price and terms, the first bid received shall be preferred.

If there are no bids or no bid is accepted, the City shall thereafter receive and consider any offers on any parcel.

All Land Contracts shall contain the following terms:

- (1) One-third down
- (2) Balance over a period of time not to exceed 5 years
- (3) Interest rate of 10% per annum
- (4) Other terms will be considered if the land contract is to be paid off in one year or less

All costs, including title insurance, shall be that of the Buyer. Taxes shall be paid by the Buyer when they become due and payable.

Failure to close the sale within 90 days of acceptance shall constitute forfeiture of the Good Faith Deposit. The 90-day forfeiture period may be extended to 180 days by the City Manager. Said extension shall be noted on the listing sheet.

Real Estate commissions will be paid to those realtors who, through their efforts, are responsible for the sale of City surplus parcels. If two or more offers are submitted on the same City Property, the net amount to be received (offer less sales commission) will be the determining factor in acceptance of the offer.

The City Manager may waive or modify the requirement for a sealed bid process if it is determined that it is in the best interest of the City to sell the surplus parcel without using the sealed bidding process, provided that the sale meets one of the following criteria:

- (1) The Sale is to the adjacent property owner and the surplus parcel is less than one acre in size.

(2) The surplus parcel has a low sale potential and its estimated Fair Market Value is less than \$2,000.

Upon receipt of an offer to purchase City property that has not been declared surplus, the City Manager may submit the offer to the City Council if the offer meets one of the following criteria:

- (1) The offer is made by the adjacent Property Owner, the parcel is less than one acre in size, and it is the best interest of the City to sell the parcel to the Property Owner.
- (2) The offer is to trade for another parcel that will benefit the City.

The City Council may vary, modify or waive any provisions of this procedure if deemed in the best interest of the City.

### **9.05 Short Term Leasing of City-owned Property for Farming**

In order to establish a uniform policy for the leasing of City owned property for farming, the following procedures shall be followed for short term leasing.

The City Manager shall periodically review all City owned property that can be leased for farming and upon determination that it is in the best interest of the City to lease these parcels he shall furnish to the City Council a list of City owned parcels of land that have leasing potential.

Short term leasing shall be for three years or less.

The City Council shall review the list of parcels recommended for leasing by the City Manager. The City Council may accept, reject, or modify the list. Parcels approved for leasing shall thereafter be known as "City Lease Properties."

All bids shall be submitted to the City Clerk and they shall contain the following:

- (1) Name, address, and telephone number of bidder
- (2) Address, listing number, and permanent parcel number of lease property
- (3) Good faith Deposit of ten percent (10%) of the bid price (Only money order or cashier check acceptable)

The leasing of such property shall be determined by sealed bids in the following manner:

- (1) The City Clerk shall open all bids, and the City Engineer shall tabulate the bids and submit the bid tabulations to the City Council.
- (2) If the bids are identical, the first bid received shall be accepted.
- (3) If no bid is accepted, or if no bid is submitted, the City shall thereafter consider any offers on the City Lease Properties.
- (4) Bids may be withdrawn in writing, by the Bidder prior to opening.

Notification of the leasing of City property for farming by sealed bids shall consist of a simple notice in the official newspaper of the City. The notice shall contain the date, time, and place of the sale along with a telephone number to call for information. The duration of publication shall be at the discretion of the City Manager.

All leases shall be executed according to the lease form attached thereto.

Failure to execute the lease and provide a one-third down payment within 60 days of acceptance shall constitute forfeiture of the Good Faith Deposit.

The City Manager may waive or modify the requirement for a sealed bid process if it is determined that there is little or no interest in the leasing of City Owned property. If sealed bidding is waived, the City shall thereafter receive and consider any offers on the leasing of property that has been designated as "City Lease Property."

The City Council may vary, modify, or waive any provision of this procedure, if deemed in the best interest of the City.

