

**BRIDGEWATER TOWNSHIP
BOARD OF TRUSTEES MEETING
THURSDAY, JANUARY 3, 2019
7:00 P.M.
AGENDA**

- I. CALL TO ORDER / ESTABLISH QUORUM/ PLEDGE ALLEGIANCE
- II. CITIZEN PARTICIPATION
- III. APPROVAL OF BOARD MEETING MINUTES – DECEMBER 6, 2018
- IV. REVIEW AND APPROVE AGENDA
- V. OLD FRIENDS PROSPECTING CO. PRESENTATION – Anthony Gentile
- VI. UNFINISHED BUSINESS
 - A. Board Appointments
- VII. NEW BUSINESS
 - A. Financials, Approve Disbursements from December 1, 2018 – December 31, 2018
 - B. Medical Marijuana Facilities Opt-In Ordinance Discussion
 - C. Board of Review Guidelines for Poverty/Hardship Exemptions Resolution
 - D. Proposals for Audit Services
- VIII. REPORTS & CORRESPONDANCE
 - A. Public Safety Report – Written report from Sheriff’s Department
 - B. Supervisor’s Report
 - C. Assessor’s Report
 - D. Clerk’s Report
 - E. Treasurer’s Report
 - F. Trustees’ Report
 - G. Zoning Administrator’s Report – Written report from Rodney Nanney
 - H. Planning Commission Report – Minutes included in Board packet
 - I. Farmland Preservation Board Report – No meeting in December
- IX. CITIZEN PARTICIPATION
- X. ADJOURNMENT

Bridgewater Township Board of Trustees Minutes

I. CALL TO ORDER

6-Dec-18 meeting called to order by Supervisor Fromhart at 7:00 p.m. followed by the Pledge of Allegiance at Bridgewater Township Hall, 10990 Clinton Road, Manchester, MI.

Present: Trustee Faust; Trustee Fromhart; Trustee McQueer; Trustee Oliver, Trustee Wharam

Absent: None

Citizen attendance: 3

II. CITIZEN PARTICIPATION

- None

III. APPROVAL OF MINUTES

- Motion to approve the 1-Nov-18 meeting minutes as amended – Mr. Faust; support – Mr. Oliver; vote – unanimous

IV. REVIEW AND APPROVE AGENDA

- Motion to approve the agenda as amended – Ms. McQueer; support – Mr. Oliver; vote – unanimous

V. NEW BUSINESS

A. Financials & Approve Disbursements

- Motion to approve disbursements of \$19,231.74 for general operations and \$9,535.17 for sewer operations; for a total expenditure of \$28,766.91 for the month of November - Mr. Oliver; support - Mr. Faust; vote - unanimous

B. Board Appointments

- There was a tempestuous discussion about what transpired between Ms. Fromhart and Commissioner Mr. Iwanicki, of which the supervisor was unable to control
- Supervisor recommends the reappointment of Judy Klager, Cal Messing and Steve Wahl to the Board of Review for 2-year terms ending December 31, 2020.
 - Motion to approve supervisor's recommendation – Mr. Oliver; support –Ms. Fromhart; vote - yes - 4; no -1
- Supervisor recommends the reappointment of Dan McQueer, Grant Howard and Remy Long to the Farmland Preservation Board for 2-year terms ending December 31, 2020
 - Motion to approve supervisor's recommendation – Mr. Oliver; support –Ms. Fromhart; vote - yes - 4; no -1
- Supervisor nominates the reappointment of Cal Messing to the Planning Commission for a 3-year term ending December 31, 2021.
 - Motion to approve supervisor's recommendation – Mr. Faust; support –Mr. Oliver; vote - yes - 4; no -1
- Supervisor recommends the appointment of Todd Brawn to the Zoning Board of Appeals for a 3-year term ending December 31, 2021.
 - Motion to approve supervisor's recommendation – Mr. Oliver; support –Ms. Fromhart; vote - yes - 4; no -1
- Supervisor recommends the reappointment of Gerianna Cooley-Howard to the Manchester District Library Board for 4-year term ending December 31, 2022. (Please note Gerianna is willing to continue to serve until we can find a replacement.)
 - Motion to approve supervisor's recommendation – Mr. Oliver; support –Mr. Faust; vote - yes - 4; no -1

Bridgewater Township Board of Trustees Minutes

C. Village of Manchester WWTP Operations & Maintenance Agreement

- Motion to approve the Village of Manchester WWTP Operations & Maintenance Agreement upon approval of the township attorney – Ms. McQueer; support – Mr. Oliver; vote - unanimous

D. Kennedy Industries Flygt Pump quote

- Will be placed into storage as a backup pump
- Motion to approve Kennedy Industries Flygt Pump Quote – Mr. Oliver; support –Mr. Faust; vote - unanimous

E. Recreational Marijuana Prohibition Ordinance Discussion

- Must specifically adopt an ordinance to regulate
- There is not an urgency to pass an ordinance
- Medical and recreational must be reviewed separately
- Received input from Mr. Lucas and MTA

F. New snow removal bid

- Motion to approve the bid from Green Meadows – Mr. Faust; support –Ms. McQueer; vote - unanimous

VI. REPORTS AND CORRESPONDENCE

A. Public Safety Report

- Report received and is on record

B. Supervisor's Report

- See board packet plus
 - Evergreen report
 - Flushing of Henes' lines not complete
 - No response on Bridgewater Commons easement

C. Assessor's Report

- A written report to the board and it is on record

D. Clerk's Report

- Election turnout was about 10% higher than the last presidential election, 933 voters
- Need to think about a new auditor

E. Treasurer's Report

- Ms. McQueer submitted a written report to the board and it is on record
- Gentile has not paid their sewer bill all year
- County is raising the interest rate to 2.5%
- Newsletter will be in escrow tax bills also

F. Trustees' Report

- Trustee Faust:
 - None

Bridgewater Township Board of Trustees Minutes

- Trustee Oliver:
 - None

G. Zoning Administrator's Report

- Mr. Nanney submitted a written report to the board and it is on record
- Dr. Samuels property has been cleaned to township specifications

H. Planning Commission

- Minutes were received and are on record
- Someone purchased a residential house and want to move a commercial business in the sheds

I. Farmland Preservation Board Report

- No meeting in November

VII. CITIZEN PARTICIPATION

- None

VIII. ADJOURNMENT

- Ms. Fromhart adjourned the meeting at 8:38 p.m.

Bridgewater Township Board of Trustees Minutes

I. CALL TO ORDER

1-Nov-18 meeting called to order by Supervisor Fromhart at 7:00 p.m. followed by the Pledge of Allegiance at Bridgewater Township Hall, 10990 Clinton Road, Manchester, MI.

Present: Trustee Faust; Trustee Fromhart; Trustee McQueer; Trustee Oliver, Trustee Wharam

Absent: None

Citizen attendance: 3

II. CITIZEN PARTICIPATION

- None

III. APPROVAL OF MINUTES

- Motion to approve the 4-Oct-18 meeting minutes as presented – Mr. Oliver; support – Mr. Faust; vote – unanimous

IV. REVIEW AND APPROVE AGENDA

- Motion to approve the agenda as – Mr. Faust; support – Mr. Oliver; vote – unanimous

V. OLD BUSINESS

A. Junk Ordinance Enforcement – Approve Contractor for Property Clean-Up at 12460

E. Michigan Ave. (Samuels)

- Ms. Fromhart commented that the zoning administrator supplemental report should be withdrawn
- The board supported that Mr. Nanney's report what was happening at the property
- Ms. Fromhart wants to say that she was not there, contrary to what the zoning administrator said Dr. Samuels said
- Mr. Nanney commented on the current state of the property as of today; it is about 85% cleaned up
- Mr. Nanney said that if Dr. Samuels continues working, he could finish in a week
- The former contents are being hauled off-site
- Motion to approve:
 - per court order of Bridgewater Township vs. \$
- Motion to approve:
 - B&K Junk Removal for up to \$1800.00,
 - Not to start before 7 days,
 - Mr. Nanney to be present when the clean-up is performed,
 - Dr. Samuels to be billed for all charges to date,Ms. McQueer; support – Mr. Oliver; vote – unanimous

VI. NEW BUSINESS

A. Financials & Approve Disbursements

- Motion to approve disbursements of \$20,126.38 for general operations and \$18,032.50 for sewer operations; for a total expenditure of \$38,158.88 for the month of October - Ms. Fromhart; support - Mr. Oliver; vote - unanimous

B. PA 116 Applications – Scott & Katherine Finkbeiner

- Motion to approve PA 116 applications 2018-2, 2018-3 & 2018-4 for Mr. & Mrs. Finkbeiner of 9650 Willow Rd. – Ms. McQueer; support – Mr. Oliver; vote - unanimous

C. WWTP Generator Radiator Replacement

Bridgewater Township Board of Trustees Minutes

- Motion to accept bid of \$2974.73 to replace the back-up generator radiator at the sewer plant – Mr. Oliver; support – Mr. Faust; vote - unanimous

D. Allocated Operation Millage Discussion

- There was discussion of ~~what bring up~~raising the operating millage to 1 mill. This would generate about \$30,000.

VII. REPORTS AND CORRESPONDENCE

A. Public Safety Report

- Report received and is on record

B. Supervisor's Report

- Bridgewater Commons proposed easement prepared by the township attorney
- RRWCS meeting, new signs over River Raisin
- WCRC re: Bartlett Rd.; will follow up with Gerken
- Met with Spicer Group engineer re: Bridgewater Tile
- Called in repair of furnace at sewer plant
- Aeration pump failed at sewer, will need spare ~\$10,000
- Working on news letter
- Hogan Rd culvert meeting with DEQ

C. Assessor's Report

- A written report to the board and it is on record

D. Clerk's Report

- Small orders from Haviland are a new occurrence
- Getting ready for elections
- Had public accuracy test on Tuesday 30-Oct-18; all went well

E. Treasurer's Report

- Ms. McQueer submitted a written report to the board and it is on record
- Receive another special assessment pay-off

F. Trustees' Report

- Trustee Faust:
 - 2 grinder tubes in at Finkbeiner
 - Coauch in river of Allen Rd south of bridge
- Trustee Oliver:
 - Western Washtenaw Building Authority report
 - Hogan Rd. culvert does not require DEQ permit

G. Zoning Administrator's Report

- Mr. Nanney submitted a written report to the board and it is on record

H. Planning Commission

Bridgewater Township Board of Trustees Minutes

- Minutes were received and are on record

I. Farmland Preservation Board Report

- No quorum

VIII. CITIZEN PARTICIPATION

- None

IX. ADJOURNMENT

- Ms. Fromhart adjourned the meeting at 8:52 p.m.

APPROVED

→ • EST. 2018 • ←

OLD * FRIENDS

PROSPECTING

Co.

Bridgewater Proposition 2019

INTRODUCTIONS

ANTHONY GENTILE

- ◇ Born and raised in Michigan, with over 15 years in Bridgewater Township.
- ◇ Current resident of Bridgewater Township
- ◇ Have worked full-time in Bridgewater since 1996
 - ◇ Director of Art & Marketing at Xela Pack
 - ◇ Vice President of Gentile Packaging Machinery



XELAPACK



GPM | **Gentile
Packaging
Machinery**

INTRODUCTIONS

PHIN DEMINK

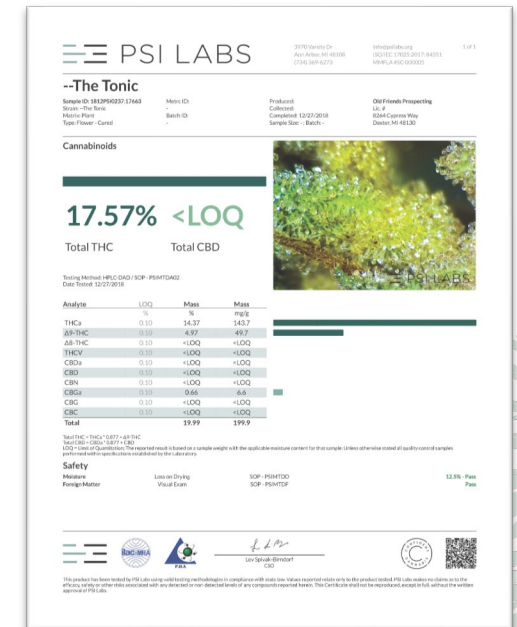
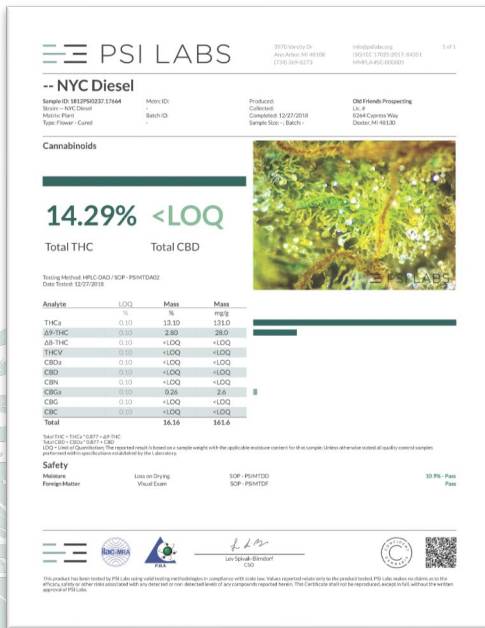
- ◇ Born and raised in Kalamazoo, MI
- ◇ Founder of Southern Tier Brewing Co. & Southern Tier Distilling Co.
- ◇ Co-Founder Artisanal Brewing Ventures (ABV)
 - ◇ ABV is the 24th largest brewer in sales and the 8th largest craft brewer in sales according to 2018 IRI data.
 - ◇ ABV did \$95M in sales in 2018 and employs over 1000 people at 7 locations throughout NY, PA, OH, and NC



INTRODUCTIONS

BEN HARPSTER

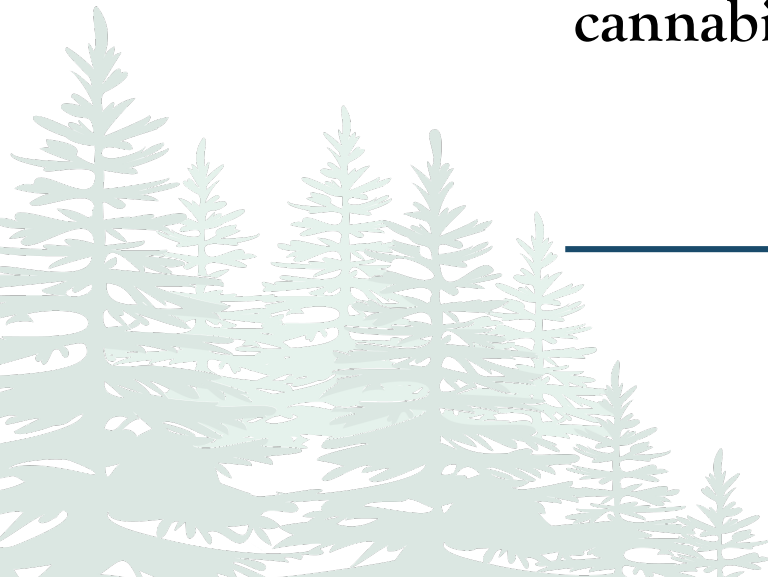
- ◇ Caregiver in Washtenaw Co. since 2009
- ◇ Resident of Washtenaw Co. for 20 years
- ◇ Resident of Dexter for 12 years
- ◇ Growing organic cannabis for patients for nearly 10 years
- ◇ Quality driven and environmentally conscious
- ◇ No use of chemicals & minimal waste water



MISSION

To provide the cleanest, safest, and best medical cannabis products and packaging in Michigan

Beginning with packaging medical cannabis products, including CBD products, and processing cannabis to create our own brands which will be sold only by licensed provisioning centers throughout Michigan.



BENEFITS TO BRIDGEWATER

MEDICAL MARIJUANA TAX REVENUES

CURRENT STRUCTURE FOR ALLOCATION

30% to the state

25% to cities that have opted in

30% to county

5% to Sheriff

5% to state police

5% to train local law enforcement

BENEFITS TO BRIDGEWATER

MEDICAL MARIJUANA TAX REVENUES

Dispensaries charge a 3% Excise tax
coupled with a 6% Sales tax.

Estimated \$100M in annual sales of
medical marijuana in 2017

\$600M since 2008

BENEFITS TO BRIDGEWATER

MEDICAL MARIJUANA TAX REVENUES

TAX REVENUE BREAK DOWN

- ◇ $\$100,000,000 \times (3\% + 6\%) = \$9,000,000$ in annual tax revenues for Michigan
- ◇ $\$9,000,000 \times 25\% = \$2,250,000$ in annual tax revenues for all municipalities
- ◇ $\$2,250,000 / \sim 800$ licenses = $\$2,812$ estimated annual tax revenues for Bridgewater
+ $\$5,000$ annual license fee
- ◇ Likely to dramatically increase within the next few years

COMMUNITY CONCERNS

Signage & Appearance

Traffic

Safety

Smell & Sound/Light Pollution



COMMUNITY CONCERNS

SOLUTIONS

SIGNAGE & APPEARANCE

No signage indicating cannabis business, only company name. Co-located with GPM and Xela Pack on Al & Cathy Gentile's land that they will lease to OFPC.

TRAFFIC

There is already traffic in that location 24/6. Additional traffic will be minimal and will be within those hours.

COMMUNITY CONCERNS

SOLUTIONS

SAFETY

- ◇ Vast history of working with packaging equipment and large machinery at GPM and Xela Pack
- ◇ Purchasing the best/safest extraction equipment possible
- ◇ Extensive training and SOPs
- ◇ No safety/community issues at GPM/Xela Pack location for 40+ years in Bridgewater
- ◇ Building will be secured and monitored 24/7

COMMUNITY CONCERNS

SOLUTIONS

SMELL & SOUND/LIGHT POLLUTION

Our current plan includes only packaging and processing, which will not be a threat for smell, sound, or light pollution (like that of grow facilities).

Air filters will be added to location to mitigate any smell from products being packaged or processed.

PACKAGING SOLUTIONS

THE XELA PACK



Xela Pack packaging is environmentally friendly and perfect for the medical cannabis industry.

- ◇ 75% Paper Constructed
- ◇ 100% PCRPP Constructed
- ◇ Reduction in Packaging Material
- ◇ Fully Collapsible after Use
- ◇ Reduction in Product Waste
- ◇ Organic Certified & Kosher Compliant
- ◇ ISO 9001:2015 & NSF Certified Company & Facilities
- ◇ Wind Energy Committed

LEGALITY

Alaska
Arizona
Arkansas
California
Colorado
Connecticut
DC
Delaware
Florida
Hawaii
Illinois

Maine
Maryland
Massachusetts
Michigan
Minnesota
Missouri
Montana
Nevada
New Hampshire
New Jersey
New Mexico

New York
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
Utah
Vermont
Washington
West Virginia

LEGALITY

FARM BILL 2018

On Dec 21, President Trump signed the 2018 Farm Bill, calling it a “tremendous victory for the American farmer”. The \$867 Farm Bill passed both Congress (386-47) and the Senate (87-13) with very high support from both parties and the President.

Also, earlier in 2018, the DEA reclassified FDA approved forms of CBD from Schedule I to Schedule V, the lowest category for controlled substances. Then in November, the FDA approved one cannabis-derived CBD product that is used to treat rare child epileptic syndromes, most commonly diagnosed in young children.

This is important because it:

- ◇ Removes hemp, and hemp products such as CBD, from the Controlled Substances Act
- ◇ Legalizes hemp production in all 50 states
- ◇ Allows for transportation of hemp and hemp products across state lines
- ◇ And most importantly, it shows that the federal government, including the DEA and the FDA, have found that cannabis absolutely does have medical uses and benefits.

PROPOSITION

Bridgewater to allow one pilot company (OFPC) to be approved for a medical cannabis processing license only. We are asking for a two year trial period to give us time to properly prepare the location and build the company.

If Old Friends Prospecting Co. operates successfully, without issue, Bridgewater Township will continue the approval and allow OFPC to continue with business in the township after the pilot period.

This will allow Bridgewater to fully realize and understand the benefits to the community so that the township can determine future plans based on actual data and experience.

PROPOSITION

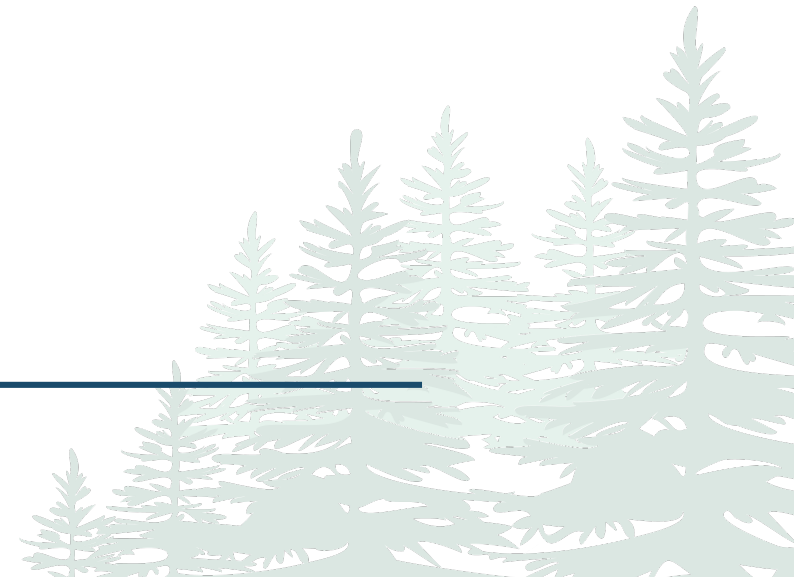
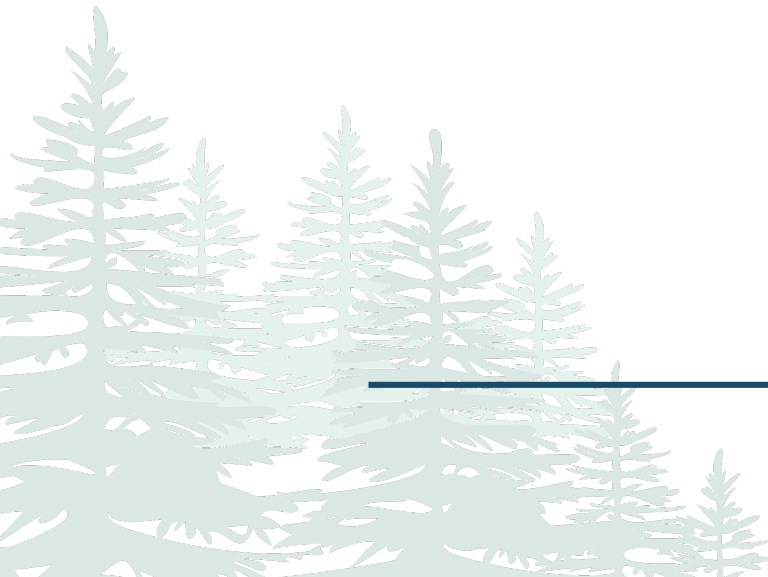
OFPC will invest \$500 - \$750k into equipment and facilities located in Bridgewater.