## Section 10 - FINANCIAL POLICIES

### 10.1 Funds

The City Council authorizes any two of the incumbents of the following four positions to sign checks, certificates of deposit and other evidence of investments and any one of the incumbents of the following four positions to initiate wire transfers between banks or bank transfers between bank accounts:

Finance Director  
Deputy Finance Director  
Treasurer  
Deputy Treasurer

### 10.2 Fund Balance Policy

**Purpose.** The following policy has been adopted by the City Council in order to address the implications of Governmental Accounting Standards Board ("GASB") Statement No. 54, Fund Balance Reporting and Governmental Fund Definitions. The policy is created in consideration of unanticipated events that could adversely affect the financial condition of the City of Wyoming and jeopardize the continuation of necessary public services. This policy will ensure that the City of Wyoming maintains adequate fund balances and reserves in order to:

- a. Provide sufficient cash flow for daily financial needs,
- b. Secure and maintain investment grade bond ratings,
- c. Offset significant economic downturns or revenue shortfalls, and
- d. Provide funds for unforeseen expenditures related to emergencies.

**Fund type definitions.** The following definitions will be used in reporting activity in governmental funds across the City of Wyoming. The City of Wyoming may or may not report all fund types in any given reporting period, based on actual circumstances and activity.

The general fund is used to account for all financial resources not accounted for and reported in another fund.

Special revenue funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Debt service funds are used to account for all financial resources restricted, committed or assigned to expenditure for principal and interest.

Capital projects funds are used to account for all financial resources restricted, committed or assigned to expenditure for the acquisition or construction of capital assets.

Permanent funds are used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's purposes.

**Fund balance reporting in governmental funds.** Fund balance will be reported in governmental funds under the following categories using the definitions provided by GASB Statement No. 54:

Nonspendable fund balance

*Definition* – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained in-tact.

*Classification* – Nonspendable amounts will be determined before all other classifications and consist of the following items (as applicable in any given fiscal year):

- The City of Wyoming will maintain a fund balance equal to the balance of any long-term outstanding balances due from others (including other funds of the government)
- The City of Wyoming will maintain a fund balance equal to the value of inventory balances and prepaid items
- The City of Wyoming will maintain a fund balance equal to the corpus (principal) of any permanent funds that are legally or contractually required to be maintained in-tact
- The City of Wyoming will maintain a fund balance equal to the balance of any land or other nonfinancial assets held for sale

Restricted fund balance

*Definition* – includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed fund balance

*Definition* – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

*Authority to Commit* – Commitments will only be used for specific purposes pursuant to a formal action of the City Council. A majority vote is required to approve a commitment and a two-thirds majority vote is required to remove a commitment.

Assigned fund balance

*Definition* – includes amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

*Authority to Assign* – The City Council delegates to the City Manager or his/her/their designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

#### Unassigned fund balance

*Definition* – includes the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

*Operational guidelines.* The following guidelines address the classification and use of fund balance in governmental funds:

Classifying fund balance amounts – Fund balance classifications depict the nature of the net resources that are reported in a governmental fund. An individual governmental fund may include nonspendable resources and amounts that are restricted, committed, or assigned, or any combination of those classifications. The general fund may also include an unassigned amount.

Encumbrance reporting – Encumbering amounts for specific purposes for which resources have already been restricted, committed or assigned should not result in separate display of encumbered amounts. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed or assigned, will be classified as committed or assigned, as appropriate, based on the definitions and criteria set forth in GASB Statement No. 54.

Prioritization of fund balance use – When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the City of Wyoming, Michigan to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City of Wyoming, Michigan that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

Minimum unassigned fund balance – The City of Wyoming recognizes the importance of maintaining an appropriate level of Unassigned Fund Balance. After evaluating the City's operating characteristics, diversity of tax base, reliability of non-property tax sources, working capital needs, impact on bond rating, State and local economic outlooks, emergency and disaster risk and other contingent issues, the City establishes the following goals regarding the Fund Balance for the General Fund:

1. The City will seek to maintain an Unassigned Fund Balance between sixteen-point-seven percent (16.7%) and thirty-three-point four percent (33.4%) of General Fund operating expenditures as reflected in the current year's budget, i.e., a minimum amount equal to two (2) months operating expenditures from the current operating budget.

2. The following circumstances may justify a higher target level of fund balance:
  - a. Significant volatility of operating revenues or expenditures;
  - b. Potential drain on resources from other funds facing financial difficulties;
  - c. Exposure to natural disaster;
  - d. Significant demand for infrastructure and capital projects.
  
3. The Assigned Fund Balance consists of funds set aside by management and intended for a specific purpose or project. The City Manager will communicate in writing to City Council assigned fund balances, which will include the purpose of the assignment. Although the City Manager may assign portions of the fund balance to designated purposes, any expenditure of the fund balance is still subject to the provisions of the City Charter, City Code and other policies of the City.
  