OFPC will employ up to 5 people initially, and hope to employ more as the market expands

OFPC plans to only package and process due to the over abundance of material available, due to high volumes of growing licenses and low volumes of processing licenses being awarded in the state so far.

By allowing OFPC to process in Bridgewater, this will be first step in allowing an established Bridgewater business (Xela Pack) to enter and compete in a new, emerging industry.

THANK
YOU



MEMORANDUM

TO: BRIDGEWATER TOWNSHIP BOARD OF TRUSTEES
FROM: LAURIE FROMHART, TOWNSHIP SUPERVISOR
RE: BOARD APPOINTMENTS
DATE: JANUARY 3, 2019

Supervisor nominates the reappointment of Mark Iwanicki to the Planning Commission for a 3-year term ending December 31, 2021.

Re: PC

From: Laurie Fromhart (bridgewaterwpsupervisor@yahoo.com)

To: rmiwanicki@hotmail.com

Date: Wednesday, December 12, 2018, 9:09 AM EST

Perfect see you then!

[Sent from Yahoo Mail on Android](#)

On Tue, Dec 11, 2018 at 9:13 PM, Mark Iwanicki <rmiwanicki@hotmail.com> wrote:

Laurie,

I can meet with you on Wednesday, December 19th at 11:30 am. If this does not work for you please let me know and we can try and re-schedule.

Mark

From: Mark Iwanicki <rmiwanicki@hotmail.com>

Sent: Sunday, December 9, 2018 11:10 PM

To: Laurie Fromhart

Cc: Michelle Konakaffee (bridgewaterwptreasurer@yahoo.com); 'Tom Wharam'; Calvin Messing; Dave Horney; Gary and Kathy Baetens; Geoffrey Oliver; Dave Faust

Subject: Re: PC

I just read your e- mail and if this is what it takes to continue to help our township I will meet with you. This week is already booked up. I feel that the week of 12.17.18 could be possible. I can check what is on my calendar and talk to other persons and my family that also may need my help and I will let you know what works best . I will let you know by 11:30 am on 12.12.18

From: Laurie Fromhart <bridgewaterwpsupervisor@yahoo.com>

Sent: Sunday, December 9, 2018 12:52 PM

To: Mark Iwanicki

Cc: Michelle Konakaffee (bridgewaterwptreasurer@yahoo.com); 'Tom Wharam'; Calvin Messing; Dave Horney; Gary and Kathy Baetens; Geoffrey Oliver; Dave Faust

Subject: Re: PC

Mark,

I have a hard time accepting your apology while in the same breath you are still making an excuse for your behavior and are accusing me of blindsiding you.

Board appointments are made every December and there were 10 positions up for appointment this month. Everyone I contacted for those appointments responded within a day or two of being contacted confirming they were willing to serve. As I didn't hear from you in a timely manner, I was doubtful that you were still interested in serving.

As you know the Board meets the first Thursday of every month with the agenda and packet due to Board members the Monday prior to the meeting. Since I hadn't heard from you, I chose to nominate someone else that has continued to express an interest in

serving. When you did respond late Monday, your response was not what I expected nor did I think it was appropriate so I reacted accordingly.

My job as Supervisor is to nominate someone who I believe has a true desire to serve, can be a productive member, actively participates, does their homework, has the required skill-set, and can step-up when needed. Our PC is much smaller than it used to be and when one member is not willing to serve in another capacity it puts an undue burden on other members especially when the Board representative is limited in the positions they can serve.

At the Board meeting you asked that I let you know what happened. No appointment was made and therefore my reason I am asking for us to meet. We have known each other for a long time and I think its important we sit down and talk face to face. I don't want there to be any hard feelings between us and I want us to be on the same page if I am to nominate you to the PC for another 3 years.

Please let me know if you are willing to meet as we can arrange another time that is convenient for both of us.

Sincerely,

Laurie Fromhart
Bridgewater Township Supervisor
10990 Clinton Rd
Manchester, MI 48158
Cell: 734.223.2766
Email: bridgewaterwpsupervisor@yahoo.com

On Saturday, December 8, 2018, 3:03:27 PM GMT-5, Mark Iwanicki <rmiwanicki@hotmail.com> wrote:

Laurie,

I want to apologize for calling you at 11:15 pm the other night. That call was not a professional reaction, it was an emotional one from being blind sided. I feel there is no reason to meet because you said and let me know what your feelings were at the Township Board meeting about my holding a seat on the Planning Commission. I am planning to continue to sit on the board with the compacity's that I am comfortable with. I am not able to meet with you that day as I am busy.
Mark

From: Laurie Fromhart <bridgewaterwpsupervisor@yahoo.com>
Sent: Friday, December 7, 2018 3:29 PM
To: Mark Iwanicki
Subject: PC

Mark,

Are you available to meet with me to discuss your service on the PC on Tuesday, December 11th at 10:30 am at the township hall?

Laurie Fromhart
Bridgewater Township Supervisor
10990 Clinton Rd
Manchester, MI 48158

Cell: 734.223.2766
Email: bridgewaterwpsupervisor@yahoo.com

Bridgewater Township
Monthly Expenses
November 24 through December 31, 2018

	<u>Type</u>	<u>Date</u>	<u>Check #</u>	<u>Name</u>	<u>Split</u>	<u>Amount</u>
Nov 24 - Dec 31, 18						
	Bill	12/01/2018	9657	Beckett & Raeder	-SPLIT-	638.75
	Bill	12/01/2018	EFT	Cardmember Service	2050 · Comerica - Clerk/Treasurer	819.34
	Bill	12/20/2018	9658	Clayton and Mary Rider Assessing Service	-SPLIT-	1,950.00
	Bill	12/10/2018	EFT	Consumers Energy	5265728 · Maintenance & Utilities	42.65
	Bill	12/28/2018	EFT	Detroit Edison Company - Hall	5265728 · Maintenance & Utilities	43.05
	Bill	12/26/2018	EFT	Detroit Edison Company - Street Lights	5440852 · Street lighting	305.26
	Bill	12/26/2018	9659	Donald N. Pennington	-SPLIT-	1,236.25
	Bill	12/14/2018	EFT	Frontier	5265728 · Maintenance & Utilities	100.72
	Bill	11/30/2018	9660	Green Meadows Lawn care	5265728 · Maintenance & Utilities	208.50
	Bill	12/04/2018	9661	Lucas Law, PC	-SPLIT-	222.50
	Bill	12/08/2018	9662	Manchester Mirror	5173900 · Printing & publishing	5.64
	Bill	12/21/2018	9663	Michigan Municipal League	5173912 · Insurance & Bonds	14.00
	Bill	12/31/2018	EFT	Paychex - fees	5215727 · Clerk supplies & expense	149.19
	Bill	12/31/2018	EFT	Paychex - payroll	-SPLIT-	6,518.19
	Bill	12/13/2018	9664	Reau & Associates, P.C.	5215727 · Clerk supplies & expense	60.00
	Bill	11/04/2018	9665	Susan Ahrens	5265728 · Maintenance & Utilities	75.00
	Bill	12/06/2018	9666	Treemore Ecology	5400806 · Farmland PB Consultant	480.00
	Bill	12/17/2018	9667	Washtenaw County Treasurer	5440847 · Drains at large	7,591.72
	Bill	12/20/2018	9668	Washtenaw County Treasurer	5173802 · Audit fees	737.50
						21,198.26

Clerk: _____

Treasurer: _____

Nov 24 - Dec 31, 18

Dec 27, 2018
 Accrual Basis

Bridgewater Township Profit & Loss Budget vs. Actual April 2018 through March 2019

	Apr '18 - Mar 19	Budget	\$ Over Budget
Income			
Clean-up Day Grant	2,399	3,000	-601
Clean Up Donation	63	63	0
4402 · Property tax - operation	0	74,100	-74,100
4447 · Tax administration fee	11,171	29,300	-18,129
4448 · Tax collection fees	150	3,500	-3,350
4460 · Township permits	50	500	-450
4465 · Land division fees	1,050	500	550
4574 · Revenue sharing	71,205	137,216	-66,011
4600 · Collection Fee-Sewer Fund	0	1,400	-1,400
4601 · Fire charge collection	0	500	-500
4665 · Interest Income	112	1,800	-1,688
4672 · Other Income	0	1,000	-1,000
4675 · Metro Auth.-restricted to roads	3,208	3,300	-92
Total Income	89,408	256,179	-166,771
Gross Profit	89,408	256,179	-166,771
Expense			
5101000 · Township Board			
5101703 · Trustee salary	3,600	4,800	-1,200
5101727 · Township supplies & expenses	412	600	-188
5101770 · Conferences & Training	0	500	-500
Total 5101000 · Township Board	4,012	5,900	-1,888
5171000 · Supervisor			
5171703 · Supervisor Salary	11,705	15,607	-3,902
5171727 · Supervisor Expense	90	1,000	-910
5209000 · Assessor			
5209705 · Board of Review expenses	20	1,155	-1,135
5209805 · Assessor Wages	15,625	20,700	-5,075
5209810 · Assessor Expense	2,550	2,800	-250
Total 5209000 · Assessor	18,196	24,655	-6,459
Total 5171000 · Supervisor	29,991	41,262	-11,271
5173000 · Other General Government			
5173715 · Social Security	3,680	5,000	-1,320
5173801 · Attorney & Consulting Expenses	3,839	5,000	-1,161
5173802 · Audit fees	4,335	3,300	1,035
5173811 · Membership fees & dues	2,093	2,000	93
5173890 · Newsletter (non-recyc)	0	100	-100
5173895 · Website Administrator	500	500	0
5173912 · Insurance & Bonds	4,800	5,500	-700
Total 5173000 · Other General Government	19,246	21,400	-2,154
5215700 · Clerk			
5173900 · Printing & publishing	220	800	-580
5174810 · Deputy Clerk	1,034	1,000	34
5191727 · Election expense	3,361	3,500	-139
5215703 · Clerk salary	12,160	16,214	-4,054
5215727 · Clerk supplies & expense	897	3,200	-2,303
Total 5215700 · Clerk	17,673	24,714	-7,041
5253700 · Treasurer			
5253701 · Tax Collection Expense	997	2,500	-1,503
5253703 · Treasurer salary	13,262	17,615	-4,353
5253704 · Deputy Treasurer Wages	798	1,000	-203
5253727 · Treasurer supplies & expenses	767	2,000	-1,233
Total 5253700 · Treasurer	15,823	23,115	-7,292

Dec 27, 2018
 Accrual Basis

Bridgewater Township Profit & Loss Budget vs. Actual April 2018 through March 2019

	Apr '18 - Mar 19	Budget	\$ Over Budget
5265000 · Building & Grounds			
5265728 · Maintenance & Utilities	3,843	6,000	-2,157
5265925 · Cemetery care	2,227	2,500	-273
5265980 · Building improvement & equipmen	1,150	2,000	-850
Total 5265000 · Building & Grounds	<u>7,220</u>	<u>10,500</u>	<u>-3,280</u>
5301800 · Public Safety			
5339727 · Fire protection billing expense	39,947	65,000	-25,053
Total 5301800 · Public Safety	<u>39,947</u>	<u>65,000</u>	<u>-25,053</u>
5400700 · Planning & zoning			
5400701 · Planning			
5400727 · Planning comm. wage & expense	3,381	4,200	-819
5400803 · Planning consultant - on-going	4,803	9,000	-4,198
5400806 · Farmland PB Consultant	480	500	-20
5411810 · Conferences & Training	370	500	-130
Total 5400701 · Planning	<u>9,033</u>	<u>14,200</u>	<u>-5,167</u>
5410726 · Zoning			
5410704 · Land Division Processing Fees	1,225	1,500	-275
5410727 · Zoning ad.wage & expense	5,942	7,500	-1,558
5411727 · Zon Bd of Appeals Expense	1,423	325	1,098
Total 5410726 · Zoning	<u>8,590</u>	<u>9,325</u>	<u>-735</u>
Total 5400700 · Planning & zoning	<u>17,623</u>	<u>23,525</u>	<u>-5,902</u>
5440000 · Public works			
5440846 · Road Improvements	12,543	30,000	-17,457
5440847 · Drains at large	7,592	4,500	3,092
5440849 · Clean-up Day	2,399	3,200	-801
5440852 · Street lighting	2,723	3,500	-777
Total 5440000 · Public works	<u>25,257</u>	<u>41,200</u>	<u>-15,943</u>
66900 · Reconciliation Discrepancies	0		
Total Expense	<u>176,792</u>	<u>256,616</u>	<u>-79,824</u>
Net Income	<u><u>-87,384</u></u>	<u><u>-437</u></u>	<u><u>-86,947</u></u>

Dec 27, 2018
Accrual Basis

Bridgewater Township
Balance Sheet
As of December 31, 2018

	<u>Dec 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
1002 · General Checking-Key Bank	-27,350.84
1010 · General Savings-Key Bank	142,586.02
1016 · Bank of Ann Arbor 5yr	102,139.40
1017 · Old National 5 yr	109,637.70
Total Checking/Savings	<u>327,012.28</u>
Accounts Receivable	
1200 · Accounts Receivable	762.00
Total Accounts Receivable	<u>762.00</u>
Other Current Assets	
1034 · Tax Receivable-PPT	97.34
1081 · Due from Sewer Operations	300.00
1085 · Due From Tax Fund	2,306.22
1201 · Accounts Receivable 2	2,930.00
Total Other Current Assets	<u>5,633.56</u>
Total Current Assets	333,407.84
Fixed Assets	
1600 · Buildings	98,329.35
1610 · Equipment	28,244.21
1620 · Land	70,863.09
1630 · Siding & Windows	17,049.00
1640 · Township Hall Improvements	54,079.30
1650 · Accumulated Depreciation	-95,648.85
Total Fixed Assets	<u>172,916.10</u>
TOTAL ASSETS	<u>506,323.94</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
2050 · Comerica - Clerk/Treasurer	386.84
Total Credit Cards	<u>386.84</u>
Other Current Liabilities	
Due to Tax payer	1,102.39
2217 · Escrow Deposits Payable	
2220 · Due to SMR-Elliott parcel	2,500.00
2233 · Due to SMR-Crego/Peltcs	2,302.71
2239 · Due to GS Materials MEL Exp App	-23.98
2251 · Due to Bridgewater Bank	3,864.78
2252 · Due Metro General Contractors	1,000.00
2253 · Due to Bridgewater Commons	-713.69
2255 · Barbu Escrow	-997.87
2256 · JK-PK Properties Escrow	2,380.00
Total 2217 · Escrow Deposits Payable	<u>10,311.95</u>
2295 · Deferred Revenue	97.34
Total Other Current Liabilities	<u>11,511.68</u>
Total Current Liabilities	<u>11,898.52</u>
Total Liabilities	11,898.52

Dec 27, 2018
Accrual Basis

Bridgewater Township
Balance Sheet
As of December 31, 2018

	<u>Dec 31, 18</u>
Equity	
3900 · Fund Balance	408,892.60
3940 · Invested in Capital Assets, Net	172,916.84
Net Income	-87,384.02
Total Equity	<u>494,425.42</u>
TOTAL LIABILITIES & EQUITY	<u><u>506,323.94</u></u>

Bridgewater Township Sewer Operation Monthly Expenses November 25 through December 31, 2018

	<u>Type</u>	<u>Date</u>	<u>Check #</u>	<u>Name</u>	<u>Split</u>	<u>Amount</u>
Nov 25 - Dec 31, 18						
	Bill	12/10/2018	1339	Cummins Bridgeway, LLC	Equipment Repairs	2,974.73
	Bill	12/06/2018	1339	Cummins Bridgeway, LLC	Generator Maintenance Contract	933.83
	Bill	12/27/2018	EFT	DTE Energy	Electricity	1,560.17
	Bill	12/10/2018	EFT	Frontier	Phone Service	42.30
	Bill	11/26/2018	1340	Haviland	-SPLIT-	840.50
	Bill	12/15/2018	1341	MDEQ-Biosolids	Sludge Handling & Disposal	456.16
	Bill	12/01/2018	1342	MDEQ-NPDES	NPDES Permit	1,950.00
	Bill	12/03/2018	1343	MISS DIG System, Inc.	Miss Dig Locator Service	500.14
	Bill	11/30/2018	1345	Village of Manchester	-SPLIT-	3,050.00
						12,307.83
Nov 25 - Dec 31, 18						

Clerk: _____

Treasurer: _____

Dec 27, 18
 Accrual Basis

Bridgewater Township Sewer Operation Profit & Loss Budget vs. Actual April 1 through December 27, 2018

	Bond - Sewer		Operation - Sewer	
	Apr 1 - Dec 27, 18	Budget	Apr 1 - Dec 27, 18	Budget
Ordinary Income/Expense				
Income				
Connection Fees				
Easement Fee	0.00	0.00	0.00	184.82
Grinder Pump Reimb + 10%	0.00	0.00	0.00	6,061.84
Inspection Fee	0.00	0.00	0.00	150.00
Tap Fee	0.00	0.00	0.00	44,000.00
Total Connection Fees	0.00	0.00	0.00	50,396.66
Customer Finance Charge	0.00	0.00	-88.38	0.00
Interest Income Master Account				
Interest Income Checking	0.00	0.00	60.85	48.53
Total Interest Income Master Account	0.00	0.00	60.85	48.53
Miscellaneous Income	0.00	0.00	190.32	0.00
Operation Maintenance Income	0.00	0.00	76,500.00	74,603.23
Special Assessment Payoff	2,587.15	0.00	0.00	0.00
Special Assessment Revenue	6,944.70	6,133.29	0.00	0.00
Total Income	9,531.85	6,133.29	76,662.79	125,048.42
Gross Profit	9,531.85	6,133.29	76,662.79	125,048.42
Expense				
Collection System				
Billing				
Billing Clerk	0.00	0.00	800.00	887.10
Total Billing	0.00	0.00	800.00	887.10
Collection System Equip Repairs	0.00	0.00	1,255.00	0.00
Grinder Pump repairs	0.00	0.00	1,832.81	3,694.76
Miss Dig Locator Service	0.00	0.00	3,005.69	2,585.89
New Grinders	0.00	0.00	0.00	5,322.58
Total Collection System	0.00	0.00	6,893.50	12,490.33
Insurance	0.00	0.00	1,134.84	961.03
Legal & Professional				
Audit	0.00	0.00	1,550.00	1,500.00
Engineer	0.00	0.00	0.00	1,478.52
Legal Fees	0.00	0.00	0.00	369.61
Total Legal & Professional	0.00	0.00	1,550.00	3,348.13
Loan Payment	1,410.00	0.00	0.00	0.00
Miscellaneous Expense	0.00	0.00	0.00	18.45
New Equipment	0.00	0.00	0.00	7,392.44

Dec 27, 18
Accrual Basis

**Bridgewater Township Sewer Operation
Profit & Loss Budget vs. Actual
April 1 through December 27, 2018**

	Bond - Sewer		Operation - Sewer	
	Apr 1 - Dec 27, 18	Budget	Apr 1 - Dec 27, 18	Budget
Treatment Plant				
Building & Grounds Maintenance	0.00	0.00	1,428.13	1,478.52
Chemicals	0.00	0.00	3,143.20	4,435.48
Diesel Fuel/Propane	0.00	0.00	0.00	739.22
Electricity	0.00	0.00	12,906.30	11,088.71
Equipment Repairs	0.00	0.00	3,672.83	3,696.27
Generator Maintenance Contract	0.00	0.00	933.83	813.20
NPDES Permit	0.00	0.00	1,950.00	1,478.52
Phone Service	0.00	0.00	379.87	369.65
Plant Operator	0.00	0.00	23,415.41	23,064.52
Sludge Handling & Disposal	0.00	0.00	456.16	2,956.96
Supplies	0.00	0.00	569.94	73.90
Treatment Plant - Other	0.00	0.00	2,959.20	0.00
Total Treatment Plant	0.00	0.00	51,814.87	50,194.95
Total Expense	1,410.00	0.00	61,393.21	74,405.33
Net Ordinary Income	8,121.85	6,133.29	15,269.58	50,643.09
Other Income/Expense				
Other Income				
Debt Retirement Fund Transfer	0.00	0.00	0.00	29,939.52
Total Other Income	0.00	0.00	0.00	29,939.52
Other Expense				
Washtenaw Cty Debt Svc				
Interest	1,762.50	3,854.76	0.00	0.00
Principal	35,250.00	0.00	0.00	0.00
Total Washtenaw Cty Debt Svc	37,012.50	3,854.76	0.00	0.00
Total Other Expense	37,012.50	3,854.76	0.00	0.00
Net Other Income	-37,012.50	-3,854.76	0.00	29,939.52
Net Income	-28,890.65	2,278.53	15,269.58	80,582.61