4. The City reserves the right to appropriate funds from the unassigned fund balance for emergencies and other requirements the City Council believes to be in the best interests of the City. If spending in designated circumstances has reduced unassigned fund balance below the target minimum level, it should be replenished until the balance is restored to the minimum level. The source of funds and the period over which the replenishment is to occur should be provided to the City Council by the City Manager and Finance Director.

***Implementation and review.*** Upon adoption of this policy the City Council authorizes the Finance Director to establish any standards and procedures which may be necessary for its implementation. The Finance Director shall review this policy at least annually and make any recommendations for changes to the City Council and City Manager.

### **10.3 Investments**

The Finance Director, or his designee upon direction by the Finance Director, shall be allowed to invest City funds as permitted by State Statute.

To comply with Public Act 20 of 1943, as amended, the following shall be the investment policy of the City of Wyoming.

**PURPOSE.** It is the policy of the City of Wyoming to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the City of Wyoming and complying with all state statutes governing the investment of public funds.

**SCOPE.** This investment policy applies to all financial assets of the City of Wyoming. These assets are accounted for in the various funds of the City of Wyoming and include

the general funds, special revenue funds, debt service funds, capital project funds, enterprise funds, internal service funds, trust and agency funds, and any new funds established by the City of Wyoming.

OBJECTIVES. The primary objectives, in priority order, of the City of Wyoming's investment activities shall be:

Safety – Safety of principal is the foremost object of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Diversification – The Finance Director shall diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investment in specific instruments, individual financial institutions or maturities.

Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investments – The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

DELEGATION OF AUTHORITY. Authority to manage the investment program is derived from the following: Act No. 20 of the Public Acts of Michigan of 1943, as amended, and City of Wyoming Charter, Chapter VIII, Section 8.6. Management responsibility for the investment program is hereby delegated to the Finance Director, who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Finance Director shall annually provide a written report to the Wyoming City Council concerning the investment of funds.

LIST OF AUTHORIZED INVESTMENTS. The City is limited to investments authorized by Act 20 of 1943, as amended, including the following:

1. Daily money market mutual funds registered under the Investment Company Act of 1940, Title I, Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3, and 80a-4 to 80a-64, invested in bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.
2. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
3. Certificates of deposit of a bank which is a member of the Federal Deposit Insurance Corporation and which are also eligible to be a depository of surplus funds belonging to the state under § 5 or § 6 of Act 105 of the Public Acts of 1855, as amended, being §21.145 and §21.146 of the Michigan Compiled Laws.

4. Commercial paper rated at the time of purchase within the two highest classifications by not less than two standard rating services and which matures not more than 270 days after the date of purchase.
5. United States government or federal agency obligation repurchase agreement.
6. Banker's acceptances of United States banks.
7. Investment pools composed of investment vehicles which are legal for direct investments by local units of government in Michigan and in accordance with Act No. 367 of the Public Acts of 1982.

**QUALIFIED INSTITUTIONS.** The City of Wyoming 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 who 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; completed broker/dealer questionnaire; certification of having read and understood and agreeing to comply with the City's investment policy.

**SAFEKEEPING AND CUSTODY.** All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the City of Wyoming shall be on a cash (or delivery vs. payment) basis. Securities may be held by a third party custodian designated by the Finance Director and evidenced by safekeeping receipts as determined by the Finance Director.

**PRUDENCE.** Investments shall be made with judgement 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.

## **Section 10.4 Debt Policy**

### **General Policy Statement**

The purpose of the City of Wyoming (the "City") Debt Management Policy is to manage the issuance of the City's debt obligations and maintain the City's ability to incur debt and other long-term obligations at favorable interest rates for capital improvements, facilities, and equipment that is beneficial to the residents of the City and necessary to essential services.

### **Definitions**

**Arbitrage Compliance** - Arbitrage is the excess profit earned from the investment of tax-exempt bond proceeds in higher-yielding securities. Tax-exempt bond proceeds are subject to arbitrage

"yield restriction" requirements. These define when investment in higher-yielding securities is allowed.

Backloading – To defer or postpone all or the greater part of a financial obligation until the end of a contract.

Conduit Financing - Conduit financing is the practice of using a municipal government to issue a bond for a private development project. These bonds are typically secured by the expected revenues from the project. Conduit financing is often used for joint municipal and private ventures.

Debt – any obligation of the City, whether short- or long-term or a capital lease entered into by the City.

Debt burden – Debt burden represents the amount of money needed to cover debt service payments. In general, the cost of debt includes interest and fees for attaining the debt.

Debt capacity analysis – The debt capacity of an organization is its ability to take on additional debt and to service the existing debt. Debt capacity analysis helps organizations determine how much additional debt they can issue without jeopardizing existing credit ratings.

Debt service coverage ratio – The ratio of projected operating revenues over total operating expenses less capital expenditures, depreciation and amortization. A minimum debt coverage ratio is established by City as 1.25.

Debt structure – A debt structure provides a historical window into an organization's liabilities, indicating the maturity dates of debt issues. The information is used to indicate how soon the organization must settle debts and whether it has the funds to do so.

## **Creditworthiness Objectives**

### **Policy 1. Credit Ratings:**

The City seeks to maintain the highest possible credit ratings for all categories of short- and long-term General Obligation and revenue debt that can be achieved without compromising the delivery of basic City services and the achievement of adopted City policy objectives.

The City recognizes that external, natural, or other events may from time to time affect the creditworthiness of its debt. Nevertheless, the City is committed to ensuring that actions within its control are prudent.

### **Policy 2. Financial Disclosure:**

The City is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, City departments, other levels of government, and the general public to share comprehensible and accurate financial information. The City is dedicated to meeting secondary disclosure requirements on a timely and comprehensive basis, as promulgated by the Securities Exchange Commission.

The Official Statements accompanying debt issues, Comprehensive Annual Financial Reports, and Continuous Disclosure Statements will meet (at a minimum), the standards articulated by the Municipal Standards Rulemaking Board (MRSB), the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), Generally Accepted Accounting Principles (GAAP), and the Internal Revenue Service. The Finance Department shall be responsible for ongoing debt disclosure to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.

### **Policy 3. Capital Planning:**

To enhance creditworthiness and minimize capital expenditures through prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to systematic capital planning will be demonstrated through adoption and periodic adjustment of the ten-year Capital Improvement Plan (CIP).

### **Policy 4: Debt Limits**

The City has set a target for the City's general obligation outstanding debt at 20% (except as a result of extenuating circumstances such as disasters) of the limit prescribed by State statute, which is currently 10% of actual value of property within the City. These rankings are consistent with the City's creditworthiness objectives.

It is the goal that each utility or enterprise will ensure capital financing needs are met by using a combination of current operating revenues, SRF (State Revolving Fund), and revenue bond financing. It is City policy that each utility or enterprise should provide adequate debt service coverage of at least 1.25 times the annual debt service costs. At times, the utility funds may set aside funds in advance of anticipated events to allow for rate smoothing thereby maintaining debt service coverage. An example of the debt coverage calculation is shown below. Utility revenue bond proceeds may be used to establish a debt service reserve as allowed by the Internal Revenue Service (IRS).

## Debt Coverage Example

Operating revenues	\$	
		20,932,810
Operating Investment Income		<u>66,278</u>
Total Operating Revenue		<u>21,499,088</u>
Operating Expenses		20,895,810
Less: Depreciation and Amortization		<u>5,854,583</u>
Net Expenses		<u>15,041,227</u>
Net Revenue Available for Debt Service	\$	<u>6,457,861</u> (1)
Debt Service:		
Principal	\$	2,665,000
Interest		<u>2,150,467</u>
Total Debt Service	\$	<u>4,815,467</u> (2)
Debt Coverage Ratio (1 divided by 2)		1.34

Adequate funds for the repayment of principal and interest must be included in the requesting department's approved budget. Departments requesting capital financing must have an approved budget appropriation.

## PURPOSE AND USES OF DEBT

### Policy 5: Capital Financing:

The City normally relies on internally generated funds and/or grants and contributions from other governments to finance its capital needs. Debt will be issued for a capital purpose only when an appropriate means to achieve a fair allocation of costs between current and future beneficiaries and users, or in the case of an emergency capital need. Debt shall not fund operating expenses. Bond proceeds should be limited to financing capital expenditures such as the costs of planning, design, land acquisitions, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment, such as fire engines, or other costs permitted by law. Acceptable uses of bond proceeds can be viewed as items which can be capitalized. Capitalized interest is an eligible item for bonding. Utility revenue bond proceeds may be used to establish a debt service reserve as allowed by federal and State law. Non-capital furnishings and

supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure currently outstanding debt are an acceptable use of bond proceeds. The City will not use short-term borrowing to finance operating needs except in the case of an extreme financial emergency which is beyond its control or reasonable ability to forecast. Recognizing that bond issuance costs add to the total interest cost of financing, bond financing should not be used if the aggregate cost of projects to be financed by the bond issue does not exceed \$1,000,000.