Dec 27, 18
 Accrual Basis

Bridgewater Township Sewer Operation Profit & Loss Budget vs. Actual April 1 through December 27, 2018

	TOTAL	
	Apr 1 - Dec 27, 18	Budget
Ordinary Income/Expense		
Income		
Connection Fees		
Easement Fee	0.00	184.82
Grinder Pump Reimb + 10%	0.00	6,061.84
Inspection Fee	0.00	150.00
Tap Fee	0.00	44,000.00
Total Connection Fees	0.00	50,396.66
Customer Finance Charge	-88.38	0.00
Interest Income Master Account		
Interest Income Checking	60.85	48.53
Total Interest Income Master Account	60.85	48.53
Miscellaneous Income	190.32	0.00
Operation Maintenance Income	76,500.00	74,603.23
Special Assessment Payoff	2,587.15	0.00
Special Assessment Revenue	6,944.70	6,133.29
Total Income	86,194.64	131,181.71
Gross Profit	86,194.64	131,181.71
Expense		
Collection System		
Billing		
Billing Clerk	800.00	887.10
Total Billing	800.00	887.10
Collection System Equip Repairs	1,255.00	0.00
Grinder Pump repairs	1,832.81	3,694.76
Miss Dig Locator Service	3,005.69	2,585.89
New Grinders	0.00	5,322.58
Total Collection System	6,893.50	12,490.33
Insurance	1,134.84	961.03
Legal & Professional		
Audit	1,550.00	1,500.00
Engineer	0.00	1,478.52
Legal Fees	0.00	369.61
Total Legal & Professional	1,550.00	3,348.13
Loan Payment	1,410.00	0.00
Miscellaneous Expense	0.00	18.45
New Equipment	0.00	7,392.44

Dec 27, 18
 Accrual Basis

Bridgewater Township Sewer Operation Profit & Loss Budget vs. Actual April 1 through December 27, 2018

	TOTAL	
	Apr 1 - Dec 27, 18	Budget
Treatment Plant		
Building & Grounds Maintenance	1,428.13	1,478.52
Chemicals	3,143.20	4,435.48
Diesel Fuel/Propane	0.00	739.22
Electricity	12,906.30	11,088.71
Equipment Repairs	3,672.83	3,696.27
Generator Maintenance Contract	933.83	813.20
NPDES Permit	1,950.00	1,478.52
Phone Service	379.87	369.65
Plant Operator	23,415.41	23,064.52
Sludge Handling & Disposal	456.16	2,956.96
Supplies	569.94	73.90
Treatment Plant - Other	2,959.20	0.00
Total Treatment Plant	51,814.87	50,194.95
Total Expense	62,803.21	74,405.33
Net Ordinary Income	23,391.43	56,776.38
Other Income/Expense		
Other Income		
Debt Retirement Fund Transfer	0.00	29,939.52
Total Other Income	0.00	29,939.52
Other Expense		
Washtenaw Cty Debt Svc		
Interest	1,762.50	3,854.76
Principal	35,250.00	0.00
Total Washtenaw Cty Debt Svc	37,012.50	3,854.76
Total Other Expense	37,012.50	3,854.76
Net Other Income	-37,012.50	26,084.76
Net Income	-13,621.07	82,861.14

Dec 27, 2018
Accrual Basis

Bridgewater Township Sewer Operation
Balance Sheet
As of December 31, 2018

	<u>Dec 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Key-Sewer O/M	
Capital Improvements Reserve	12,000.00
Key-Sewer O/M - Other	5,873.89
Total Key-Sewer O/M	<u>17,873.89</u>
Key Sewer O/M Saving	87,273.28
Key Sewer Retirement Checking	65,332.19
Total Checking/Savings	<u>170,479.36</u>
Accounts Receivable	
Accounts receivable	56,907.55
Total Accounts Receivable	<u>56,907.55</u>
Other Current Assets	
Due From Tax	852.20
Taxes Receivable Special Asst	6,164.90
Total Other Current Assets	<u>7,017.10</u>
Total Current Assets	234,404.01
Fixed Assets	
Accessory Building	53,320.02
Accumulated Depr - Access Bldg	-8,649.65
Equipment	95,107.77
Accumulated Depr - Equipment	-29,581.44
Sewer System Plant	1,966,444.05
Accumulated Depr - Sewer System	-630,900.78
Land	55,355.06
Total Fixed Assets	<u>1,501,095.03</u>
Other Assets	
Special Assessment Receivable	112,030.00
Total Other Assets	<u>112,030.00</u>
TOTAL ASSETS	<u><u>1,847,529.04</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
*Accounts Payable	-871.96
Total Accounts Payable	<u>-871.96</u>
Other Current Liabilities	
Due to General Fund	2,352.00
Total Other Current Liabilities	<u>2,352.00</u>
Total Current Liabilities	1,480.04
Long Term Liabilities	
2004 Bonds Wastewater Expansion	176,250.00
Total Long Term Liabilities	<u>176,250.00</u>
Total Liabilities	177,730.04

Dec 27, 2018
Accrual Basis

Bridgewater Township Sewer Operation
Balance Sheet
As of December 31, 2018

	<u>Dec 31, 18</u>
Equity	
Invested in capital assets, net	1,317,951.48
Restricted for Debt Service	240,753.85
Unrestricted Funds (QB RE acct)	124,714.74
Net Income	-13,621.07
	<hr/>
Total Equity	1,669,799.00
	<hr/>
TOTAL LIABILITIES & EQUITY	1,847,529.04
	<hr/> <hr/>

Licensed Medical Marihuana Facilities

Q. What do we need to do if we do NOT want any of the facilities authorized under the Medical Marihuana Facilities Licensing Act in our township (or city or village)?

A. A township is not required to adopt an ordinance or take any other action to prohibit the types of facilities authorized under the MMFLA. They are already prohibited by state and federal law and will continue to be illegal in a township, unless the township board adopts an ordinance to allow them (“opt in”) under the MMFLA.

You would only adopt an ordinance dealing with the types of facilities authorized under the MMFLA if the township WANTS to allow one or more type of facilities authorized under the MMFLA.

Because many townships have been asked to take a definitive position declaring that they are not going to “opt in,” the MTA has provided a sample “opt out” resolution. Note that this is not required by the MMFLA, and a township that has not adopted an opt-in ordinance is not required to take any action to “opt out.”

A township cannot be required to adopt an ordinance allowing the facilities authorized by the MMFLA.

Q. What do we need to do if we DO want any of the facilities authorized under the Medical Marihuana Facilities Licensing Act in our township (or city or village)?

A. A township that wants to allow medical marijuana facilities to operate within the township would adopt an “opt in” ordinance allowing one or more of the specific types of facilities authorized by the new Medical Marihuana Facilities Licensing Act.

The “opt in” ordinance should specify which type(s) of facilities—and how many of each type—the township is choosing to allow. If a township “opts in” with an ordinance that does not specify a cap on the type(s) or number of each, applications for any of the types and any number of a type within the township will be considered by LARA.

A license from the state is still required before a specific facility is authorized to legally operate under the MMFLA. The township board’s adoption of the ordinance allowing medical marijuana facilities does not automatically make all facilities lawful.

Q. Do we need to change our zoning ordinance to reflect a decision by the township board to “opt in” or “opt out”?

A. A township board should work with its attorney and planning consultant to determine whether the township’s current zoning ordinance needs to be amended in any way to reflect the township’s position on allowing or not allowing medical marijuana facilities under the MMFLA.

After Dec. 15, 2017, a medical marijuana facility might be a lawful land use if the township has already “opted in” by separate ordinance to authorize licenses to be granted to that type of facility. In that situation, if the zoning ordinance is amended to not allow or to limit that land use in the township, then any facilities that have **already been locally permitted AND state-licensed under the MMFLA** might have status as a lawful, non-conforming use (be “grandfathered in”).

A township that is considering changing its zoning as it relates to medical marijuana facilities will want to consult with its attorney for specific guidance on when that should occur in relation to the township also taking action to adopt a separate, non-zoning ordinance to “opt in” to allow any types of medical marijuana facilities.

Note that the MMFLA specifically states that:

[“333.27409 State operating license as revocable privilege.](#)

“Sec. 409.

[Emphasis added] “A state operating license is a revocable privilege granted by this state and is not a property right. Granting a license does not create or vest any right, title, franchise, or other property interest. Each license is exclusive to the licensee, and a licensee or any other person must apply for and receive the board's and municipality's approval before a license is transferred, sold, or purchased. A licensee or any other person shall not lease, pledge, or borrow or loan money against a license. The attempted transfer, sale, or other conveyance of an interest in a license without prior board approval is grounds for suspension or revocation of the license or for other sanction considered appropriate by the board.”

Q. We do not have township zoning, but the county does. How does that affect our ability to “opt in” to authorize medical marijuana facilities under the MMFLA?

A. This is an area of the law that has raised some confusion. Where a township does not zone, but the county does, then the county zoning applies. But under the MMFLA, a county does not have the authority to adopt an ordinance to “opt in” and authorize medical marijuana facilities. It is not clear at this time how a court would rule if the county zoning ordinance does not zone for or permit the type of medical marijuana facilities that a township in that county is seeking to authorize. And a township would still have to adopt an ordinance to “opt in.” Even if a county zoning ordinance is determined to be able to address medical marijuana facilities, that does not change the fact that only a township, city or village may adopt an ordinance to “opt in” to allow any medical marijuana facilities.

Q. We do not have township zoning, and neither does the county. How does that affect our ability to “opt in” to authorize medical marijuana facilities under the MMFLA?

A. Where a township is “un-zoned,” the township may still choose to “opt in,” and must adopt an “opt in” ordinance if it wants to allow any facilities to be licensed. However, there will be no zoning regulation of where the medical marijuana facilities can be located.

Q. What types of facilities may be authorized under the Medical Marijuana Facilities Licensing Act if a township allows them by ordinance?

A. The following types of medical marijuana facilities are authorized by the MMFLA. One or more types may be allowed by a township ordinance:

Class A, B, or C Grower—“A licensee that is a commercial entity located in this State that cultivates, dries, trims, or cures and packages marijuana for sale to a processor or provisioning center.”

Class A: 500 plants -- Class B: 1,000 plants -- Class C: 1,500 plants

Processor—“A licensee that is a commercial entity located in this State that purchases marijuana from a grower and that extracts resin from the marijuana or creates a marijuana infused product for sale and transfer in packaged form to a provisioning center.”

Provisioning Center—“A licensee that is a commercial entity located in this State that purchases marijuana from a grower or processor and sells, supplies, or provides marijuana to registered qualifying patients, directly or through their registered primary caregivers. The term includes any commercial property where marijuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the marijuana registration process of the Department of Licensing and Regulation in accordance with the Michigan Medical Marijuana Act will not be a provisioning center for purposes of the Licensing Act.”

Secure Transporter—“A licensee that is a commercial entity located in this State that stores marijuana and transports it between marijuana facilities for a fee.”

Safety Compliance Facility—“A licensee that is a commercial entity that receives marijuana from a marijuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol (THC) and other cannabinoids, returns the test results, and may return the marijuana to the facility.”

Q. Why would a township consider allowing one or more of the types of facilities authorized under the new Medical Marijuana Facilities Licensing Act?

A. Some communities accept medical marijuana use for compassionate reasons, and believe that the Medical Marijuana Facilities Licensing Act will better facilitate the spirit and the actual practice of the patient-caregiver relationship authorized by the statewide initiative that created the Medical Marijuana Act in 2008.

Other communities may be responding to a real demand or broad support locally for providing medical marijuana facilities and business opportunities.

And it may be a revenue source:

- **Annual administrative fee:** Once a township adopts an ordinance allowing one or more of the types of facilities authorized by the Medical Marihuana Facilities Licensing Act, the township may in that ordinance require “an annual, nonrefundable fee of not more than \$5,000.00 on a licensee to help defray administrative and enforcement costs associated with the operation of a marihuana facility in the municipality.” (“Nonrefundable” as in not returned if the license is revoked or not renewed.) The amount of the fee must be reasonably related to the township’s costs to administer and enforce the Act.
- **Property tax revenues:** These facilities are businesses and may be profitable. And in some communities medical marijuana facilities will utilize commercial properties that are currently vacant or even off the tax roll due to foreclosure.
- **State shared revenues, as appropriated:** A state tax will be imposed on each provisioning center at the rate of 3% of the provisioning center's gross retail receipts, which will go to the state Medical Marihuana Excise Fund. The money in the fund will be allocated, *upon appropriation*, to the state, counties and municipalities in which a marihuana facility is located, with “25% to municipalities in which a marihuana facility is located, allocated in proportion to the number of marihuana facilities within the municipality.”

Q. How will the state manage this licensing system and track compliance?

A. The MMFLA requires licensees to “adopt and use a third-party inventory control and tracking system that is capable of interfacing with the statewide monitoring system to allow the licensee to enter or access information in the statewide monitoring system as required under this act and rules.” Yes, there already are such third-party software systems commercially available.

The [Marihuana Tracking Act, Public 282 of 2016, MCL 333.27901, et seq.](#), enacted at the same time as the MMFLA, requires LARA to establish a confidential statewide internet-based monitoring system for integrated tracking, inventory, and verification. It will be a system “established, implemented, and maintained directly or indirectly by the department [LARA] that is available to licensees, law enforcement agencies, and authorized state departments and agencies on a 24-hour basis for all of the following:

- (i) Verifying registry identification cards.
- (ii) Tracking marihuana transfer and transportation by licensees, including transferee, date, quantity, and price.
- (iii) Verifying in a commercially reasonable time that a transfer will not exceed the limit that the registered qualifying patient or registered primary caregiver is authorized to receive under section 4 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26424.”

Q. The information on who is a qualified patient or a registered caregiver is currently confidential and exempt from public disclosure under the MMMA. How will the license process be treated—is that information going to be confidential?

A. The MMFLA requires that:

“Except as otherwise provided in this act, all information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the board [MMFL Board] are subject to the freedom of information act, ..., except for the following:

(i) Unless presented during a public hearing or requested by the licensee or applicant who is the sole subject of the data, all of the information, records, interviews, reports, statements, memoranda, or other data supplied to, created by, or used by the board related to background investigation of applicants or licensees and to trade secrets, internal controls, and security measures of the licensees or applicants.

(ii) All information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the board that have been received from another jurisdiction or local, state, or federal agency under a promise of confidentiality or if the release of the information is otherwise barred by the statutes, rules, or regulations of that jurisdiction or agency or by an intergovernmental agreement.

(iii) All information in the statewide monitoring system.”

So the Medical Marihuana Facility Licensing Board’s records **are** subject to the FOIA and public disclosure, with some specific exceptions.

Here are the records that will be **exempt** from disclosure:

- The data, all of the information, records, interviews, reports, statements, memoranda, or other data supplied to, created by, or used by the board *related to background investigation of applicants or licensees and to trade secrets, internal controls, and security measures of the licensees or applicants* **is exempt from disclosure, UNLESS:**
 1. That data, information, record, etc. was presented during a public hearing (of the MMFLB), in which case it is NOT exempt from disclosure.
OR
 2. The licensee or applicant who is the sole subject of that data, information, record, etc. requests it, in which case it may be released to that licensee or applicant.
- All information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the MMLFB that have been received from another jurisdiction or local, state, or federal agency (including a township) **is exempt from disclosure BUT ONLY IF:**
 1. The other jurisdiction or local, state, or federal agency (including a township) supplied it to the MMFLB *under a promise of confidentiality*.
OR
 2. The release of the information is otherwise *barred by the statutes, rules, or regulations of that jurisdiction or agency or by an intergovernmental agreement*.
- All information in the statewide monitoring system is **exempt from disclosure**.

The Marihuana Tracking Act states that “the information in the system is confidential and is exempt from disclosure under the freedom of information act. Information in the system may be disclosed for purposes of enforcing this act; the Michigan medical marihuana act; and the medical marihuana facilities licensing act.”

1) MTA Sample Medical Marihuana Facilities Opt-In Ordinance

(To allow one or more types of medical marijuana facilities)

TOWNSHIP OF _____

COUNTY OF _____, STATE OF MICHIGAN

ORDINANCE NO. _____

ADOPTED: _____

EFFECTIVE: _____

MEDICAL MARIHUANA FACILITIES ORDINANCE

An ordinance to provide a title for the ordinance; to define words; to authorize the operation of and provide regulations for medical marihuana facilities in _____ Township pursuant to Public Act 281 of 2016, as may be amended; to provide for an annual fee; to provide penalties for violation of this ordinance; to provide for severability; to repeal all ordinances or parts of ordinances in conflict therewith and to provide an effective date.

THE TOWNSHIP OF _____

_____ COUNTY, MICHIGAN

ORDAINS:

SECTION I TITLE

This ordinance shall be known as and may be cited as the _____ Township Medical Marihuana Facilities Ordinance.

SECTION II

DEFINITIONS

Words used herein shall have the definitions as provided for in PA 281 of 2016, as may be amended.

SECTION III

AUTHORIZED MEDICAL MARIHUANA FACILITIES

[Note: A township is not required to state a specific number of authorizations for a type of facility. A township may choose to authorize an unlimited number of a type of facility. For example, "An unlimited number of grower(s) shall be authorized..."]

1. The following medical marihuana facilities may be authorized to operate within the Township by the holder of a state operating license, subject to compliance with PA 281 of 2016, as may be amended, the Rules promulgated thereunder and this ordinance:

- a) Not more than _____ grower(s) shall be authorized in the Township, which number shall include all of the following Class A, Class B and Class C growers authorized in the Township:
1. Not more than _____ Class A growers (500 marihuana plants) may be authorized in the Township.
 2. Not more than _____ Class B growers (1,000 marihuana plants) may be authorized in the Township.
 3. Not more than _____ Class C growers (1,500 marihuana plants) may be authorized in the Township.
- b) Not more than _____ processor(s) shall be authorized in the Township.
- c) Not more than _____ provisioning center(s) shall be authorized in the Township.
- d) Not more than _____ safety compliance facility(ies) shall be authorized in the Township.
- e) Not more than _____ secure transporter(s) shall be authorized in the Township.

2. On and after _____, the Township shall accept applications for authorization to operate a medical marihuana facility within the Township. Application shall be made on a Township form and must be submitted to the Township Clerk and/or other designee of the Township Board (hereinafter referred to as "Clerk"). Once the Clerk receives a complete application including the initial annual medical marihuana facility fee, the application shall be time and date stamped. Complete applications shall be considered for authorization in consecutive time and date stamped order. Upon consideration, if the facility type authorization is available within the number specified above, then the applicant shall receive conditional authorization to operate such medical marihuana facility within the Township. Once the limit on the number of an authorized facility is conditionally reached, then any additional complete applications shall be held in consecutive time and date stamped order for future conditional authorization. Any applicant waiting for future conditional authorization may withdraw their submission by written notice to the Clerk at any time and receive refund of the initial annual medical marihuana fee submitted.

3. Within thirty days from conditional authorization from the Township or from December 15, 2017, whichever is later, the conditionally authorized applicant must submit proof to the Clerk that the applicant has applied for prequalification from the state for a state operating license or has submitted full application for such license. If the applicant fails to submit such proof, then such conditional authorization shall be canceled by the Clerk and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (2) herein.

4. If a conditionally authorized applicant is denied prequalification for a state operating license or is denied on full application for a state operating license, then such conditional authorization will be canceled by the Clerk and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (2) herein.

5. A conditionally authorized applicant shall receive full authorization from the Township to operate the medical marihuana facility within the Township upon the applicant providing to the Clerk proof that the applicant has received a state operating license for the medical marihuana facility in the Township and the applicant has met all other requirements of this ordinance for operation including but not limited to any zoning approval for the location of the facility within the Township.

6. If a conditionally authorized applicant fails to obtain full authorization from the Township within one year from the date of conditional authorization, then such conditional authorization shall be canceled by the Clerk and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (2) herein. The Township Board shall have authority to extend the deadline to obtain full authorization for up to an additional six months on written request of the applicant, within thirty days prior to cancellation, upon the reasonable discretion of the Township Board finding good cause for the extension.

SECTION IV
GENERAL REGULATIONS REGARDING
AUTHORIZED MEDICAL MARIHUANA FACILITIES

1. An authorized medical marihuana facility shall only be operated within the Township by the holder of a state operating license issued pursuant to PA 281 of 2016, as may be amended, and the Rules promulgated thereunder. The facility shall only be operated as long as the state operating license remains in effect.

2. Prior to operating an authorized medical marihuana facility within the Township pursuant to a state operating license, the facility must comply with all Township zoning ordinance regulations. The facility shall only be operated as long as it remains in compliance with all Township zoning ordinance regulations.

3. Prior to operating an authorized medical marihuana facility within the Township pursuant to a state operating license, the facility must comply with all Township construction and building ordinances, all other Township ordinances specifically regulating medical marihuana facilities, and generally applicable Township police power ordinances. The facility shall only be operated as long as it remains in compliance with all such ordinances now in force or which hereinafter may be established or amended.

4. An authorized medical marihuana facility shall consent to inspection of the facility by Township officials and/or by the County Sheriff's Department, upon reasonable notice, to verify compliance with this ordinance.

5. If at any time an authorized medical marihuana facility violates this ordinance the Township Board may request that the state revoke or refrain from renewing the facility's state operating license. Once such state operating license is revoked or fails to be renewed, the Clerk shall cancel the Township authorization and the authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (2) herein.

6. It is hereby expressly declared that nothing in this ordinance be held or construed to give or grant to any authorized medical marihuana facility a vested right, license, privilege or permit to continued authorization from the Township for operations within the Township.

7. The Township expressly reserves the right to amend or repeal this ordinance in any way including but not limited to complete elimination of or reduction in the type and/or number of authorized medical marihuana facilities authorized to operate within the Township.

SECTION V
ANNUAL MEDICAL MARIHUANA FACILITY FEE

There is hereby established an annual nonrefundable Township medical marihuana facility fee in the amount of \$_____ (up to \$5,000), for each authorized medical marihuana facility within the Township,

to help defray administrative and enforcement costs associated therewith. An initial annual medical marihuana facility fee of \$_____ (up to \$5,000) shall be payable at the time of application for Township authorization and thereafter the same amount shall be payable each year by the anniversary of the date of full Township authorization to operate the medical marihuana facility.

SECTION VI
VIOLATIONS AND PENALTIES

1. Any person who disobeys, neglects or refuses to comply with any provision of this ordinance or who causes, allows or consents to any of the same shall be deemed to be responsible for the violation of this ordinance. A violation of this ordinance is deemed to be a nuisance per se.

2. A violation of this ordinance is a municipal civil infraction, for which the fines shall not be less than \$100 nor more than \$500 for the first offense and not less than \$250 nor more than \$1,000 for subsequent offenses, in the discretion of the Court. For purposes of this section, "subsequent offenses" means a violation of the provisions of this ordinance committed by the same person within 12 months of a previous violation of the same provision of this ordinance for which said person admitted responsibility or was adjudicated to be responsible. The foregoing sanctions shall be in addition to the rights of the Township to proceed at law or equity with other appropriate and proper remedies. Additionally, the violator shall pay costs which may include all expenses, direct and indirect, which the Township incurs in connection with the municipal civil infraction.

3. Each day during which any violation continues shall be deemed a separate offense.

4. In addition, the Township may seek injunctive relief against persons alleged to be in violation of this ordinance, and such other relief as may be provided by law.

5. This ordinance shall be administered and enforced by the Ordinance Enforcement Officer of the Township or by such other person (s) as designated by the Township Board from time to time.

SECTION VII
SEVERABILITY

The provisions of this ordinance are hereby declared to be severable. If any clause, sentence, word, section or provision is hereafter declared void or unenforceable for any reason by a court of competent jurisdiction, it shall not affect the remainder of such ordinance which shall continue in full force and effect. The provisions herein shall be construed as not interfering or conflicting with the statutory regulations for licensing medical marihuana facilities pursuant to PA 281 of 2016, as may be amended.

SECTION VIII
REPEAL

All ordinance or parts of ordinances in conflict herewith are hereby repealed.

SECTION IX
EFFECTIVE DATE

This ordinance shall take effect thirty days after publication upon adoption.

**BRIDGEWATER TOWNSHIP
BOARD OF REVIEW
GUIDELINES FOR POVERTY/HARDSHIP EXEMPTIONS
RESOLUTION NUMBER 2019-01**

WHEREAS, the adoption of guidelines for poverty exemptions is within the purview of the Township Board: and

WHEREAS, the homestead of persons who, in the judgment of the Township Supervisor and the Board of Review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under Public Act 290, 1994 (MCL 211.7u); and

WHEREAS, Pursuant to PA 390, 1994 Bridgewater Township, Washtenaw County adopt the following guidelines for the Township Supervisor and Board of Review to implement. The Guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all of the following on an annual basis:

1. Be an owner of and occupy as a principal residence the property for which an exemption is requested.
2. The applicant can appeal personally by appointment, in writing, or through an agent authorized in writing by the property owner.
3. The application for an exemption shall be filed after January 1, but before the day prior to the last day of Board of Review.
4. In advance of the hearing, the applicant shall complete a Board of Review petition and hardship exemption application form accompanied by federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns (Michigan 1040 CR), filed in the immediately preceding year or in the current year. In the event, federal and/or state tax returns are not filed, the applicant shall submit 1099 forms and any W-2 forms for the preceding year.
5. An explanation will be required for all household members over 18 years of age who are not cited as contributing to the household income.
6. Produce a valid driver's license or other form of identification if requested.
7. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested, if requested.
8. Meet the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget.

The federal poverty guidelines as of 12-31-2018:

Size of Family Unit	Poverty Guidelines
1	\$12,1400
2	\$16,460
3	\$20,780
4	\$25,100
5	\$29,420
6	\$33,740
7	\$38,060
8	\$42,380
For each additional person	\$4,320

10. Meet additional eligibility requirements as determined by the township board, including: in addition to being at or below the federal poverty guideline for income, an applicant may own up to \$250,000 in real and personal property.
11. For any deviation from the above guidelines the applicant must provide additional written documentation requested by the Township Supervisor or Board of Review.

NOW THEREFORE, WE RESOLVE that the Board of Review must follow the above-stated policy and federal guidelines when it decides to grant or deny an exemption unless the Board of Review finds substantial and compelling reasons to deviate from the policy and federal guidelines, and these reasons are communicated in writing to the applicant.

The above resolution offered by Trustee _____ and supported by Trustee _____.

Upon roll-call vote, the following members voted:

AYE:
NAY:

ABSTAIN:
ABSENT:

The Supervisor declared the motion passed and Resolution 2019-01 duly adopted.

Certification:

I, Tom Wharam, the undersigned Clerk of the Township of Bridgewater, hereby certify that the foregoing resolution is a true and complete copy of a resolution adopted at a regular meeting of the Board of Trustees of the Township of Bridgewater, held on January 3, 2019 the original of which is on file in my office, and that notice of such meeting was given, and the meeting was conducted, pursuant to and in compliance with Act No. 267, Michigan Public acts of 1976, as amended.

Tom Wharam
Bridgewater Township Clerk

Bridgewater Township
Proposal for Professional Auditing and Consulting Services
For the Year Ending March 31, 2019
December 27, 2018

PSLZ LLP
Certified Public Accountants
1034 W. Ann Arbor Trail
Plymouth, MI 48170

Rana M. Emmons, C.P.A.
Phone: (734) 453-8770

Bridgewater Township

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PSLZ LLP

Certified Public Accountants

PLYMOUTH

1034 WEST ANN ARBOR TRAIL
P.O. BOX 5520
PLYMOUTH, MI 48170-1502
Telephone (734) 453-8770

Dennis M. Siegner, C.P.A., C.V.A.
Jane F. Wang, C.P.A.
Rana M. Emmons, C.P.A.
Jennifer A. Galofaro, C.P.A., C.V.A.
Susan H. Bertram, C.P.A.

BLOOMFIELD HILLS

3707 WEST MAPLE ROAD
SUITE 101
BLOOMFIELD HILLS, MI 48301-3212
Telephone (248) 644-9125

Deborah M. Gulledege, C.P.A.
Jing Yang, C.P.A.

Transmittal Letter

December 27, 2018

Bridgewater Township
10990 Clinton Road
Manchester, MI 48158

We are very pleased to submit our proposal to audit the financial statements of the Bridgewater Township. Our understanding of the scope of the engagement is as follows:

Conduct an audit of the Bridgewater Township. This audit will be conducted under Generally Accepted Auditing Standards (GAAS). The goal of the audit is to express an opinion on the Township's Annual Financial Report.

We are committed to performing the above tasks in a timely and efficient manner. We anticipate delivery of all required reports by September 30, 2019. If awarded the contract, we would prepare a preliminary list of schedules and client prepared work papers by April 1, 2019. We would then arrange a conference with your staff to review the requests and arrive at an agreed upon list of work to be performed by your staff.

The person authorized to represent our firm is:

Rana M. Emmons, CPA and Partner
1034 W. Ann Arbor Trail
Plymouth, MI 48170
(734) 453-8770

PSLZ LLP has over 50 years experience in providing governmental auditing and consulting services. We are a "local" firm with 15 professional staff and partners dedicated to client service. We believe that "local" firms are able to provide quality services at affordable rates. Our firm's reputation for delivering quality and timely services and our expertise in this area, make us the "local" firm to consider for this engagement.

Our offices are located in Bloomfield Hills and Plymouth, Michigan, both of which are within easy commuting distance. It is anticipated that you will be serviced with staff and partners from the Plymouth office.

Our firm is actively involved in municipal related organizations, such as the Michigan Government Finance Officers Association and the Michigan Municipal League. We develop reference materials and teach seminars for the Michigan Townships Association, and write the Financial Forum article in the M.T.A.'s monthly magazine. We have also taught seminars for the Michigan Government Finance Officers Association, the Oakland County Treasurers Association, and the Oakland County Chapter of the M.T.A. We have also been appointed by the Michigan Department of Treasury to the Michigan Committee on Governmental Accounting and Auditing and have a very good relationship with the Michigan Department of Treasury and the Washtenaw County Treasurer's Office.

This proposal is a firm, irrevocable offer to provide independent auditing services to the Bridgewater Township at the fees quoted in the enclosed proposal for a period of 120 days.

These fees include the cost of the annual audits, and any telephone calls or questions you or the staff may have during the year. If a Single Audit (Federal compliance audit) is deemed necessary, we will work with the Township to determine a fee based on the quoted hourly rates.

We sincerely appreciate the opportunity to participate in this solicitation. We look forward to working with you in the future.

Sincerely,



Rana M. Emmons, C.P.A.
PSLZ LLP
Certified Public Accountants

PROFILE AND AFFIRMATIONS

Profile of Independent Auditor

PSLZ LLP is a "local" firm with offices located in Plymouth and Bloomfield Hills, Michigan. The firm was established in 1961, and has specialized in performing audit and consultation services to local units of government since its formation. Our firm has five partners and nine professional staff (CPA's and CPA candidates). Almost all of our professional team has governmental auditing experience. We would service the Township with a partner and staff primarily from our Plymouth and Bloomfield Hills offices.

The firm performs a wide variety of services to our clients:

- * Audits of local governments and non-profits
- * Management advisory services
- * Small business accounting and consulting
- * Income tax planning and compliance filings
- * Estate tax planning and compliance filings

Independence

PSLZ LLP is independent with respect to the Bridgewater Township and its component units as required by the A.I.C.P.A. and U.S. General Accounting Office.

Licensing Affirmations

PSLZ LLP, and each individual designated herein as a "CPA", is properly licensed to practice public accounting in the State of Michigan. Accordingly, all such individuals are current and in good standing with the Board of Accountancy's continuing professional education requirements. Also, all such individuals are current and in good standing with the yellow book governmental continuing professional education requirements.

Quality Review

PSLZ LLP participates in the A.I.C.P.A. quality review program, which includes review of governmental audits. In our most recent Quality Review, we received an "unqualified" opinion from our reviewer. (Quality Review Opinion available upon request).

Statement of Non-Substandard Work

PSLZ LLP does not have a record of substandard audit work.

Adherence to Professional Standards

PSLZ LLP will adhere to all professional standards set forth by the AICPA.

Knowledge of Governmental Accounting and Auditing

The Staff and Partners proposed as your audit team have the required expertise with regards to audit and accounting pronouncements of the GFOA, GAO, GASB, AICPA as well as the Michigan Department of Treasury. Rana Emmons is a member of the Michigan Committee on Governmental Accounting and Auditing (MCGAA) and has assisted the Michigan Department of Treasury with revisions to the Uniform Chart of Accounts, the Uniform Accounting and Procedures Manual, the Form F-65 and the Uniform Reporting Format, as well as MCGAA statements and bulletins.

Adherence to AICPA "Interpretation 501-3"

PSLZ LLP will follow the American Institute of Certified Public Accountants' Interpretation 501-3, Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits. Basically, if a member (of AICPA) accepts such an engagement and undertakes an obligation to follow specified government audit standards, guides, procedures, statutes, rules and regulations, in addition to generally accepted auditing standards, the auditor is obligated to follow such requirements. Otherwise, the audit must disclose in the audit report the fact that such requirements were not followed and the reasons therefore.

QUALIFICATIONS AND EXPERIENCE

PARTNER AND STAFF QUALIFICATIONS AND EXPERIENCE

Assigned Personnel

PSLZ LLP professionals to be assigned to your audit are as follows:

Engagement Partner

Rana M. Emmons, C.P.A.

The engagement partner will be on site each day during audit fieldwork and is the primary contact person for this engagement.

Auditing Experience

Provided on page 11 is a list of our current governmental clients, which is quite extensive. We are proud to say that we are providing auditing and consulting services to over 30 local units of government.

To further illustrate our capabilities, we would like to highlight significant engagements performed in recent years that are similar in scope to the audit of the Bridgewater Township. All of these engagements have audit traits and scope similar to what we expect to find in the Township and include the following characteristics:

- Fund Accounting
- Significant Payroll Costs, Multi-Cost Centers
- Federal and/or State Grants
- Water & Sewer Funds
- Audits Performed in accordance with Governmental Auditing Standards
- Audits in Accordance with the Provisions of Office of Management and Budget Circular A-133, Audits of State and Local Governments and Non Profit Organizations
- Revenues Consist Primarily of Property Taxes, State-Shared Revenues, Charges for Services, and State and Federal Grants
- Additional Consulting Services Requested by Clients

Continuing Professional Education

In compliance with Michigan laws and regulations and AICPA standards, all PSLZ LLP professional staff satisfy their applicable annual Continuing Professional Education (CPE) requirements. We participate in seminars developed by the American Institute of Certified Public Accountants (AICPA) as well as our Michigan Association. Our goal is to keep our staff and partners current on all accounting and tax issues, with particular emphasis on issues impacting local units of government.

In addition to compliance with the CPE guidelines of the State and AICPA, we have established procedures to monitor and meet the specialized CPE requirements contained in the "Government Auditing Standards" issued by the Comptroller of the United States (i.e., "the Yellow Book"). The partners and staff assigned to your audit are all in compliance with these standards.

Professional/Business Memberships and Organizations

American Institute of Certified Public Accountants
AICPA Governmental Audit Quality Center
Michigan Association of Certified Public Accountants
Michigan Government Finance Officers Association
Michigan Townships Association
Michigan Municipal League
Michigan Committee on Governmental Accounting & Auditing
Government Finance Officers Association
Oakland County Treasurer's Association
Oakland County Clerk's Association
Oakland County Chapter of the Michigan Townships Association

In addition to the above, our professional staff participates in several community organizations and devotes many hours in various volunteer and advisory capacities to the following:

- Plymouth Lions Club
- Plymouth Kiwanis Club
- Plymouth Opportunity House
- Plymouth Chamber of Commerce

PROPOSED AUDIT TIMETABLE AND DETAILED WORK PLAN

PROPOSED AUDIT TIMETABLE AND DETAILED WORK PLAN

	<u>Dates</u>
Planning: Meet with the Township Officials and/or Staff to go over audit timeline and provide Township with a list of schedules to be prepared.	April 1
Preliminary Phase/Review of Internal Controls: Document and evaluate internal control system. Internal Control walkthrough sample testing and other interim testing.	June 3
Fieldwork: Analytical review and testing.	July 8-9
Review Financial Statements and Management Letter: Review and provide a preliminary draft of the Financial statements and Management Letter to Township.	July 24
Exit Conference: Meeting to review draft of financial statements and management letter with Township officials.	Aug. 1
Issuance and Delivery of Financial Statements: Financial statements delivered to the Township.	Aug. 30

Note: The above dates are flexible and are meant to serve as a guideline. We will work with the Township to determine mutually beneficial dates for audit fieldwork. Also, an Audit Partner will be present during all phases of internal control testing and fieldwork.

PROPOSED FEES

BRIDGEWATER TOWNSHIP
PROPOSED FEES

<u>Fiscal Year</u>	<u>Not to Exceed Fee</u>
2019	\$6,900
At the Township's Option:	
2020	6,900
2021	6,900

Notes:

1. We do not charge for mileage, travel time, etc. These proposed fees are all inclusive.
2. The proposed audit fee includes performing the audit, preparation of the financial statements, preparation of the Township's Form F-65, and preparation of the Township's Municipal Qualifying Statement.
3. This is a firm and irrevocable offer for a period of 120 days.
4. If the Township is required to have a Single Audit (Federal Grant Compliance audit) performed per the Single Audit Act, we will negotiate the fees with the Township prior to commencement.

Hourly Rates for Additional Services:

	<u>Standard Rate</u>	<u>After Discount</u>
Partner	\$225	\$185
Staff	115	95

In addition, we do not charge for telephone calls that are necessary for management and staff to keep us informed of ongoing issues, and for them to obtain our professional expertise in these areas. All other financial consulting services would be billed at the above rates after discount and our billings for the additional services would be rendered on a monthly basis.

PARTNER RESUME

RANA M. EMMONS, C.P.A.

Position

Partner - PSLZ LLP Certified Public Accountants

Professional Experience

Over twenty nine years of diversified accounting, auditing, and management consulting experience, specializing in local units of government including:

- Cities
- Villages
- Townships
- Housing Commissions
- Downtown Development Authorities/LDFA/TIFA
- Municipal Libraries
- Economic Development Corporations
- Building Authorities
- Municipal Golf Courses
- Utility Authorities
- Transit Authorities

Accounting expertise involving municipal issues including municipal financing, rating agency interviews, tax increment financing authorities (TIFA/LDFA/DDA), special assessment districts, utilities and infrastructure, HUD audits, single audits, budgeting and long term projections.

Appointed to the Michigan Department of Treasury's Michigan Committee on Governmental Accounting and Auditing. Projects have included assisting in revising the State's Uniform Reporting Format, Form F-65, Uniform Chart of Accounts, and Uniform Accounting and Budgeting Manual, as well as Local Audit Division Numbered Letters.

Speaker at the Michigan Government Finance Officers Association and Michigan Municipal Treasurer Association conferences.

Education/Certifications

Bachelors Degree - University of Michigan, Ann Arbor

Certified Public Accountant - State of Michigan

Professional/Business Memberships and Organizations

- American Institute of Certified Public Accountants
- AICPA Governmental Audit Quality Center
- Michigan Association of Certified Public Accountants
- Oakland County Treasurer's Association
- Oakland County Clerk's Association
- Oakland County Chapter Michigan Townships Association
- Government Finance Officer's Association
- Michigan Municipal Treasurers Association
- State of Michigan Committee on Governmental Accounting and Auditing
- Michigan Government Finance Officers Assoc. Accounting Standards Committee

AUDIT CLIENTELE AND CLIENT REFERENCES

PSLZ LLP
Governmental Clients

Cities and Villages:

- City of Rochester
- City of Plymouth
- City of Huntington Woods
- City of Clawson
- City of Keego Harbor
- City of Clarkston
- City of Dexter
- Barton Hills Village
- Village of Wolverine Lake
- Village of Franklin
- Village of Bingham Farms

Townships:

- Addison Township
- Dexter Township
- Manchester Township
- Southfield Township
- Rose Township
- Charter Township of Lyon
- Charter Township of Oxford
- Charter Township of Ypsilanti

Libraries, Authorities and Courts:

- 14B District Court
- Charter Township of Lyon Downtown Development Authority
- City of Dexter Downtown Development Authority
- City of Rochester Downtown Development Authority
- City of Keego Harbor Tax Increment Finance Authority
- Plymouth District Library
- Addison Township Library
- Hamburg Township Library
- Charter Township of Lyon Library
- Charter Township of Oxford Library

REFERENCES

Community

Charter Township of Lyon	58000 Grand River Ave. New Hudson, MI 48165	Patricia Carcone Treasurer	(248) 437-2240
Southfield Township	18550 W. Thirteen Mile Rd. Beverly Hills, MI 48025	Sharon Tischler Clerk	(248) 540-3420
Manchester Township	275 S. Macomb Manchester, MI 48158	Danell Proctor Clerk	(734) 428-7090
Village of Wolverine Lake	425 Glengary Wolverine Lake, MI 48390	Michael Kondek Finance Director/Treasurer	(248) 926-6055
Village of Bingham Farms	24255 Thirteen Mile Road Suite 190 Bingham Farms, MI 48025	Karin Ludwick Treasurer	(248) 644-0044
City of Rochester	400 Sixth Street Rochester, MI 48307	Anthony Moggio Finance Director/Treasurer	(248) 651-9061

Audit Proposal for Services

Bridgewater Township

December 21, 2018



WILLIS & JURASEK

CPAs AND CONSULTANTS

December 21, 2018

Bridgewater Township
Attn: Laurie Fromhart
10990 Clinton Road
Manchester, MI 48158

Re: Proposal for Accounting, Tax and Consulting Services Proposal

Dear Laurie:

Thank you for giving us the opportunity to introduce ourselves and discuss your needs. At Willis & Jurasek, P.C., we consider any engagement an occasion to offer an independent evaluation of your accounting, business, and management practices, geared to add value to your organization.

We believe we are uniquely qualified to provide you with professional services and to assist your organization in responding to the many demands facing you today. Your organization would benefit from a relationship with Willis & Jurasek, P.C., in the following ways:

- ◆ Knowledge of Professional Service Requirements - We understand your organization's requirements for professional services. We have knowledgeable personnel who can immediately respond to your needs, as well as facilitate a professional atmosphere while working on site with you and your staff. Our team possesses experience in numerous industries, which will assist you in providing the level of expertise that you would expect from a relationship with a professional services firm.
- ◆ The Willis & Jurasek, P.C. Work Approach - Our strategy revolves around the philosophy to conduct our engagements in a cost-effective manner with minimum disruption to you and your staff. We will develop a work approach that will not only minimize unnecessary work, but will concentrate on areas most important to you.
- ◆ The Willis & Jurasek, P.C. Client Service Team - Our personnel selected to serve your organization are courteous, knowledgeable, and experienced in advising entities we serve. Our firm's size and training benefits your organization with our ability to access a large talent pool dedicated to providing superior service to our clients.