**Policy 6. Asset Life:**

The City will consider long-term financing for the acquisition, rehabilitation, or expansion of physical assets (Including land) only if they have a useful life of at least three years. . City debt will not be issued for periods exceeding the useful life or average useful lives of the project or projects to be financed.

**DEBT STANDARDS AND STRUCTURE**

**Policy 7. Length of Debt:**

Debt will be structured for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users. General obligation bonds will adhere to State Code as to length of debt. The term of the short-term financing will be limited to the usual useful life of the vehicle or equipment, but in no case will exceed ten years.

**Policy 8. Debt Structure:**

Debt will be structured to achieve the lowest possible net cost to the City given market conditions, the urgency of the capital project, the type of debt being issued, and the nature and type of repayment source.

**Policy 9. Decision Analysis:**

Whenever the City is contemplating a possible bond issue, the City is committed to support the analysis performed by the rating agencies and provide the required/requested information. The categories listed below are representative of the types of items to be considered. The results of the rating agencies will be presented by the Finance Director to the City Manager and City Council.

**Debt Analysis**

- Debt capacity analysis
- Purpose for which debt will be issued
- Debt structure
- Debt burden
- Debt history and trends

-Adequacy of debt and capital planning

### **Financial Analysis**

- Stability, diversity, and growth rates of tax or other revenue sources
- Trend in assessed valuation and collections
- Current budget trends
- Appraisal of past revenue and expenditure trends
- History and long-term trends of revenues and expenditures
- Evidences of financial planning
- Adherence to generally accepted accounting principles
- Audit results
- Fund balance status and trends in operating and debt funds
- Financial monitoring systems and capabilities
- Cash flow projections

### **Governmental and Administrative Analysis**

- Government organization structure
- Location of financial responsibilities and degree of control
- Adequacy of basic service provision
- Intergovernmental cooperation/ conflict and extent of duplication
- Overall city planning efforts

### **Economic Analysis**

- Geographic and location advantages
- Population and demographic characteristics
- Wealth indicators
- Housing characteristics
- Level of new construction
- Types of employment, industry, and occupation
- Evidences of industrial decline
- Trend of the economy

### **Policy 10. Backloading:**

The City will attempt to structure its total debt with level principal and interest payments over the life of the debt. "Backloading" of costs will be considered only when: natural disasters or extraordinary or unanticipated external factors make the short-term cost of the debt prohibitive; when the benefits derived from the debt issuance can be clearly demonstrated to be greater in the future than in the present; when such structuring is beneficial to the City's overall amortization schedule; or when such structuring will allow debt service to more closely match project revenues during the early years of the operation.

### **Policy 11. Refundings:**

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit of the refunding or the refunding is essential in order to release restrictive bond covenants, which affect the operations and management of the City.

In general, advance refunding for economic savings will be undertaken when a net present value savings of at least three percent (3%) of the refunded debt can be achieved. Current refunding, which produce a new present value savings of less than three percent, will be considered on a case-by-case basis taking into consideration bond covenants and general conditions. Refundings with negative savings will not be considered unless there is a compelling public policy objective.

**Policy 12. Credit Enhancements:**

Credit enhancement (letters of credit, bond insurance, etc.) may be used, but only when the net debt service on the bonds is reduced more than the costs of the enhancement.

**Policy 13. Investment of Bond Proceeds:**

All general obligation and revenue bond proceeds shall be invested separate from the City's consolidated cash pool unless otherwise specified by the bond legislation. Investments will be consistent with those authorized by State law and the City's investment policies in order to maintain safety and liquidity of the funds.

**Policy 14. Costs and Fees**

All costs and fees related to issuance of bonds will be paid out of bond proceeds and allocated across all projects receiving bond proceeds for the issue.

**Policy 15. Competitive Sale:**

In general, City debt will be issued through a competitive bidding process. Bids will be awarded on a true interest cost basis (TIC), providing other bidding requirements are satisfied.