Willis & Jurasek, P.C., has experience in the accounting, auditing, tax and consulting fields since 1967. We are a leader within our community, both in our involvement and responsibility; we assist small and mid-size service companies, governmental and non-profit entities, as well as large manufacturing, construction and industrial firms with their business and financial activities.

The balance of this proposal describes in greater detail our work approach, client service team, and fees. This proposal clearly demonstrates our strong desire and ability to serve as your independent public accountants. Of equal importance, it demonstrates the clear advantages to you of retaining a public accounting firm that is prepared to offer more than "just an engagement".

We are committed to providing quality service through a continuing relationship with highly qualified professionals who are willing and able to assist you in attending to your needs, and who will produce positive, tangible benefits.

We sincerely appreciate the opportunity to be considered for this engagement. Should you have any questions or concerns regarding the enclosed, please do not hesitate to contact me. Again, I want to thank you for the opportunity to present this proposal. We will return your confidence by serving you well.

Sincerely,

Christine E. Kratzer, CPA/ABV

Audit Proposal for Services

Bridgewater Township

December 21, 2018

SUBMITTED BY:



Willis & Jurasek, P.C.

Certified Public Accountants, Consultants

**4100 Spring Arbor Road
Jackson, Michigan 49201-9306**

Telephone: 517-788-8660

Contact Person(s):

Nancy L. Barton, CPA

Christine E. Kratzer, CPA/ABV

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Willis & Jurasek, P.C.

Certified Public Accountants, Consultants

Jackson Office
4100 Spring Arbor Road
Jackson, MI 49201-9306
Phone (517) 788-8660 / Fax (517) 788-9872

www.willispc.com E-mail: willis@willispc.com

From the Ground Up

Business Organization and History of Willis & Jurasek

The firm of Willis & Jurasek, P.C. is a professional corporation, incorporated in the State of Michigan, with two offices – one in Jackson and another in Walker. The principals of the firm, all licensed in the State of Michigan, are S. Brian Jurasek, CPA and Richard T. Schefferly, CPA. The firm's history goes back to the accounting firm of A.J. Campbell and Co., which was founded in 1933 by A.J. Campbell, one of the first licensed CPAs in Michigan. He held certificate number 150 – today there are more than 17,000 practicing CPAs in the State.

In 1967, Phil S. Willis purchased the firm from Mr. Campbell. Jackson County has always supported the firm's roots and from 1979 through late 2015, the firm occupied a business site at 2545 Spring Arbor Road. In December of 2015, the firm moved to its current location at 4100 Spring Arbor Road. In April 1998, the firm's name was changed to Willis & Jurasek, P.C.; a continuing reflection of the firm's desire to plan for the future and recognize the many people who contribute to the firm's success.

In January, 2010, the firm re-entered the Grand Rapids market area by acquiring a prominent local firm. The Grand Rapids office is located in Walker, Michigan and employs four individuals.

Today Willis & Jurasek, P.C., CPAs, Consultants has outstanding principals, associates and support staff totaling more than thirty professionals, dedicated to serving clients well and living our **Mission Statement and Core Values**.

For more information, please log on to – www.willispc.com or email us at: willis@willispc.com.



Statement of Work to Be Performed

We are pleased to outline the services we would provide in your request for proposal for the three years ending March 31, 2019, March 31, 2020 and March 31, 2021. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely represented component units, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of your organization as of and for the year(s) then ended. We understand that the financial statements will be presented in accordance with the financial reporting model described in GASB Statement No. 34. Also, the document we submit to you will include the following additional information that will be subject to the auditing procedures applied in our audit of the financial statements:

1. *Supplementary schedules, as requested*

The document will also include the following additional information that will not be subject to the auditing procedures applied in our audit of the financial statements, and for which our accountants' report will disclaim an opinion.

- 1. *Management's Discussion and Analysis***
- 2. *Budgetary Comparisons***

If any of the above information is not provided in the document, our accountants' report will reflect the omission.

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form, or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of the engagement.

Management Responsibilities

Management is responsible for establishing and maintaining internal control and for compliance with the provisions of contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, the federal award programs are managed in compliance with applicable laws and regulations, and the provision of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting

Statement of Work to Be Performed (continued)

principles and their application, and will assist in the preparation of your financial statements, of course, the responsibility for the financial statements remains with you, and that responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatement aggregated by us during the current engagement, and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud, or suspected fraud, affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement either from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity, or to acts by management or employees acting on behalf of the entity. Because an audit is designed to provide reasonable, but not absolute assurance; and, because we will not perform a detailed examination of all transactions, there is a risk that material misstatements, or noncompliance, may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violation of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors, and any fraudulent financial reporting or misappropriation of assets, that comes to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, direct confirmation of receivables, and certain other assets and liabilities by correspondence with selected individuals, creditors and financial institutions. We may request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Statement of Work to Be Performed (continued)

Audit Procedures – Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing our opinions of your Organization's financial statements and on its compliance with requirements applicable to major programs. We will obtain an understanding of the design of relevant controls and whether they have been placed in operation and will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements, and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body, or audit committee, of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Audit Procedures – Compliance

Our audit will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Organization's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion.

Audit Administration and Other

We affirm that our firm and all key staff assigned to the audit are properly licensed in the State of Michigan. A copy of our firm's license is attached.

We affirm that we are independent of Bridgewater Township.

The workpapers for this engagement are the property of Willis & Jurasek, P.C. and constitute confidential information. However, we may be requested to make certain workpapers available to federal awarding agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Willis & Jurasek, P.C. personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to federal awarding agencies. The federal awarding agency may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

Our latest peer review report accompanies this letter.

The exit conference will be held with the management team prior to release of the audit report. The management letter, including internal accounting control weaknesses, if any noted, will also be reviewed at that time, before it is shown in its final form.

Audit Bid Form

1. Cost of performing annual audit:

1 ST year (audit of 2019 records)	\$ 6,500
2 nd year (audit of 2020 records)	\$ 6,700
3 rd year (audit of 2021 records)	\$ 6,900

2. Hourly rate charged for research and/or consultation for items not included in bid request letter:

Partner	\$230 per hour
Manager	\$160 per hour
Senior Accountant	\$130 per hour
Staff Accountant	\$120 per hour
Administrative	\$ 80 per hour

Name of CPA Firm: Willis & Jurasek, P.C.
Address: 4100 Spring Arbor Road
Jackson, Michigan 49201-9306
Phone No. (517) 788-8660
Contact Person: Christine E. Kratzer, CPA/ABV

Authorized Signature: *Christine E. Kratzer*

Date: December 21, 2018

Additional Information

1. Willis & Jurasek, P.C. is independent of the (organization), all component units and its known contract service providers, as defined by *Government Auditing Standards* issued by the Comptroller General of the United States.
2. We affirm that our firm and all key staff assigned to the audit are properly licensed in the State of Michigan. A copy of our firm's license is attached.
3. *Government Auditing Standards* – Our firm and individual staff members meet all State of Michigan and AICPA continuing education requirements, as applicable. Current standards require that we provide you with a copy of our most recent quality control review report. Our latest peer review report accompanies this letter. This peer review included a review of a sample of our Yellow Book government audit engagements.
4. We audited various governmental units during the past year. These audits included schools as well as municipalities with utility operations, bonded debt, and component units. A partial list of our governmental audit engagements is included with this proposal (listed in the Table of Contents).
5. Willis & Jurasek, P.C. is comprised of approximately 30 professionals, with approximately ten regularly assigned to audit governmental entities. Audit Managers Nancy L. Barton, CPA and Christine E. Kratzer, CPA/ABV are in charge of the firm's governmental audit work. One of them will be in charge of our audit fieldwork. Both have extensive experience in governmental audits as shown on their resumes. It will be their responsibility to plan and supervise the work and present the final report. Nancy and Christine's continuing professional education is heavily weighted toward Yellow Book requirements and is compliant with *Government Auditing Standards* as issued by the Comptroller General of the United States. All staff assigned to governmental audits have had Yellow Book training commensurate with their level of responsibility.
6. Our firm's turnover ratio is lower than the industry norm for CPA firms. We strive to maintain continuity in our assignments to various audit clients. Generally, we maintain the same audit team from year to year on our audit engagements, and at a minimum, the principal assigned to the audit will remain intact for the duration of the audit bid period.
7. We plan to maintain on-going contact with your staff. This contact is assured by preliminary audit work during the months leading up to our audit. We provide a quarterly newsletter for our clients to keep them informed of various accounting changes and other information. We will be available for consultation, on a requested basis, within short notice.
8. The workpapers for this engagement are the property of Willis & Jurasek, P.C. and constitute confidential information. However, we may be requested to make certain workpapers available to federal awarding agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Willis & Jurasek, P.C. personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to federal awarding agencies. The federal awarding agency may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.
9. We maintain our audit workpapers for five years.

Additional Information (continued)

10. Our preliminary audit work would include test of receipts, disbursements, and payroll transactions during the year to provide us with information regarding your established internal control procedures and key controls. Audit work would be performed on the bank accounts, account analysis and other areas using a risk-based audit approach.
11. We will require your staff to have all the books and records in order and balanced. Bank accounts should be reconciled and we will need staff available during the audit to assist us in locating various documents and answering our questions. We may also require a few schedules to be prepared by your staff.
12. We reserve the right to change our bid based on law or other changes that might affect our required auditing procedures. We do not expect any changes to occur. An example of an increase would be the implementation of the GASB 34 or 68.
13. The exit conference will be held with the management team prior to release of the audit report. The management letter, including internal accounting control weaknesses, if any, will also be reviewed at that time before it is released in its final form.
14. We affirm that we maintain Errors and Omissions Insurance equal to or greater than \$1,000,000.

Professional Experience

Consulting for Business Transaction, Growth and Profitability:

- ◆ Forecasting and long-range planning
- ◆ Budgets
- ◆ Analyzing financial statements and systems
- ◆ Determination of what makes the business run
- ◆ Redesigning systems to provide management with key information
- ◆ Building management and operations
- ◆ Assist clients in full utilization of their assets; particularly people
- ◆ Mergers and acquisitions
- ◆ Valuations
- ◆ Controller for hire services

Financial and Estate Planning:

- ◆ Managing investment assets
- ◆ Building wealth for retirement
- ◆ Utilization of trusts for living continuity and estate planning
- ◆ Minimizing estate taxes
- ◆ Benefits of charitable giving

Cafeteria Plans:

- ◆ Collecting and distributing funds
- ◆ Design and administration
- ◆ Year-end audit of accounts
- ◆ Form 5500 filing

Small Business Department:

Payroll Services with these features:

- ◆ Multiple pays
- ◆ Direct deposit with unlimited capabilities
- ◆ Payroll taxes with tax payments

Monthly Financial Statements:

- ◆ Balance sheet
- ◆ Income statement
- ◆ Statement of cash flows

Professional Experience (continued)



Willis Information TechNologies, Inc.
Computer Consultants

Willis Information TechNologies, Inc.

Professional Experience

WIN offers expert assistance in information systems for your business. WIN provides your business with complete solutions including recommendations for the best hardware and software, along with installation, training, and most important of all, continued support and service. WIN strives to help your business prosper through:

- ◆ Improved productivity and organized information systems
- ◆ Consultation to determine needs
- ◆ Software/hardware consulting and support
- ◆ Networking
- ◆ Product acquisition/training
- ◆ Ongoing support, service & training
- ◆ Website & intranet design/website hosting
- ◆ High speed connectivity
- ◆ Cisco Systems/Compaq Reseller
- ◆ Novell Gold Partner

Plan Your Future With Us!

The firm of Willis & Jurasek, P.C., CPAs, Consultants has provided service and excellence in the accounting and consulting industry to satisfied clients and has obtained national and international exposure for over five decades. The team at Willis & Jurasek will help you meet your financial goals.

- ✓ Over 50 Years of Experience
- ✓ Locally Owned & Operated
- ✓ Special Industry Expertise
- ✓ Entrepreneurs
- ✓ Community Oriented



“Focused on *Your* Future”

Governmental Audit (References)

The following is a partial list of School and other Governmental audits we have performed in the past few years:

Schools:

Athens Area Schools
4320 K Drive South
East Leroy, MI 49051
Attn: Joe Huepenbecker, Superintendent
(269) 729-5427

Bronson Community Schools
215 W. Chicago Street
Bronson, MI 49028
Attn: Rachele Roby, Business Manager
(517) 369-3228

Concord Community Schools
405 S. Main Street, Post Office Box 338
Concord, MI 49237-0338
Attn: Emili Jones
(517) 524-8850

Hillsdale Community Schools
30 S. Norwood St
Hillsdale, MI 49242
Attn: Patty Knapp, Business Manager
(517) 437-4401

Mendon Community Schools
148 Kirby Road
Mendon, MI 49072
Attn: Rob Kuhlman, Superintendent
(269) 496-9945

Pansophia Academy
52 Abbott Avenue
Coldwater, MI 49036
Attn: Bob Olnar, Principal
(517) 279-4686

Quincy Community Schools
One Educational Parkway
Quincy, MI 49082
Attn: Rhonda Potts, Business Manager
(517) 639-7141

Tekonsha Community Schools
245 S. Elm Street
Tekonsha, MI 49092
Attn: Michele Klingaman, Business Manager
(269) 789-2466

The DaVinci Institute
2255 Emmons Road
Jackson, MI 49201
Attn: Sandy Maxon, Superintendent
(517) 796-0031

Other Governmental Units:

Berlin Township
1871 W. Peck Lake Road
Ionia, MI 48846
Attn: Marilyn Palmer
(616) 527-2241

City of Hillsdale
97 North Broad Street
Hillsdale, MI 49242-1695
Attn: Bonnie Tew, Finance Director
(517) 437-6446

City of Leslie
107 E. Bellevue Street, Post Office Box 496
Leslie, MI 49251-0496
Attn: Susan Montenegro, City Manager
(517) 589-8236

Columbia Township
8500 Jefferson Road
Brooklyn, MI 49230
Attn: Heather McCutcheon
(517) 592-2000

Village of Concord
110 Hanover Street
Concord, MI 49237
Attn: Judy LeFere
(517) 524-8534

Village of Springport
Post Office Box 128
Springport, MI 49284-0128
Attn: Jennifer Naylor, Supervisor
(517) 857-2510

PERSONAL DATA SHEETS



Willis & Jurasek, P.C.

Certified Public Accountants, Consultants

Personal Data Sheet

Nancy L. Barton,
CPA



EDUCATION:

- ❖ Graduate of Albion College - Major in Economics & Management and Major in English
- ❖ Graduate of Albion College – Professional Management Program
- ❖ Graduate of Concord High School
- ❖ Current with continuing education requirements, including Yellow Book specifications

PROFESSIONAL ACHIEVEMENTS:

- ❖ Employed by Willis & Jurasek, P.C. since 1996
- ❖ Employed by Michigan Big Eight accounting firm for two years
- ❖ Michigan CPA Certificate in 1993
- ❖ California CPA Certificate in 1984
- ❖ Michigan Association of Certified Public Accountants – Member

KEY RESPONSIBILITIES:

- ❖ Audit Manager for Governmental, Not-for-Profit and Non-Public Company Audits, with several years of experience in this area
- ❖ Quality Control
- ❖ Taxes, auditing and consulting

PUBLIC AND COMMUNITY SERVICE:

- ❖ Concord Presbyterian Church – Member, Deacon
- ❖ Albion College – Professional Management Alumni
- ❖ Concord Education Foundation – Board member
- ❖ Paddock-Hubbard House Museum – Volunteer
- ❖ 4-H Leader



Willis & Jurasek, P.C.
Certified Public Accountants, Consultants

Personal Data Sheet

Christine E. Kratzer,
CPA/ABV



EDUCATION:

- ❖ Graduate of Hillsdale College – B.A. in Accounting
- ❖ Ongoing continuing education

PROFESSIONAL ACHIEVEMENTS:

- ❖ Employed by Willis & Jurasek, P.C. since May 2002
- ❖ CPA certified in 2004
- ❖ ABV (Accredited in Business Valuation) certified in 2007
- ❖ Michigan Association of Certified Public Accountants – Member
- ❖ American Institute of Certified Public Accountants – Member

KEY RESPONSIBILITIES:

- ❖ Business Valuation Specialist
- ❖ Audit Manager for Governmental, Not-for-Profit and Non-Public Company Audits, with several years of experience in this area
- ❖ Prepare financial statements, reports, schedules, and tax returns
- ❖ Accounting and tax engagements
- ❖ General business and internal control consulting

PUBLIC AND COMMUNITY SERVICE:

- ❖ American Red Cross – Past Board Member
- ❖ Junior Achievement – Classroom Consultant
- ❖ Camp Counselor
- ❖ Jackson School of the Arts – Board Member



Willis & Jurasek, P.C.
Certified Public Accountants, Consultants

Personal Data Sheet

Sara K. Sauer,
CPA, MSA



EDUCATION:

- ❖ Graduate of Western Michigan University – BA in Accountancy
- ❖ Graduate of Western Michigan University – MS in Accountancy
- ❖ Ongoing continuing education

PROFESSIONAL ACHIEVEMENTS:

- ❖ Employed by Willis & Jurasek, P.C. since 2004
- ❖ CPA certified in 2010
- ❖ Michigan Association of Certified Public Accountants – Member

KEY RESPONSIBILITIES:

- ❖ Preparation of financial statements, reports, schedules, tax returns, assist in portions of audit, accounting and tax engagements



Willis & Jurasek, P.C.
Certified Public Accountants, Consultants

Personal Data Sheet

**Elizabeth J.
Hitchingham, CPA**



EDUCATION:

- ❖ Graduate of Albion College – Bachelors in Economics & Management in 2001
- ❖ Graduate of Concord High School in 1997
- ❖ Ongoing continuing education

PROFESSIONAL ACHIEVEMENTS:

- ❖ Employed by Willis & Jurasek, P.C. since January, 2014
- ❖ CPA certified in 2002
- ❖ Michigan Association of Certified Public Accountants – Member
- ❖ American Institute of Certified Public Accountants – Member

KEY RESPONSIBILITIES:

- ❖ Preparation of financial statements, reports, schedules, tax returns, assist in portions of audit, accounting and tax engagements

PUBLIC AND COMMUNITY SERVICE:

- ❖ Big Brothers-Big Sisters – Volunteer
- ❖ Hilltop Chapel in Concord – Former Treasurer



Willis & Jurasek, P.C.
Certified Public Accountants, Consultants

Personal Data Sheet

**Nicholas A. Burris,
Accountant**



EDUCATION:

- ❖ Graduate of Albion College – Bachelor of Arts in Accounting in December 2017
- ❖ Graduate of Chelsea High School
- ❖ Ongoing continuing education

PROFESSIONAL ACHIEVEMENTS:

- ❖ Employed by Willis & Jurasek, P.C. since January, 2018
- ❖ Michigan Association of Certified Public Accountants – Member

KEY RESPONSIBILITIES:

- ❖ Preparation of financial statements, reports, schedules, tax returns, assist in portions of audit, accounting and tax engagements

OTHER INFORMATION

Willis & Jurasek, P.C.

Mission and Value Statements

Since the late 1960's our firm has survived many changes. We have moved offices, rotated employees and owners, been educated on numerous and voluminous law and regulation changes, and gained and lost business relationships. One constant has been our unwavering attitude to serve those who want to be served. Although we have informal mission and value statements we live by, we thought it appropriate to reduce to writing and publish those statements for the benefit of our clients, employees, business partners, friends and community. Although you know us, the following words are what drive us. We thank you for taking the time to read them and for your past and future patronage, support and friendship.

S. Brian Jurasek, CPA
Co-Managing Principal

Mission Statement

To seek opportunities to combine our talented, dedicated and experienced pool of people with the needs, wants and wishes of our clients, employees, business partners, and our community, in order to positively affect personal and business finance, relationships and change.

Core Value

Live long and prosper. (a)

Other Values

In all manner of activities, strive for perfection, accept excellence and settle for satisfied, and mutually beneficial, client, employee/family/business partner relationships.

Meet success with joy and modesty. Meet failure with disappointment and a resolve to do better the next time.

Take seriously our ability to affect those we serve and thus, take seriously our duty to do so diligently.

Do your share and a little bit more. (b)

Provide support systems to our people to allow them to gain professional and personal growth of knowledge, experience and quality of life.

Provide proactive, quality, and timely services; a given, but very important none the less.

Measure our success by those around us.

Credits

- (a) Mr. Spock
- (b) Mr. Phil Willis II



WILLIS & JURASEK
CPAS AND CONSULTANTS

RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

N309932

CPA FIRM LICENSE

WILLIS & JURASEK PC

LICENSE NO.
1102001396

EXPIRATION DATE
12/31/2019

AUDIT NO
3307449

THIS DOCUMENT IS DULY ISSUED
UNDER THE LAWS OF THE STATE
OF MICHIGAN

Report on the Firm's System of Quality Control

July 19, 2017

To the Shareholders of Willis & Jurasek, P.C. and the
Peer Review Committee of the Michigan Association of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Willis & Jurasek, P.C. (the firm) in effect for the year ended December 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Willis & Jurasek, P.C. in effect for the year ended December 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Willis & Jurasek, P.C. has received a peer review rating of *pass*.

Maney Costeiran PC



WASHTENAW COUNTY OFFICE OF THE SHERIFF



JERRY L. CLAYTON
SHERIFF

2201 Hogback Road ♦ Ann Arbor, Michigan 48105-9732 ♦ OFFICE (734) 971-8400 ♦ FAX (734) 973-4624 ♦ EMAIL sheriffinfo@ewashtenaw.org

MARK A. PTASZEK
UNDERSHERIFF

December 12, 2018

Laurie Fromhart
Bridgewater Township Supervisor
10990 Clinton Rd
Manchester, MI 48158

Dear Ms. Fromhart,

Attached you will find the November report for service provided by the Washtenaw County Sheriff's Office to Bridgewater Township. The report shows specific information, with comparison to previous years, for time spent by position, traffic enforcement, total calls for service (including MSP), and deputies under contract from other jurisdictions responding into Bridgewater Township.

In Summary, Bridgewater Township had 33 calls for service for the month of November. Of the 33 calls the Michigan State Police responded to 21. The Sheriff Office responded to 2 calls, 10 calls were administratively cleared this month with no police response. In general these calls are typically: BOL's (Be on the Lookout), ambulance requests transferred to Huron Valley Ambulance, cancelation of call due to other resolution, example, alarm company cancels due to home owner request.

Please contact me at hansenn@ewashtenaw.org or 734-994-8104 if you should need further information or clarification or wish to have this information in electronic form.

Respectfully,

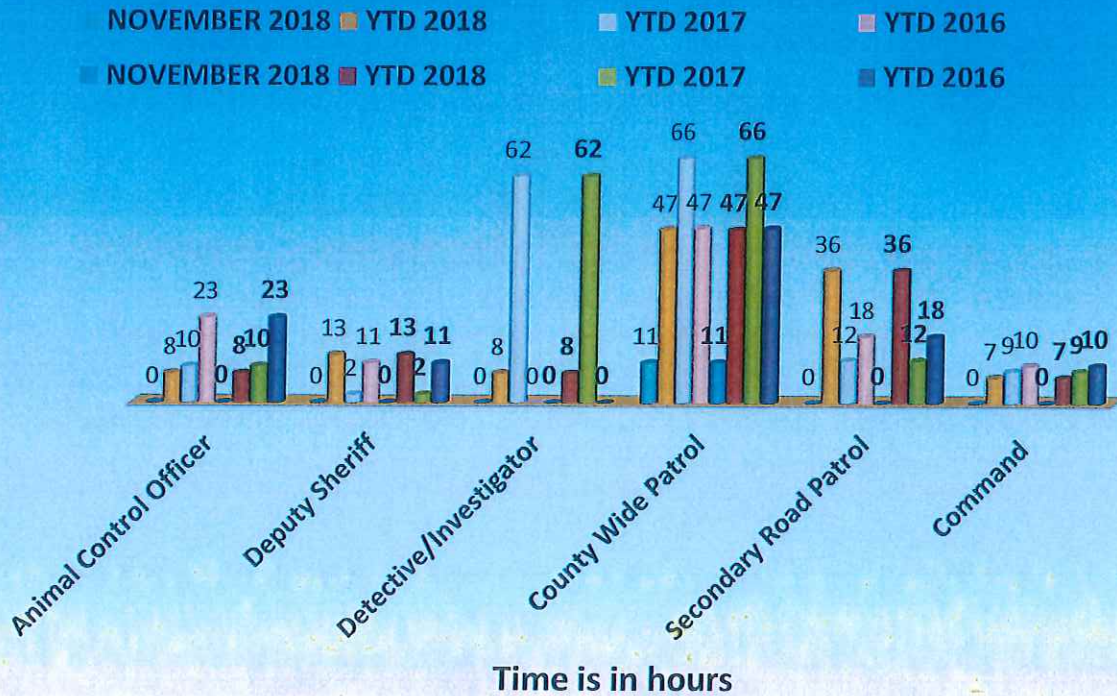
A handwritten signature in cursive script, appearing to read "Nancy Hansen".

Nancy Hansen
Lieutenant Western Operations



Washtenaw County Sheriff's Office
 Bridgewater Township Services—NOVEMBER 2018

Sheriff Activity by Position
 Time spent in Bridgewater Township



Animal Control Officer: County funded animal control officer responding to complaints involving domestic animals or wild animals that have been domesticated.

Deputy Sheriff: Deputies under contract by another jurisdiction who perform law enforcement duties in non-contract areas.

Detective/Investigator: County Funded detectives/investigators who have additional training, experience, and equipment to perform higher level law enforcement duties.

County Wide Patrol: County funded county wide road patrol deputies who primarily perform law enforcement duties in non-contracting areas.

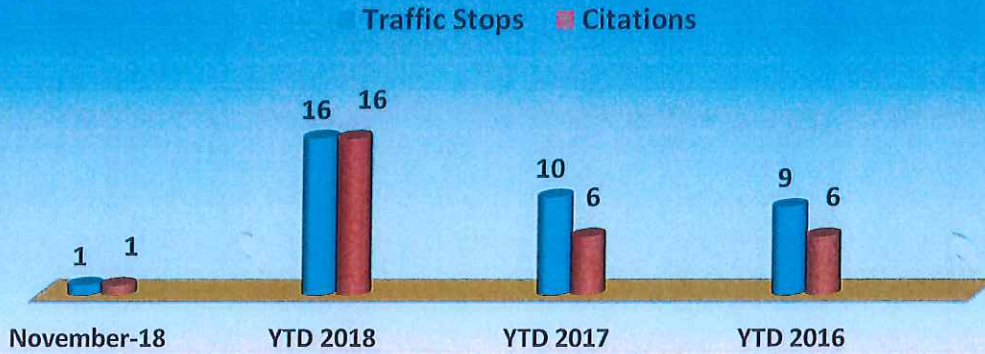
Secondary Road Patrol: A partially funded grant to provide traffic enforcement on secondary roads throughout the County. Respond to and investigate traffic related incidents on secondary roads. On call investigators for serious injury and fatal motor vehicle crashes.

Command: Road patrol sergeants who supervise the above staff. Manages on duty staffing and coordinated on scene police response.



Washtenaw County Sheriff's Office
 Bridgewater Township Services—NOVEMBER 2018

Traffic Enforcement--Bridgewater Township



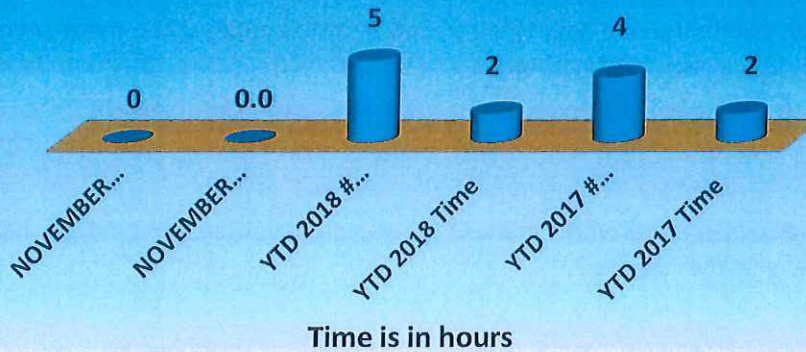
Bridgewater Township Calls for Service

Includes WCSO & MSP



Contract Deputies into Bridgewater Township

Manchester-Lodi Deputies



Revised Assessing Reform Bill House Bill 6049 (Rep. Lower) and Senate Bill 1025 (Sen. Stamas)

Reform Objectives Removed

Based on the three public meetings, local official input and workgroup discussions, the following provisions have been **REMOVED** from the latest revised bill:

- | | |
|--|------------|
| • Require an assessing district to employ a MMAO, level 4 or MAAO, level 3 assessor | ELIMINATED |
| • Require an assessor to be employed full-time | ELIMINATED |
| • Require full time assessing office hours | ELIMINATED |
| • Require an assessor to assess at least 5,000 parcels that together generate at least \$12.0 million in annual property tax revenue | ELIMINATED |
| • Require an assessing district to meet IAAO staffing | ELIMINATED |
| • Prohibit elected officials as Assessors of Record | ELIMINATED |
| • Require regional boards of review | ELIMINATED |
| • Adequate land value maps | ELIMINATED |

Revised Reform Objectives

Objective	How Achieved
Greater transparency of assessing records	Online information required if high-speed internet accessible at township office
Greater accessibility of assessing officials	Require local units to provide notice requirement on how property owners can contact assessor and approximate response time
Entities meeting minimum predictable performance standards may continue to perform assessing in-house	After 2021, assessing entities must substantially meet 7 quality AMAR standards codified in state law: <ul style="list-style-type: none"> ○ Properly developed and documented land values

- Assessment database with not more than 1% of parcels in override
- Properly developed and documented economic condition factors
- Annual personal property canvass and sufficient personal property records
- Boards of Review that operate in accordance with the General Property Tax Act
- Adequate process for determining whether to grant or deny exemptions according to statutory requirements
- Adequate process to meet requirements of STC's "Supervising the Preparation of the Assessment Roll"

Additional requirements subject to legislative review per Administrative Procedures Act

Consequences of failing to be "substantial compliance"

Corrective action plan, approved by board, required to be filed within 60 days

Noncompliance is timely corrected in one year

Assessing entity authorized to continue in-house assessing

Noncompliance is not corrected in first year of review

Must change assessor and hire level 3 or 4 assessor or contract with another qualified entity

Noncompliance in second year of review

STC can require entity to contract with a "designated assessor"

"Designated assessor"

Required for every county; designated in an interlocal agreement among county board, majority of assessing districts and the individual put forth. Subject to STC approval.

Other triggers to requiring contract with a "designated assessor"

Assessing entity falls out of substantial compliance within 5 years of achieving compliance pursuant to a corrective action plan

Fail to submit acceptable corrective action plan within 180 days of receipt of notice of noncompliance

Fail to make good-faith effort to comply within 240 days

Alternative to “designated assessor” requirement	STC can allow entity to resume assessing WITH A NEW ASSESSOR if convinced it can achieve and maintain substantial compliance
If deemed out of compliance within four years of achieving substantial compliance	Treated same as an initial non-compliance
Due process	Can file an appeal with STC within 30 days of noncompliance
Financial responsibility for assessing by “designated assessor”	Assessing entity will continue to pay for assessing “reasonable costs.” STC to develop guidelines and resolve disputes regarding costs/charges
Minimum period to be subject to “designated assessor” requirement	Minimum 5 years; however, local unit can petition to discontinue after 3 years. Additionally, STC and “designated assessor” can agree to shorter term.
Board of review training	Required training and updates approved by STC
Guidelines, minimum standards, model policies	STC required to develop implementation guidelines that must include minimum standards and model policies for substantial compliance and identify technical deficiencies and noncompliance deficiencies
Multi-entity boards of review	Local option
Improve STC technical support; funding for transition and education	Not addressed in bill; Sen. Stamas has committed to assist with in upcoming legislative session

JOINT LOCAL ADMINISTRATION FOR SOIL EROSION

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 965 as reported from House committee

Sponsor: Sen. Joe Hune

House Committee: Natural Resources

Senate Committee: Natural Resources

Complete to 12-2-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 965 would amend Part 91 (Soil Erosion and Sedimentation) of the Natural Resources and Environmental Protection Act (NREPA) to allow two or more municipalities to have joint administration and enforcement of the act.

NREPA prohibits a person from undertaking or maintaining an *earth change* except in accordance with the act and with applicable local ordinances. A person may become exempt from this prohibition by gaining a permit issued by the appropriate county or municipal enforcing agency. NREPA holds counties responsible for the administration of Part 91, except within a *municipality* that assumes this responsibility for soil erosion and sedimentation control, and for earth changes except those performed by authorized public agencies. Such a municipality would be allowed to pass ordinances on soil erosion and sedimentation control for public and private earth changes within its boundaries, except that a township ordinance is not applicable within a village that already has such an ordinance in effect.

Earth change means any artificial change to the natural cover or topography of land that may lead to soil erosion or sedimentation of the waters of the state. The term does not apply to plowing and tilling soil in crop production, and no permit is required for logging, mining, or other specified activities.

Municipality means any city, village, charter township, or general law township with a population of 200,000 or more.

The bill would allow two or more municipalities to provide for joint administration and enforcement of Part 91 and the rules promulgated under Part 91 by entering into a written interlocal agreement pursuant to the Urban Cooperation Act of 1967. If all of the municipalities are not located—in whole or in part—within the same county, however, then the agreement would not take effect unless the Department of Environmental Quality (DEQ) approved the agreement in writing. The DEQ would have to approve the agreement if it determined that the agreement would promote the effective administration and enforcement of the act and the rules promulgated under it.

The bill would take effect 90 days after it is enacted.

MCL 324.9106

HOUSE COMMITTEE ACTION:

The House Committee on Natural Resources reported the Senate-passed version of the bill without amendment.

FISCAL IMPACT:

Senate Bill 965 is unlikely to affect costs or revenues for the DEQ or local units of government.

POSITIONS:

The Department of Environmental Quality indicated support for the bill. (11-28-18)

Legislative Analyst: Nick Kelly
Fiscal Analyst: Austin Scott

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2018**

Introduced by Senator Hune

ENROLLED SENATE BILL No. 965

AN ACT to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to protect the people’s right to hunt and fish; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending section 9106 (MCL 324.9106), as amended by 2005 PA 55.

The People of the State of Michigan enact:

Sec. 9106. (1) Subject to subsection (4), a municipality by ordinance may provide for soil erosion and sedimentation control on public and private earth changes within its boundaries except that a township ordinance is not applicable within a village that has in effect such an ordinance. An ordinance may be more restrictive than, but shall not make lawful that which is unlawful under, this part and the rules promulgated under this part. If an ordinance adopted under this section is more restrictive than this part and the rules promulgated under this part, the municipal enforcing agency shall notify a person receiving a permit under the ordinance that the ordinance is more restrictive than this part and the rules promulgated under this part. The ordinance shall incorporate by reference the rules promulgated under this part that do not conflict with a more restrictive ordinance, shall designate a municipal enforcing agency responsible for administration and enforcement of the ordinance, and may set forth such other matters as the legislative body considers necessary or desirable. The ordinance shall be applicable and shall be enforced with regard to all private and public earth changes within the municipality except earth changes by an authorized public agency. The municipality may consult with a conservation district for assistance or advice in the preparation of the ordinance. The ordinance may provide penalties for a violation of the ordinance that are consistent with section 9121.

(2) An ordinance related to soil erosion and sedimentation control that is not approved by the department as conforming to the minimum requirements of this part and the rules promulgated under this part has no force or effect. A municipality shall submit a copy of its proposed ordinance or of a proposed amendment to its ordinance to the department for approval before adoption. The department shall forward a copy to the county enforcing agency of the county in which the municipality is located and the appropriate conservation district for review and comment. Within 90 days after the department receives an existing ordinance, proposed ordinance, or amendment, the department shall

notify the clerk of the municipality of its approval or disapproval along with recommendations for revision if the ordinance, proposed ordinance, or amendment does not conform to the minimum requirements of this part or the rules promulgated under this part. If the department does not notify the clerk of the local unit within the 90-day period, the ordinance, proposed ordinance, or amendment is considered to have been approved by the department.

(3) Two or more municipalities may provide for joint administration and enforcement of this part and the rules promulgated under this part by entering into a written interlocal agreement pursuant to the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512. However, if all of the municipalities are not located, in whole or in part, in the same county, the agreement does not take effect unless the department approves the agreement in writing. The department shall approve the agreement if the department determines that the agreement will promote the effective administration and enforcement of this part and rules promulgated under this part.

(4) A municipality shall not administer and enforce this part or the rules promulgated under this part or a local ordinance unless the department has approved the municipality. An approval under this section is valid for 5 years, after which the department shall review the municipality for reapproval. At least 6 months before the expiration of each succeeding 5-year approval period, the department shall complete a review of the municipality for reapproval. The department shall approve a municipality if all of the following conditions are met:

(a) The municipality has enacted an ordinance as provided in this section that is at least as restrictive as this part and the rules promulgated under this part.

(b) The individuals with decision-making authority who are responsible for administering the soil erosion and sedimentation control program for the municipality have current certificates of training under section 9123.

(c) The municipality has submitted evidence of its ability to effectively administer and enforce a soil erosion and sedimentation control program. In determining whether the municipality has met the requirements of this subdivision, the department shall consider all of the following:

(i) Whether a mechanism is in place to provide funding to administer the municipality's soil erosion and sedimentation control program.

(ii) The adequacy of the documents proposed for use by the municipality including, but not limited to, application forms, soil erosion and sedimentation control plan requirements, permit forms, and inspection reports.

(iii) If the municipality has previously administered a soil erosion and sedimentation control program, whether the municipality effectively administered and enforced the program in the past or has implemented changes in its administration or enforcement procedures that the department determines will result in the municipality effectively administering and enforcing a soil erosion and sedimentation control program in compliance with this part and the rules promulgated under this part. In determining whether the municipality has met the requirement of this subparagraph, the department shall consider all of the following:

(A) Whether the municipality has had adequate funding to administer the municipality's soil erosion and sedimentation control program.

(B) Whether the municipality has conducted adequate inspections to assure minimization of soil erosion and off-site sedimentation.

(C) The effectiveness of the municipality's past compliance and enforcement efforts.

(D) The adequacy and effectiveness of the applications and soil erosion and sedimentation control plans being accepted by the municipality.

(E) The adequacy and effectiveness of the permits issued by the municipality and the inspections being performed by the municipality.

(F) The conditions at construction sites under the jurisdiction of the municipality as documented by departmental inspections.

(5) If the department determines that a municipality is not approved under subsection (4) or that a municipality that was previously approved under subsection (4) is not satisfactorily administering and enforcing this part and the rules promulgated under this part, the department shall enter an order, stipulation, or consent agreement under section 9112(7) denying the municipality authority or revoking the municipality's authority to administer a soil erosion and sedimentation control program. Upon entry of this order, stipulation, or consent agreement, the county program for the county in which the municipality is located becomes operative within the municipality.

(6) A municipality that elects to rescind its ordinance shall notify the department. Upon rescission of its ordinance, the county program for the county in which the municipality is located becomes operative within the municipality.

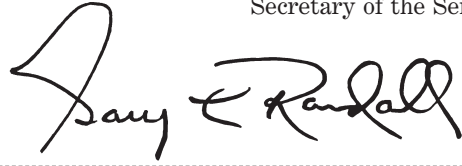
(7) A municipality that rescinds its ordinance or is not approved by the department to administer the program shall retain jurisdiction over projects under permit at the time of the rescission or disapproval. The municipality shall retain jurisdiction until the projects are completed and stabilized or the county agrees to assume jurisdiction over the permitted earth changes.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

.....
Governor

SMALL WIRELESS COMMUNICATIONS FACILITIES DEPLOYMENT ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 637 (S-2) as reported from House committee
Sponsor: Sen. Joe Hune

Analysis available at
<http://www.legislature.mi.gov>

Senate Bill 894 (S-1) as reported from House committee
Sponsor: Sen. Michael Nofs

House Committee: Energy Policy
Senate Committee: Energy and Technology

Complete to 11-28-18

BRIEF SUMMARY: Senate Bill 637 would create the Small Wireless Communications Facilities Deployment Act, and Senate Bill 894 would amend the Michigan Zoning Enabling Act to subject zoning ordinances to the proposed new act. Senate Bill 637 would, briefly, do the following:

- Prioritize, as provided in the act, the use of existing utility poles and wireless support structures for collocation over the installation of new utility poles or wireless support structures.
- Prohibit an authority (the state and local government authorities) from prohibiting, regulating, or charging for the collocation of small cell wireless facilities.
- Regulate wireless providers within public rights-of-way for the deployment of small cell wireless facilities and associated new or modified utility poles.
- Cap allowable rates for the collocations of small cell wireless facilities on authority poles.
- Allow an authority to require a permit to colocate a small cell wireless facility or install, modify, or replace a utility pole on which a small cell wireless facility would be colocated if the permit were of general applicability. The processing and review of an application for such a permit would be subject to specific standards under the proposed Act.
- Prohibit an authority from entering into an exclusive arrangement with any person, including a governing body of a municipally owned electric utility, for the right to attach to authority poles.
- Allow an authority to adopt bonding requirements, so long as specific requirements are met.

FISCAL IMPACT: Senate Bill 637 would have an indeterminate fiscal impact on both the state and local units of government. The bill would increase costs by creating regulatory functions for authorities—defined in the bill as the state, or a county, township, city, or village—with regard to wireless providers. It is unclear what the magnitude of the increased costs will be, and whether the rent fees and application fees that authorities could charge would be sufficient to cover costs. Authorities would be unable to charge fees in excess of what is permitted under the bill.

By itself, Senate Bill 894 would have no direct fiscal impact on state or local government. The bill would subject local zoning ordinances to the provisions specified in SB 637. Any fiscal impact would be the result of the requirements and provisions of SB 637.

THE APPARENT PROBLEM:

Small cells are low-powered cellular radio access nodes that operate as base stations and receive and send signals. Small cells typically support a single carrier, operate on one or two frequency bands, and require minimal power to operate. However, because small cells have a range of only 10 meters to a few kilometers (less than two miles) and transmit less power than a remote radio unit or digital antenna system, a large number of small cells are needed in order for them to be effective. It is believed that creating a dense network of small cells that are placed on existing infrastructure (e.g., telephone poles) would ultimately eliminate the need for further cell tower construction. According to committee testimony, the use of small cell wireless technology is important for the deployment of advanced, or “fifth generation,” wireless systems, called 5G networks, as well as for the development and implementation of autonomous vehicles and the development of “smart cities” (urban areas that use different types of electronic data collection sensors for various purposes, such as managing traffic lights or monitoring water systems, which would modernize the power grid and help alleviate overuse of electricity). Further testimony claimed that 5G networks will be up to a hundred times faster than current networks and support up to a hundred times more devices.

Because a large number of small cells would be needed in order for them to be effective and would be placed on existing infrastructure in public rights-of-way, legislation was proposed to create a uniform regulatory framework regarding the permitting process and fees for the use of existing infrastructure and public rights-of-way in municipalities across the state.

THE CONTENT OF THE BILLS:

Senate Bill 637

Definitions

For purposes of the provisions of the bill, the following words and phrases would have the following meanings:

Small cell wireless facility would mean a wireless facility that meets both of the following requirements:

- Each antenna is located inside an enclosure of not more than six cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements would fit within an imaginary enclosure of not more than six cubic feet.
- All other wireless equipment associated with the facility is cumulatively not more than 25 cubic feet in volume.