**Policy 16. Negotiated Sale:**

Negotiated sales of debt may be considered in circumstances when the complexity of the issue requires specialized expertise, when the negotiated sale would result in

substantial savings in time or money; or when market conditions or City credit are unusually volatile or uncertain.

**Policy 17. Bond Counsel:**

The City will retain external bond counsel for all debt issues. All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the debt, stating that the City has met all State constitution and statutory requirements necessary for issuance, and determining the debt's federal income tax status. The bond counsel retained must have comprehensive municipal debt experience and a thorough understanding of Michigan law as it relates to the issuance of municipal debt.

**Policy 18. Financial Advisor:**

The City will retain an external independent financial advisor. The utilization of the financial advisor for particular bonds sales will be at the discretion of the Finance Department on a case-by-case basis and pursuant to the financial advisory services contract. The major criteria in the selection process for a financial advisor will be comprehensive municipal debt experience, experience with diverse financial structuring and pricing of municipal securities, as well as overall cost of services.

**Policy 19. Compensation for Services:**

Compensation for bond counsel, underwriter's counsel, financial advisors, and other financial services will be consistent with industry standards for the desired qualification levels. These costs will be tracked by the Finance Department.

**Policy 20. Selection Process:**

Whenever a change of bond counsel or financial advisor occurs, RFPs/RFQs should be obtained. RFPs/RFQs will be reviewed by the Finance Director or designee, and the Finance Director shall inform the City manager and City Council of the selection.

**Policy 21. Other Service Providers:**

The Finance Director shall have the authority to periodically select other service providers (e.g. escrow agents, verification agents, trustees, arbitrage consultants, etc.) as necessary to meet legal requirements and minimize net City debt costs. These services can include debt restructuring services and security or escrow purchases. The Finance Director may select firm(s) to provide such financial services related to debt without a RFP or RFQ, consistent with City and State legal requirements.

## **Policy 22. Arbitrage Compliance:**

The Finance Department shall maintain a system of record keeping, reporting and compliance procedures, with respect to all federal tax requirements which are currently, or may become, applicable throughout the lifetime of all tax-exempt, Build America, or other tax credit bonds.

Federal tax compliance, record-keeping, reporting and compliance procedures shall include, but shall not be limited to: (1) post-issuance compliance (including proper use of proceeds, timely expenditure of proceeds, proper use of bond finance property, yield restriction and rebate, and timely return filing); (2) proper maintenance of records to support federal tax compliance; (3) investments and arbitrage compliance; (4) expenditures and assets; (5) private business use; and (6) designation of primary responsibilities for federal tax compliance of all bond financings.

## **Policy 23. Financing Proposals:**

Any capital financing proposal by a City department involving the pledge or other extension of City's credit through sale of securities, execution of loans or leases, marketing guarantees, or otherwise involving directly or indirectly the lending of pledging of the City's credit, shall be referred to the Finance Department for review. The Finance Department will determine a recommendation to be forwarded to the City Council for approval.

## **Policy 24. Communication and Disclosure:**

Significant financial reports affecting or commenting on the City will be forwarded to the rating agencies. Each bond prospectus will follow the disclosure guidelines will follow the disclosure guidelines of the Government Finance Officers Association of the U.S. & Canada.

## **Policy 25. Conduit Financings**

The City may act as a conduit issuer and issue municipal securities to raise capital for revenue-generating projects where the funds generated are used by a third party (known as a "conduit borrower") to make payments to investors. The conduit financing is typically backed by either the conduit borrower's credit or funds pledged toward the project by outside investors. If a project fails and the security goes into default, it falls to the conduit borrower's financial obligation, not the conduit issuer. The City is not responsible for repayment of these bonds. The City will charge a fee to cover all costs (including staff time) associated with the issuance of these bonds.

## **Policy 26. Assessment Bonds:**

Special assessment bonds are bonds whose proceeds sponsor a certain, defined project. Property taxes paying for the bonds will be levied only on those directly benefiting from the project. Special assessment bonds are not backed by the full faith and credit of the City and as such carry more risk than most general obligation bonds. If approved by the City Council, special assessment bonds may be issued that do have the full faith and credit of the City and these will be called "general obligation special assessment bonds."

Except as otherwise provided by law, the rate of interest payable on unpaid balances of special assessments levied against benefited properties shall not exceed the maximum rate in effect at the time of adoption of the final assessment schedule, as established by rule pursuant to Act 185 of 1957 section 123.755, Section 25 (as amended) of the State of Michigan Compiled Laws.

## Section 11 – Freedom of Information Act Policy and Guidelines

### 11.01 Freedom of Information Act

Consistent with Public Act 563 of 2014, which amended the Michigan Freedom of Information Act (FOIA), the following is the Written Policy and Guidelines for the City of Wyoming.

#### Appointment of FOIA Coordinator

In accordance with Section 6 of the Freedom of Information Act (FOIA), MCL 15.236, the City has appointed a FOIA Coordinator, as well as designees. The names of the FOIA Coordinator and designees are available from the City Clerk's Office.

#### Submission of FOIA Request

FOIA requests to the City of Wyoming may be submitted by email or mail to:

Email: [clerk\\_info@wyomingmi.gov](mailto:clerk_info@wyomingmi.gov)

Mail: City of Wyoming  
Attn: FOIA Coordinator  
1155 28<sup>th</sup> Street SW  
Wyoming, MI 49509

Requests can also be faxed to (616)530-7200 or submitted on the City of Wyoming website at [www.wyomingmi.gov](http://www.wyomingmi.gov)

FOIA requests specifically directed to the Department of Public Safety may be submitted by email or mail to:

Email: [pd\\_info@wyomingmi.gov](mailto:pd_info@wyomingmi.gov)

Mail: Wyoming Department of Public Safety  
Attn: FOIA Coordinator  
2300 DeHoop Ave SW  
Wyoming, MI 49509

FOIA requests specifically directed to the Public Safety Department can also be faxed to (616)261-3527 or submitted on the City of Wyoming website at [www.wyomingmi.gov](http://www.wyomingmi.gov)

All FOIA requests should include the name, telephone number and mailing address of the requestor. An email address should also be included if applicable.

#### Immediately Forward FOIA Request

Any employee of the City of Wyoming who receives a written request for a public record must immediately forward that request to the Freedom of Information Coordinator at [clerk\\_info@wyomingmi.gov](mailto:clerk_info@wyomingmi.gov) or appropriate Public Safety designee at [pd\\_info@wyomingmi.gov](mailto:pd_info@wyomingmi.gov)

If a City employee receives an electronic written request for a public record that is delivered to a spam or junk-mail folder the employee must record the date and time the written request was delivered to the spam or junk-mail folder and date and time the employee first became aware of the written request. The employee must forward those dates and times to the FOIA Coordinator (or designee) with the written request.

#### Request Response Time

The City may extend the time for responding by an additional ten (10) business days by notifying the requestor in writing of the reason for the extension and the new due date (MCL 15.235(2)(d) and (6)). Due to the short statutory time period within which the City must issue a written response to the FOIA request, it is imperative that there be no delay in complying with the City's procedures and guidelines.

#### Response to a FOIA Request

Only the City's FOIA Coordinator or designee(s) will respond to FOIA requests. The City will provide copies of these procedures and guidelines with each written response or provide a link to an online version of these documents. If a request is denied, in full or in part, the City will provide the requestor with an explanation of the basis of the denial under the FOIA, and give notice to the requestor of his or her remedial rights (MCL 15.235(4)).

#### Notification of FOIA Request

Upon receipt of a FOIA request, the FOIA Coordinator or designee will contact the appropriate department(s) that might possess records responsive to the FOIA request by email or interdepartmental memorandum. This correspondence will include a date the documents are due to the FOIA Coordinator or designee.

#### Departmental Response to FOIA Coordinator

As soon as possible, but not later than the due date provided by the FOIA Coordinator or designee, the department(s) will provide a response to the FOIA Coordinator or designee. If no documents responsive to the request exist, the department(s) must notify the FOIA Coordinator or designee that no records will be sent.

#### Assessment of Fees

FOIA permits the City to charge a fee for the search, retrieval, examination, review and separation and deletion of exempt from nonexempt material, but only if the failure to charge a fee would result in unreasonably high costs to the City because of the nature of the request in the particular instance, and the City identifies these unreasonably high costs (MCL 15.243(1) and (3)).