Authority, unless the context implies otherwise, would refer to the state, or a county, township, city, village, district, or subdivision thereof authorized by law to make legislative, quasi-judicial, or administrative decisions concerning an application described in the proposed Act. The term would not include a municipally owned

electric utility, an investor-owned utility whose rates are regulated by the Michigan Public Service Commission (MPSC), or a state court having jurisdiction over an authority.

Authority pole would mean a utility pole owned or operated by an authority and located in the right-of-way.

Public right-of-way or **ROW** would include the area on, below, or above a public roadway, highway, street, alley, bridge, sidewalk, or utility easement designated for compatible uses, but would *not include* a private right-of-way, limited access highway, land owned or controlled by a railroad, or a railroad infrastructure.

Colocate or **collocation** would mean to install, mount, maintain, modify, operate, or replace wireless facilities on or adjacent to a wireless support structure or utility pole. The term would not include **make-ready work** or the installation of a new utility pole or new wireless support structure.

Make-ready work would refer to work necessary to enable an authority pole or utility pole to support collocation, which may include modification or replacement of utility poles or modification of lines.

Collocation of Small Cell Wireless Facilities

Except as otherwise provided in the proposed act, an authority could not prohibit, regulate, or charge for the collocation of small cell wireless facilities.

The approval of a small cell wireless facility would authorize only the collocation of a small cell wireless facility and would not authorize either of the following:

- The provision of any particular services.
- The installation, placement, modification, maintenance, or operation of a wireline backhaul facility in an ROW.

Public Right-of-Way (ROW) Use

The following provisions would apply only to activities of a wireless provider within a public right-of-way for the deployment of small cell wireless facilities and associated new or modified utility poles.

An authority could not enter into an exclusive arrangement with any person for use of an ROW for the construction, operation, marketing, or maintenance of utility poles or the collocation of small cell wireless facilities.

An authority could not charge a wireless provider a rate for each utility pole or wireless support structure in an ROW in the authority's geographic jurisdiction on which the wireless provider colocated a small cell wireless facility that exceeded the following:

- \$20 annually, unless the following applied.
- \$125 annually, if the utility pole or wireless support structure were erected by or on behalf of the wireless provider on or after the effective date of the proposed Act, unless the replacement of the utility pole was not designed to support small cell wireless facilities.

Every five years after the Act took effect, the maximum rates then authorized would be increased by 10% and rounded to the nearest dollar.

If, on the date the Act took effect, an authority had a rate or fee in an ordinance or in an agreement with a wireless provider for the use of an ROW to collocate a small cell wireless facility or to construct, install, mount, maintain, modify, operate, or replace a utility pole, and the rate or fee did not comply with the limitations listed above, the authority would have to revise the rate or fee within 90 days after the Act took effect. Both of the following also would apply:

- For installations of utility poles designed to support small cell wireless facilities or collocations of small cell wireless facilities installed and operational in an ROW before the date the Act took effect, the fees, rates, and terms of an agreement or ordinance for use of the ROW would remain in effect subject to the termination provisions contained in the agreement or ordinance.
- For installations of utility poles designed to support small cell wireless facilities or collocations of small cell wireless facilities installed and operational in an ROW after the date the Act took effect, the fees, rates, and terms of an agreement or ordinance for use of the ROW would have to comply with the rates proposed above.

A wireless provider could, as a permitted use not subject to zoning review or approval, except that an application for a permitted use would still be subject to approval by the authority, collocate small cell wireless facilities and construct, maintain, modify, operate, or replace utility poles in, along, across, upon, and under an ROW. Such structures and facilities would have to be constructed and maintained so as not to obstruct the legal use of the authority's ROW or uses of the ROW by other utilities and communications service providers. Both of the following provisions would apply:

- A utility pole in the ROW installed or modified on or after the date the proposed Act took effect could not exceed 40 feet above ground level, unless the authority agreed to a taller height.
- A small cell wireless facility in the ROW installed or modified after the date the Act took effect could not extend more than five feet above a utility pole or wireless support structure on which the facility was collocated.

Subject to these, the provisions for reviewing a permit, and applicable zoning regulations, a wireless provider could collocate a small cell wireless facility or install, construct, maintain, modify, operate, or replace a utility pole that exceeded the specified height limits, or a wireless support structure, in, along, across, upon, and under the ROW.

A wireless provider would have to comply with reasonable and nondiscriminatory requirements otherwise provided that prohibited communications service providers from installing structures on or above ground in the ROW in an area designated solely for underground or buried cable and utility facilities if *all* of the following applied:

- The authority had required all cable and utility facilities, other than authority poles, along with any attachments, or poles used for street lights, traffic signals, or other attachments necessary for public safety, to be placed underground by a date that was at least 90 days before the submission of an application.
- The authority did not prohibit the replacement of authority poles by a wireless provider in the designated area.

- The authority allowed wireless providers to apply for a waiver of the undergrounding requirements for the placement of a new utility pole to support small cell wireless facilities, and the waiver applications were addressed in a nondiscriminatory manner.

Subject to permitting provisions, and except for facilities excluded from evaluation for effects on historic properties under 47 CFR 1.1307(a)(4), an authority could adopt written, objective requirements for reasonable, technically feasible, nondiscriminatory, and technologically neutral design or concealment measures in a historic district, downtown district, or residential zoning district. Any such requirement could not have the effect of prohibiting any wireless provider's technology. Any such design or concealment measures would not be considered a part of the small cell wireless facility for purposes of the size restrictions in the definition of small cell wireless facility.

An authority's administration and regulation of wireless providers' activities in the ROW would have to be reasonable, nondiscriminatory, and competitively neutral and would have to comply with applicable law.

An authority could require a wireless provider to repair all damage to an ROW directly caused by the activities of the provider while occupying, constructing, installing, mounting, maintaining, modifying, operating, or replacing small cell wireless facilities, utility poles, or wireless support structures in the ROW and to return it to its functional equivalence before the damage. If the provider failed to make the repairs required by the authority within 60 days after written notice, the authority could make the repairs and charge the wireless provider the reasonable, documented cost of repairs.

Permitting Provisions

The following provisions would apply to activities of a wireless provider within a public ROW.

Except as otherwise provided, an authority could require a permit to colocate a small cell wireless facility or install, modify, or replace a utility pole on which a small cell wireless facility would be colocated if the permit were of general applicability. The processing of an application for such a permit would be subject to all of the following provisions.

The authority could not directly or indirectly require an applicant to perform services unrelated to the collocation for which a permit is sought, such as reserving fiber, conduit, or pole space for the authority or making other in-kind contributions to the authority.

An authority could require an applicant to provide information and documentation to enable the authority to make a decision with regard to the criteria for denying a completed application. An authority also could require a certificate of compliance with FCC rules related to radio frequency emissions from a small cell wireless facility.

If the proposed activity will occur within a shared ROW or a ROW that overlaps another ROW, a wireless provider would have to provide, to each affected authority to which an application for the activity is not submitted, notification of the wireless provider's intent to locate a small cell wireless facility within the ROW. An authority could require proof of other necessary permits, permit applications, or easements to ensure all necessary permissions for the proposed activity are obtained.

The authority could require an applicant to include an attestation that the small cell wireless facilities will be operational for use by a wireless services provider within 1 year after the permit issuance date, unless the authority and the applicant agree to extend this period or delay is caused by lack of commercial power or communications transport facilities to the site.

The authority would approve or deny the application and notify the applicant in writing within certain conditional time periods specified in the bill, or the completed application could be considered approved.

An authority could deny a completed application for a proposed collocation of a small cell wireless facility or installation, modification, or replacement of a utility pole that meets the height requirements only if the proposed activity would do any of the following:

- Materially interfere with any of the following:
 - The safe operation of traffic control.
 - Sight lines or clear zones for transportation or pedestrians.
 - Compliance with the Americans with Disabilities Act of 1990, Public Law 101-336, or similar federal, state, or local standards regarding pedestrian access or movement.
 - Maintenance or full unobstructed use of public utility infrastructure under the jurisdiction of an authority.
- With respect to drainage infrastructure under the jurisdiction of an authority, either of the following:
 - Materially interfere with maintenance or full unobstructed use of the drainage infrastructure as it was originally designed.
 - Not be located a reasonable distance from the drainage infrastructure to ensure maintenance under the Drain Code, and access to the drainage infrastructure.
- Fail to comply with the following:
 - Reasonable, nondiscriminatory, written spacing requirements of general applicability adopted by ordinance or otherwise that apply to the location of ground-mounted equipment and new utility poles and that do not prevent a wireless provider from serving any location.
 - Applicable codes.
 - Reasonable and nondiscriminatory requirements otherwise provided that prohibited communications service providers from installing structures on or above ground in the ROW in an area designated solely for underground or buried cable and utility facilities, as well as written, objective requirements for reasonable, technically feasible, nondiscriminatory, and technologically neutral design or concealment measures in a historic district, downtown district, or residential zoning district, as described above.
 - Reasonable, objective, written stealth or concealment criteria for small cell wireless facilities applicable in a historic district or other designated area, as specified in an ordinance or otherwise and nondiscriminatorily applied to all other occupants of the ROW, including electric utilities, incumbent or competitive local exchange carriers, fiber providers, cable television operators, and the authority.

If the completed application is denied, the notice described above would have to explain the reasons for the denial and, if applicable, cite the specific provisions of applicable codes on which the denial is based. The applicant may cure the deficiencies identified by the authority

and resubmit the application within 30 days after the denial without paying an additional application fee. The authority would approve or deny the revised application within 30 days. The authority also would limit its review of the revised application to the deficiencies cited in the denial.

An applicant could file a consolidated application and receive a single permit for the collocation of up to 20 small cell wireless facilities within the jurisdiction of a single authority or, in the case of the state transportation department, a single designated control section as identified on the department's website. The small cell wireless facilities within a consolidated application would have to consist of substantially similar equipment and be placed on similar types of utility poles or wireless support structures. An authority could approve a permit for one or more small cell wireless facilities included in a consolidated application and deny a permit for the remaining small cell facilities. An authority could not deny a permit for a small cell wireless facility included in a consolidated application on the basis that a permit is being denied for one or more other small cell facilities included in that application.

Within one year after a permit is granted, a wireless provider would have to complete collocation of a small cell wireless facility that is to be operational for use by a wireless services provider, unless the authority and the applicant agree to extend this period or the delay is caused by the lack of commercial power or communications facilities at the site. If the wireless provider fails to complete the collocation within the applicable time, the permit would be void. But, the wireless provider could reapply for a permit. A permittee also could voluntarily request that a permit be terminated.

Approval of an application would authorize the wireless provider to do both of the following:

- Undertake the installation or collocation.
- Subject to relocation requirements that apply to similarly situated users of the ROW and the applicant's right to terminate at any time, maintain the small cell wireless facilities and any associated utility poles or wireless support structures covered by the permit for as long as the site is in use and in compliance with the initial permit under this act.

An authority could not institute a moratorium on filing, receiving, or processing applications or issuing permits for the collocation of small cell wireless facilities or the installation, modification, or replacement of utility poles on which small cell wireless facilities will be collocated.

Permit fee

An application fee for a permit to collocate a small cell wireless facility, or to install, modify, or replace a utility pole on which such a facility would be collocated, could not exceed the lesser of the following:

- \$200 for each small cell wireless facility alone.
- \$300 for each small cell wireless facility and a new utility pole to which it would be attached.

Every five years after the bill would take effect, the maximum fees then authorized would be increased by 10% and rounded to the nearest dollar.

Permitting authority

An authority could revoke a permit, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated utility pole failed to meet the requirements listed above as reasons for which an authority could deny a completed application.

The following activities would be exempt from zoning review, and an authority could not require a permit or any other approval or require fees or rates:

- The replacement of a small cell wireless facility with a small cell wireless facility that was not larger or heavier, in compliance with applicable codes.
- Routine maintenance of a small cell wireless facility, utility pole, or wireless support structure.
- The installation, placement, maintenance, operation, or replacement of *micro wireless facilities* that were suspended on cables strung between utility poles or wireless support structures in compliance with applicable codes.

Micro wireless facility would mean a small cell wireless facility that is not more than inches in length, 15 inches in width, and 12 inches in height, and that does not have an exterior antenna more than 11 inches in length.

An authority that received an application to place a new utility pole could propose an alternative location within an ROW or on property or structures owned or controlled by an authority within 75 feet of the proposed location to either place the new utility pole or collocate on an existing structure. The applicant would have to use the alternative location if, as determined by the applicant, it had the right to do so on reasonable terms and conditions and the alternative location did not impose unreasonable technical limits or significant additional costs.

Before discontinuing its use of a small cell wireless facility, utility pole, or wireless support structure, a wireless provider would have to notify an authority in writing. The notice would have to specify when and how the wireless provider intended to remove the small cell wireless facility, utility pole, or wireless support structure. The authority could impose reasonable and nondiscriminatory requirements and specifications for the wireless provider to return the property to its preinstallation condition. If the wireless provider did not complete the removal within 45 days after the discontinuance of use, the authority could complete the removal and assess the costs of removal against the wireless provider. A permit for a small cell wireless facility would expire upon removal of the facility.

An authority would not be prohibited from requiring a permit for work that would reasonably affect traffic patterns or obstruct vehicular or pedestrian traffic in an ROW.

Zoning Approval and Review

The provisions discussed below would apply to zoning reviews for the following activities that would be subject to zoning review and approval, that would not be a permitted use, and that took place within or outside a public ROW:

- The modification of existing or installation of new small cell wireless facilities.
- The modification of existing or installation of new wireless support structures used for such facilities.

The bill delineates procedures and time frames for processing an application for a zoning approval.

An authority's review of an application for a zoning approval would be subject to all of the following:

- An applicant's business decision on the type and location of small cell wireless facilities, wireless support structures or technology to be used would be presumed to be reasonable. This presumption would not apply with respect to the height of wireless facilities or wireless support structures. An authority could consider the height of such structures in its zoning review, but could not discriminate between the applicant and other communications service providers.
- An authority could not evaluate or require an applicant to submit information about an applicant's business decisions with respect to any of the following:
 - The need for a wireless support structure or small cell wireless facilities.
 - The applicant's service, customer demand for the service, or the quality of service.
- Any requirements regarding the appearance of facilities, including those relating to materials used or arranging, screening, or landscaping, would have to be reasonable.
- Any spacing, setback, or fall zone requirement would have to be substantially similar to such a requirement imposed on other types of commercial structures of a similar height.

An application fee for a zoning approval could not exceed the following:

- \$1,000 for a new wireless support structure or a modification of an existing wireless support structure.
- \$500 for a new small cell wireless facility or modification of an existing small cell wireless facility.

Within one year after a zoning approval was granted, a wireless provider would have to commence construction of the approved structure or facilities that were to be operational for use by a provider, unless the authority and the applicant agreed to extend the period or the delay was caused by a lack of commercial power or communications facilities at the site. If the provider failed to commence construction within the time period required, the zoning approval would be void, and the provider could reapply for a zoning approval. However, the provider could voluntarily request that the zoning approval be terminated.

An authority could not institute a moratorium on either of the following:

- Filing, receiving, or processing applications for zoning approval.
- Issuing approvals for installations that were not a permitted use.

An authority could revoke a zoning approval, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated wireless support structure failed to meet the requirements of the approval, applicable codes, or applicable zoning requirements.

Collocation Rates and Fees

An authority could not enter into an exclusive arrangement with any person for the right to attach to authority poles. A person who purchased, controlled, or otherwise acquired an authority pole would be subject to the requirements described below.

The rate for the collocation of small cell wireless facilities on authority poles would have to be nondiscriminatory regardless of the services provided by the collocating person. The rate could not exceed \$30 per year per authority pole. Every five years after the date the proposed Act took effect, the maximum rate then authorized would be increased by 10% and rounded to the nearest dollar. This rate for the collocation of small cell wireless facilities on authority poles would be in addition to the rate charged for the use of a ROW.

If, on the date the Act took effect, an authority had a rate, fee, or other term in an ordinance or in an agreement with a wireless provider that did not comply with these provisions, the authority would have to revise the rate, fee, or term, within 90 days after that date. Both of the following would apply:

- An ordinance or agreement between an authority and a wireless provider that was in effect on the date the Act took effect and that related to the collocation on authority poles of small cell wireless facilities installed and operational before that date would remain in effect as it related to those collocations, subject to termination provisions in the ordinance or agreement.
- The rates, fees, and terms established in the Act would apply to the collocation on authority poles of small cell wireless facilities that were installed and operational after the rates, fees, and terms took effect.

Within 90 days after receiving the first request to collocate a small cell wireless facility on an authority pole, the authority would have to make available, through ordinance or otherwise, the rates, fees, and terms for the collocation of small cell wireless facilities on the authority poles. The rates, fees, and terms would have to comply with all of the following:

- The rates, fees, and terms would have to be nondiscriminatory, competitively neutral, and commercially reasonable, as well as comply with the act.
- The authority would have to provide a good-faith estimate for any make-ready work within 60 days after receiving a complete application, and any make-ready work would have to be completed within 60 days of the applicant's written acceptance of the good-faith estimate.
- The person owning or controlling the authority pole could not require more make-ready work than required to comply with law or industry standards.
- Fees for make-ready work could not do any of the following:
 - Include costs related to preexisting or prior damage or noncompliance unless the damage or noncompliance was caused by the applicant.
 - Include any unreasonable consultant fees or expenses.
 - Exceed actual costs imposed on a nondiscriminatory basis.

These provisions would not require an authority to install or maintain any specific authority pole or to continue to install or maintain authority poles in any location if the authority made a nondiscriminatory decision to eliminate aboveground poles of a particular type generally, such as electric utility poles, in a designated area of its geographic jurisdiction. For authority poles with collocated small cell wireless facilities in place when an authority made a decision to eliminate aboveground poles of a particular type, the authority would have to do one of the following:

- Continue to maintain the authority pole.
- Install and maintain a reasonable alternative pole or wireless support structure for the collocation of the small cell wireless facility.

- Offer to sell the pole to the wireless provider at a reasonable cost.
- Allow the wireless provider to install its own utility pole so it could maintain service from that location.
- Proceed as provided by an agreement between the authority and the wireless provider.

Municipally Owned Electric Utility

The governing body of a municipally owned electric utility could not enter into an exclusive agreement with any person for the right to attach to nonauthority poles, and would have to allow the collocation of small cell wireless facilities on nonauthority poles on a nondiscriminatory basis.

The collocation of small cell wireless facilities on nonauthority poles by a wireless provider would have to comply with the applicable, nondiscriminatory safety and reliability standards adopted by the governing body of a municipally owned electric utility and with the Natural Electric Safety Code published by the Institute of Electrical and Electronics Engineers. The governing body could require a wireless provider to execute an agreement if such an agreement were required of all other nonauthority pole attachments.

The governing body of a municipally owned electric utility would have to adopt a nondiscriminatory and competitively neutral process for requests by wireless providers to colocate small cell wireless facilities on nonauthority poles. If such a process had not been adopted within 90 days after the date the proposed Act took effect, the application process for a permit within a public ROW would apply to such requests. The governing body of a municipally owned electric utility could not impose a moratorium on the processing of nonauthority pole collocation requests, or require a wireless provider to perform any service not directly related to the collocation. The governing body could charge a maximum fee of \$100 per nonauthority pole for processing the request. The governing body also could charge an additional fee of up to \$100 per nonauthority pole for processing the request, if a modification or maintenance of the collocation required an engineering analysis. Every five years after the date the Act took effect, the maximum fees then authorized would be increased by 10% and rounded to the nearest dollar.

The rate for a wireless provider to colocate on a nonauthority pole in an ROW could not exceed \$50 annually per nonauthority pole. Every five years after the date the proposed Act took effect, the maximum rate then authorized would be increased by 10% and rounded to the nearest dollar.

A wireless provider would have to comply with the process for make-ready work that the governing body of a municipally owned electric utility had adopted for other parties under the same or similar circumstances that attached facilities to nonauthority poles. If such a process had not been adopted, the wireless provider and the governing body would have to comply with the process for make-ready work under 47 USC 224 and implementing orders and regulations. (That section of the U.S. Code pertains to attachments by a cable television system or telecommunications service provider to a pole, duct, conduit, or right-of-way owned or controlled by a utility.) A good-faith estimate established by the governing body for any make-ready work for nonauthority poles would have to include pole replacement, if necessary. All make-ready costs would have to be based on actual costs, with detailed documentation provided.

If a wireless provider were required to relocate small cell facilities colocated on a nonauthority pole, it would have to do so in accordance with the nondiscriminatory terms adopted by the governing body of a municipally owned electric utility.

An attaching entity, and all contractors or parties under its control, would have to comply with reliability, safety, and engineering standards adopted by the governing body of a municipally owned electric utility, including the following:

- Applicable engineering and safety standards governing installation, maintenance, and operation of facilities and the performance of work in or around the municipally owned electric utility nonauthority poles and facilities.
- The National Electric Safety Code, published by the Institute of Electrical and Electronics Engineers.
- Regulations of the U.S. Occupational Safety and Health Administration.
- Other reasonable safety and engineering requirements to which municipally owned electric facilities were subject by law.

The governing body of a municipally owned electric utility could require an attaching entity to execute an agreement for wire or cable attachments to nonauthority poles or related infrastructure. However, it could not charge an attaching entity a rate for wire or cable pole attachments within the communication space on a nonauthority pole greater than the maximum allowable rate pursuant to 47 USC 224(d) and (e) as established in FCC Order on Reconsideration 15-151.