The following fee guidelines for calculating labor and material costs incurred in processing FOIA requests are established pursuant to MCL 15.234(3):

1. Fees will be uniform and not dependent upon the identity of the requesting person.
2. Fees will be itemized using the attached form and will include:
  - a. Labor costs for the search, location and examination of public records which will be calculated using the hourly wage of the City's lowest paid employee capable of conducting the search, location and examination, whether or not they are available or actually perform the labor. Such labor costs shall be

- estimated and charged in increments of 15 minutes with all partial increments rounded down. The hourly wage will be based on the City's Office Specialist I classification (or equivalent), at A-step of the pay scale for the applicable fiscal year. Labor costs shall also include up to 50% of the hourly wage to partially cover the cost of fringe benefits, not to exceed the actual cost of fringe benefits.
- b. Labor costs for the review of public records and separation and deletion of exempt from nonexempt material which will be calculated using the hourly wage of the City's lowest paid employee capable of conducting the review and separation and deletion of exempt and nonexempt material whether or not they are available or actually perform the labor. Such labor costs shall be estimated and charged in increments of 15 minutes with all partial increments rounded down. The hourly wage will be based on the City's Office Specialist I classification (or equivalent), at A-step of the pay scale for the applicable fiscal year. Labor costs shall also include up to 50% of the hourly wage to partially cover the cost of fringe benefits, not to exceed the actual cost of fringe benefits.
  - c. Non-paper physical media costs will be calculated using the actual and most reasonably economical cost of computer discs, computer tapes and other digital and similar media available to the City.
  - d. Duplication and publication costs for paper copies will be calculated using the actual total incremental cost of necessary duplication and publication of a public record, not including labor. The actual and incremental cost, calculated per sheet, shall be charged and will not exceed ten cents (\$0.10) per sheet of paper for letter or legal-size paper. The City shall use the most economical means available for making copies, including the use of double-sided printing, if cost savings is available.
  - e. Labor costs for the duplication or publication of public records, including making paper copies, making digital copies, or transferring digital public records to be produced on non-paper physical media or through electronic means, will be calculated using the hourly wage of the employee capable of duplicating or publishing the public records, whether or not they are available or actually perform the labor. Such labor costs shall be estimated and charged in increments of one minute, with all partial increments rounded down. The hourly wage will be based on the City's Office Specialist I classification (or equivalent), at A-step of the pay scale for the applicable fiscal year. Labor costs shall also include up to 50% of the hourly wage to partially cover the cost of fringe benefits, not to exceed the actual cost of fringe benefits.
3. No City employee shall stipulate to work overtime or include overtime wages in the labor costs described in these procedures and guidelines.
  4. If a requestor submits an affidavit of indigence, the first \$20.00 of a fee will be waived. A requesting person must include a statement that the request is not being made in conjunction with outside parties in exchange for payment or other remuneration. Other than \$20.00 for cases of indigence, no City employee shall waive a fee or part of a fee without authorization from the FOIA Coordinator or designee.

5. Labor costs for monitoring an inspection of original records will be calculated using the hourly wage of the City's Office Specialist I classification (or equivalent), at A-step of the pay scale for the applicable fiscal year. Note: Section 3(3) of the FOIA, MCL 15.233(3), provides, in pertinent part, that "[a] public body shall protect public records from loss, unauthorized alteration, mutilation, or destruction."
6. If a statute authorizes the sale or production of public records to the public for a specified fee or if a fee for production of public records is otherwise set by statute, the City will charge the statutory fee in lieu of a fee calculated using the guidelines set forth above.

#### Deposit Requirements

If the City estimates a fee to process a FOIA request greater than \$50.00, the City will require a good-faith deposit from the requestor before processing the request. The deposit shall not exceed half of the total estimated fee. Any written notice containing a request for the deposit shall also contain a best effort estimate by the City regarding the time frame after a deposit is received that it will take the City to provide the public records to the requestor. The time frame estimate is not binding upon the City, but the City shall provide the estimate in good faith and strive to be reasonably accurate and to provide the public records in a manner based on this State's public policy under Section 1 of FOIA, MCL 15.231, and the nature of the request in the particular instance.

#### Appeals of Fees and Disclosure Determinations

If the City charges a fee or denies all or part of a request, the requestor may submit to the City Manager a written appeal that specifically states the word "appeal" and identifies the basis for which the fee should be reduced or the disclosure determination should be reversed.

#### Effective Date

This policy shall be effective on July 1, 2015.