Subject to proposed provisions pertaining to court action (described below), an attaching entity could commence a civil action for injunctive relief for a violation these provisions. The attaching entity could not file an action unless it had first given the municipally owned electric utility a written notice of the intent to sue. Within 30 days after the utility received the notice of intent to sue, the utility and the attaching entity would have to meet and make a good-faith attempt to determine if there was a credible basis for the action. If the parties agreed that there was a credible basis for the action, the governing body of the utility would have to take all reasonable and prudent steps necessary to comply with the applicable requirements within 90 days after the meeting.

Authority Limitations

An authority would not have jurisdiction or authority over the design, engineering, construction, installation, or operation of a small cell wireless facility located in an interior structure or upon a campus of an institution of higher education, including any stadiums or athletic facilities associated with the institution, a professional stadium, or a professional athletic facility, other than to enforce applicable codes. The proposed Act would not authorize the State or any other authority to require wireless facility deployment or to regulate wireless services.

Dispute Resolution

The circuit court would have jurisdiction to determine all disputes arising under the proposed Act. Venue would lie in the judicial circuit where an authority or municipally owned electric utility was located. In addition to its right to appeal to the circuit court, an applicant could elect, at its sole discretion, to appeal a determination under the Act to an authority, if the authority had an appeal process to render a decision expeditiously.

Requirement to Indemnify, Defend, or Insure

With respect to a small cell wireless facility, a wireless support structure, or a utility pole, as part of the permit process for activities of a wireless provider within the public ROW, a zoning approval process for the modification or installation of new small cell wireless facilities or wireless support structures, or a request process for wireless providers to colocate small cell wireless facilities on nonauthority poles, an authority or the governing body of a municipally owned electric utility could require a wireless provider to do the following:

- Defend, indemnify, and hold harmless the authority or the governing body, and its officers, agents, and employees, against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees resulting from the installation, construction, repair, replacement, operation, or maintenance of any wireless facilities, wireless support structures, or utility poles to the extent caused by the applicant, its contractors, its subcontractors, and the officers, employees, or agents of any of those. A wireless provider would have no obligation to defend, indemnify, or hold harmless an authority or governing body, or its officers, agents, or employees, against any liabilities or losses due to or caused by the sole negligence of the authority or the governing body, or its officers, employees, or agents.
- Obtain insurance naming the authority or the governing body, and its officers, agents, and employees, as additional insureds against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees. A wireless provider could meet all or a portion of the authority's insurance coverage and limit requirements by self-insurance. To the extent a wireless provider self-insured, it would have to provide to the authority evidence demonstrating, to the authority's satisfaction, the provider's financial ability to meet the authority's insurance coverage and limit requirements.

Bonding Requirements

As a condition of a permit described in the proposed Act, an authority could adopt bonding requirements for small cell wireless facilities if both of the following requirements are met:

- The authority imposed similar requirements in connection with permits issued for similarly situated users of an ROW.
- The purpose of the bonds would have to be one or more of the following:
 - To provide for the removal of abandoned or improperly maintained small cell wireless facilities, including those that an authority determined should be removed to protect public health, safety, or welfare.
 - To repair the ROW as provided by the Act.
 - To recoup rates or fees that a wireless provider had not paid in more than 12 months, if the provider had received 60-day advance notice from the authority of noncompliance.

An authority could not require a cash bond unless the wireless provider had failed to obtain or maintain a bond required under these provisions, or the surety had defaulted or failed to perform on a bond given to the authority on behalf of the wireless provider. Also, an authority could not require a bond in an amount exceeding \$1,000 per small cell wireless facility.

Fees Less than Maximum

Subject to other requirements of the proposed Act, an authority could establish a fee or rate less than the maximum specified for utility poles or wireless support structures in an ROW in the authority's geographic jurisdiction on which a wireless provider had colocated a small cell

wireless facility, a permit application, zoning approval application, or the collocation of small cell facilities on authority poles.

Scope of Act; MPSC Jurisdiction

The proposed Act would not impose or otherwise affect any rights, controls, or contractual obligations of an investor-owned utility whose rates are regulated by the MPSC, an *affiliated transmission company*, an independent transmission company, or a cooperative electric utility (unless it acquired all or substantially all of the assets of a municipal electric utility after the Act's effective date) with respect to its poles or conduits, similar structures, or equipment of any type.

Affiliated transmission company would refer to a person, partnership, corporation, association, or other legal entity, or its successors or assigns, which has fully satisfied the requirements to join a regional transmission organization as determined by the federal energy regulatory commission, is engaged in this state in the transmission of electricity using facilities it owns that were transferred to the entity by an electric utility that was engaged in the generation, transmission, and distribution of electricity in this state on December 31, 2000, and is not independent of an electric utility or an affiliate of the utility, generating or distributing electricity to retail customers in this state. This definition is found in the Electric Transmission Line Certification Act (MCL 460.562).

The Act also would not add to, replace, or supersede any law regarding poles or conduits, similar structures, or equipment of any type owned or controlled by any of those entities.

Except for the purposes of a wireless provider obtaining a permit to occupy an ROW, the Act would not affect an investor-owned utility whose rates are regulated by the MPSC. Notwithstanding any other provision of the Act, the MPSC would have sole jurisdiction over attachment of wireless facilities on the poles, conduits, and similar structures or equipment of any type or kind owned or controlled by an investor-owned utility whose rates are regulated by the MPSC.

Other Provisions

A small cell wireless facility for which a permit was issued would have to be labeled with the name of the wireless provider, emergency contact telephone number, and information that identified the facility and its location.

A wireless provider would be responsible for arranging and paying for the electricity used to operate a small cell wireless facility.

Senate Bill 894

Senate Bill 894 would amend the Michigan Zoning Enabling Act to provide that a zoning ordinance under that Act would be subject to the proposed Small Wireless Communications Facilities Deployment Act.

The bill is tie-barred to SB 637, which means that SB 894 cannot take effect unless SB 637 is enacted.

MCL 125.3205 (SB 894)

HOUSE COMMITTEE ACTION:

The House Committee on Energy Policy reported the Senate-passed versions of the bills without amendment.

ARGUMENTS:

For:

Supporters of the bills argue that small cell technology would drive Michigan's broadband expansion and 5G development, which would help the state become a global competitor in technological advancement. For instance, the Detroit area is known across the world as an automobile developer, but it could be an autonomous vehicle developer with the deployment of small cell networks. Additionally, current regulatory frameworks to access public rights-of-way are different across Michigan's 83 counties, leaving developers and carriers with the task of navigating each framework and finding out how to cross county lines. Further, each county has different fee structures for permits, whether for developing new infrastructure in a right-of-way or utilizing existing infrastructure. Supporters of the bills argue that some of the fees are exorbitant and stifle development. The bills would create fair and uniform fee structures to make development feasible.

Against:

Opponents of the bills argue that the bills interfere with a variety of local governmental rights, most notably a county's ability to recover costs from the development and use of their rights-of-way. The fee structures proposed in the bills do not allow some counties in Michigan to properly recover the costs of the development and oversight. If the fees don't cover the cost of required inspections, then taxpayers are left footing the bill for private entities that should, and can afford to, at least cover those costs. Moreover, those additional costs could saddle those counties with debt, which would not help Michigan's economy. Additionally, critics argue that local governments would not be able to address aesthetic concerns, such as in historical areas, nor would they have any leverage to negotiate, e.g., free WiFi services in public areas, to address competitive and equity issues.

Against:

Some opponents of the bills argue that broadband and cellular development is needed in unserved areas, which currently have no broadband (and sometimes even no cellular services) available to residents. However, small cell technology would not help bring internet or cell coverage to these areas. It would not expand services, but rather enhance existing services. Critics argue that the bill will encourage developers and providers to focus on areas already receiving service, instead of developing services in areas that need them, to the detriment of Michigan's economic growth and opportunities.

Against:

Other opponents of the bills argue that a variety of health issues, such as cancer and depression, develop from devices that emit man-made radiation. The small cell technology that would be used under the bills would emit even more radiation than current technologies, they argued, as the small cells would have to be placed in closer proximity to each other and would emit stronger signals. Numerous studies were cited during committee testimony that linked serious health issues to wireless technology. Some bill opponents argue that fiber optic cables, buried under the ground and connected to physical locations, are the safest for internet connectivity.

POSITIONS:

Representatives of the following organizations testified in support of the bills:

- T-Mobile (5-29-18)
- Verizon (10-4-18)
- AT&T (10-4-18)
- Sprint (5-29-18)
- Michigan Chamber of Commerce (5-29-18)
- Extenet Systems, Inc. (5-29-18)
- Free State Foundation (5-29-18)
- Cellular Telecommunications Industry Association (5-29-18)
- Michigan Energy Innovation Business Council (5-29-18)
- St. Clair County Commission (10-4-18)

The following organizations indicated support for the bills:

- Michigan Department of Transportation (10-4-18)
- Grand Rapids Chamber of Commerce (10-4-18)
- Detroit Regional Chamber of Commerce (10-4-18)
- Traverse City Area Chamber of Commerce (10-4-18)
- Northern Michigan Chamber Alliance (5-29-18)
- Police Officers Association of Michigan (10-4-18)
- Southern Wayne County Regional Chamber of Commerce (10-4-18)
- Macomb County Chamber of Commerce (10-4-18)
- Blue Water Area Chamber (10-4-18)
- Saginaw County Chamber of Commerce (10-4-18)
- Saginaw Future Inc. (10-4-18)
- Michigan Electric Cooperative Association (10-4-18)
- Clean Fuels, Michigan (10-4-18)
- Bay Area Chamber of Commerce (10-4-18)
- Hope Network (10-4-18)
- NAACP, Greater Grand Rapids Branch
- American Arab Chamber of Commerce (10-4-18)
- Ford Motor Company (10-4-18)
- Lansing Regional Chamber (10-4-18)
- Deputy Sheriff's Association of Michigan (10-4-18)
- Wayne County Sheriff's Association (10-4-18)
- Agricultural Leaders of Michigan (10-4-18)
- Michigan Municipal Electric Association (10-4-18)

Representatives of the following organizations testified in opposition to the bills:

- We Are The Evidence (10-4-18)
- Michigan Safe Technology (5-29-18)
- City of Auburn (5-29-18)
- PROTEC (10-4-18)
- Oakland County (10-4-18)
- County Road Association of Michigan (10-4-18)

- Oakland County Road Commission (10-4-18)
- Wayne County (10-4-18)
- Neo Networks (10-4-18)
- Americans for Responsible Technology (10-4-18)

The following organizations indicated opposition to the bills:

- Holistic Therapy Practice (5-29-18)
- Salem Township (10-4-18)
- Northfield Township (10-4-18)
- Mullett Township (10-4-18)
- Utility Meter Choice 4 Michigan (10-4-18)
- City of Rochester Hills (10-4-18)
- Lapeer County Road Commission (10-4-18)
- Huron County Road Commission (10-4-18)
- Meridian Township (10-4-18)

Legislative Analyst: Emily S. Smith
Fiscal Analysts: Marcus Coffin
Ben Gielczyk

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

COMMISSIONERS
DOUGLAS E. FULLER
CHAIR
BARBARA RYAN FULLER
VICE-CHAIR
RODRICK K. GREEN
MEMBER

**WASHTENAW COUNTY
BOARD OF COUNTY ROAD COMMISSIONERS**

555 NORTH ZEEB ROAD
ANN ARBOR, MICHIGAN 48103
WWW.WCROADS.ORG
TELEPHONE (734) 761-1500
FAX (734) 761-3737

SHERYL SODERHOLM SIDDALL, P.E.
MANAGING DIRECTOR
COUNTY HIGHWAY ENGINEER

MATTHEW F. MACDONELL, P.E.
DIRECTOR OF ENGINEERING

JAMES D. HARMON, P.E.
DIRECTOR OF OPERATIONS

DANIEL D. ACKERMAN
DIRECTOR OF FINANCE & IT

12/17/2018

Rover Pipeline LLC
Attn: Bruce Derezny
7015 Sunset Strip Ave NW
North Canton, OH 44720

RE: Rover Pipeline Install – Permit Finalization Punch List

Dear Mr. Derezny;

The Washtenaw County Road Commission Permit staff performed a final inspection for the above noted project, per the conditions of the right-of-way permits. This inspection determined that permit requirements have been satisfactorily completed for the following roads:

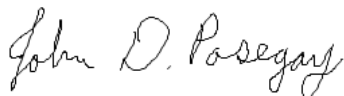
App #	Road Name
13010	Lemm
13011	Bowens
13012	Logan
13013	Hogan
13015	Schwab
13018	Eisman
13019	Bethel Church
13020	Ernst
13021	Pleasant Lake
13022	Waters
13024	Lima Center
13025	Jerusalem
13026	Lima Center
13027	Jackson
13029	Dexter Chelsea
13030	Beach
13031	Island Lake
13032	Colby
13036	Stinchfield Woods

However, the inspection revealed the following item(s) that must still be addressed:

App #	Road Name	Issue
13016	Neal	Remove fence and gate from right-of-way. Fill in road edge fore slope on both sides of the road
13017	Bemis	Place material on north side fore slope from edge of the road
13023	Scio Church	Widen and back up north shoulder. Repair dozer track in eastbound lane. Add shoulder material to south shoulder. Remove cathodic device from north side of road in the right-of -way
13028	Trinkle	Repair south side by grading and placing topsoil, seed and mulch
13033	Quigley	Remove east gate access and move fence and west gate outside right-of-way currently 28 FT from road center line
13034	N Territorial	Place more soil on ditch fore slope and widen shoulder on both sides of the road
13035	S Dexter Townhall	Place material in fore slope of ditch on west side
13037	N Dexter Townhall	Remove silt fence from right-of-way

Thank you for your cooperation. Should you have any questions or concerns, please feel free to contact me at 734-327-6690 or posegayj@wcroads.org.

Sincerely,



John Posegay
Permit Coordinator II

XC: Ronnie Gourageot (Project Consulting)
John Adamski (Rettew)
Mark McCulloch (WCRC Senior Project Manager – Permits)
Gary Streight (WCRC Project Manager)
Angela Borrego (WCRC Permits Coordinator I)
Gene DeRossett (Manchester Township Supervisor)
Laurie Fromhart (Bridgewater Township Supervisor)
Dale Weidmayer (Freedom Township Supervisor)
Craig Maier (Lima Township Supervisor)
Harley Rider (Dexter Township Supervisor)
File

Google Maps



Imagery ©2018 Google, Map data ©2018 Google 200 ft

BRIDGEWATER TOWNSHIP
PLANNING COMMISSION
MONDAY 7 PM NOVEMBER 12,
2018

BRIDGEWATER TOWNSHIP
HALL 10990 CLINTON RD.

Draft meeting minutes

I. CALL TO ORDER

Meeting called to order by chair, Cal Messing at 7:03

II. ROLL CALL

Present: Messing, Beatens, Horney, McQueer, and Iwanicki

III. CITIZEN PARTICIPATION

None

IV. REVIEW AND APPROVE AGENDA

Moved by Iwanicki, second by Messing. Approved with unanimous voice vote

V. APPROVAL OF MINUTES

A. October 8, 2018 Planning Commission meeting

Moved by Iwanicki, second by Mcqueer. Approved as submitted by unanimous voice vote.

VI. PUBLIC HEARINGS

None

VII. OLD BUSINESS

A. Bridgewater Bank site plan/work update

Mr. Nanney has received no significant update regarding site plans

VIII. NEW BUSINESS

A. Heritage Hall expansion - Final Site Plan Review

The required revisions have been completed and submitted for acceptance.

B. Pre-application presentation - 8430 Kaiser Rd

Owners elected not to appear after item placed on agenda. Mr. Nanney gave overview and summary of property owners desire for home business, and difficulties thereof. Some of these would be space requirements and material deliveries.

C. 2019 Meeting schedule

After discussion, and checking to confirm that conflicts with other township committees will not occur, it was decided to move the Planning Commission meetings to the third Monday of the month. Moved by Horney, second by Messing. Approved by unanimous voice vote. Meeting dates will be as follows:

January 21, 2019

February 18, 2019

March 18, 2019

April 15, 2019

May 20, 2019

June 17, 2019

July 15, 2019

August 19, 2019

September 19, 2019

October, 21, 2019

November 18, 2019

December 16, 2019

IX. COMMUNICATIONS

A. Zoning Administrators Report

Mr. Nanney submitted report and is on file. Biggest item is Samuels property clean up was completed without a contractor being hired by the township

B. Trustees Report

Minutes will be on file Ms. McQueer reported on PA 116 discussion /issues

X. INFORMATIONAL ITEMS

Mr. Horney inquired of Mr. Nanney if he had received anything further from Mr. Barbu on the wedding farm venue. Mr. Naney replied in the negative.

XI. PUBLIC COMMENT

None

XII ADJOURNMENT

Moved to adjourn at 8:30 by Horney, second by Messing. Approved by unanimous voice vote.

BRIDGEWATER TOWNSHIP
PLANNING COMMISSION
MEETING

MONDAY 7 PM December 10, 2018

BRIDGEWATER TOWNSHIP
HALL 10990 CLINTON RD.

Draft meeting minutes

I. CALL TO ORDER

Chairman Messing called the meeting to order at 7:07 PM

II. ROLL CALL AND DETERMINATION OF A QUORUM

Present: Messing, Baetens, Horney, McQueer and Iwanicki

III. REVIEW AND APPROVE AGENDA

Moved by Horney, second by McQueer. Approved as submitted by unanimous voice vote

IV. APPROVAL OF MINUTES

A. November 12, 2018 Planning Commission meeting

Moved by Messing, second by Horney. Approved as submitted by unanimous voice vote

V. CITIZEN PARTICIPATION

There was no citizen participation

VI. PUBLIC HEARINGS

There was no public hearing scheduled

VII. OLD BUSINESS

A. 8430 Kaiser Rd update

Mr. Nanney provided update and indicated that the owners Tim and Nancy Frey planned to appear at the January PC meeting for a Preapplication Presentation regarding their desire for a home business. The main issue would be the amount of floor space available to be devoted to the business use.

VIII. NEW BUSINESS

A. Planning Commission Bylaws Discussion/update

Discussion ensued regarding additions/corrections/elaborations to the draft document dated October 6, 2018 provided by Mr. Nanney. Mr. Nanney noted the discussed issues and will submit a revised document prior to the January PC meeting.

IX. COMMUNICATIONS

A. Zoning Administrators Report

Mr. Nanney's report is on record

B. Trustees Report

The Trustees minutes will be on record. Ms. McQueer noted in the absence of an appointment to fill Mr. Iwanicki's position, he will remain in his seat on the PC. Ms. McQueer also provided a review of the Board of Trustees discussion of the impact of the new state referendum that provides for the legalization of recreational use of marihuana. Mr. Nanney provided some guidance on how the three most recent laws on the use of marihuana are not entirely in sync with each other and as such may create some administrative issues.

X. INFORMATIONAL ITEMS

Mr. Nanney spoke regarding several bills that are in the "lame duck" legislature and in particular, called our attention to the Senate bills 637 and 694. These "5G" bills were noted as potentially being impactful on our zoning ordinance.

XI. PUBLIC COMMENT

There was no public comment.

XII ADJOURNMENT

Motion to adjourn Horney, second Messing. Meeting adjourned at 8:55 PM by unanimous voice vote.



WASHTENAW COUNTY ROAD COMMISSION

TOWNSHIP/STAFF REPORT – December 18, 2018

For the period of November 26, 2018 thru December 9, 2018

TOWNSHIP REPORT

OPERATIONS REPORT

MAINTENANCE

Scraping of gravel roads and patching of paved roads were performed throughout the county. In addition, the following maintenance activities were performed in individual townships:

ANN ARBOR TOWNSHIP

- Limestone Patch – Country Club Drive, Ford Road: 28 tons
- Roadside Debris – Plymouth Road

AUGUSTA TOWNSHIP

- Limestone Patch – Arkona Road, Hitchingham Road, Judd Road, Liss Road, Pitman Road, Tuttle Hill Road: 236 tons

BRIDGEWATER TOWNSHIP

- Limestone Patch – Allen Road, Braun Road: 47 tons
- McCollum Road Limestone Resurfacing – 4,241 tons

DEXTER TOWNSHIP

- Cut Trees – Dexter-Pinckney Road, Dexter Town Hall Road, Hankerd Road, North Lake Orchard Drive
- Fallen Trees – Toma Road, Quigley Road
- Gravel Patch – Toma
- Limestone Patch – Colby Road, Dancer Road, Island Lake Road, Stofer Road, Toma Road: 50 tons

FREEDOM TOWNSHIP

- Fallen Trees – Ellsworth Road
- Gravel Patch – Ernst Road, Hieber Road: 43 tons
- Limestone Patch – Ernst Road, Hieber Road: 16 tons



WASHTENAW COUNTY ROAD COMMISSION

TOWNSHIP/STAFF REPORT – December 18, 2018

For the period of December 10, 2018 thru December 23, 2018

TOWNSHIP REPORT

OPERATIONS REPORT

MAINTENANCE

Scraping of gravel roads and patching of paved roads were performed throughout the county. In addition, the following maintenance activities were performed in individual townships:

ANN ARBOR TOWNSHIP

- Cleaned Drains – N Dixboro Road, Geddes Road
- Fallen Tree – Chalmers Drive
- Limestone Patch – Earhart Road, Englave Road, Gleaner Hall Road, Plymouth Road, Warren Road: 60 tons

AUGUSTA TOWNSHIP

- Limestone Patch – Gooding Road, Long Meadow Lane, Rosbolt Road: 296 tons

BRIDGEWATER TOWNSHIP

- Boom Mow – Austin Road
- Cut Bleeders – Arkona Road, Hack Road, Lima Center Road, Neblo Road, Willow Road
- Drainage and Backslopes – Braun Road
- Gravel Patch – Ely Road, Hack Road, Klager Road: 30 tons
- Limestone Patch – Allen Road, Hogan Road, Kies Road, Logan Road: 17 tons
- Roadside Debris – Allen Road, Bartlett Road, Willow Road

DEXTER TOWNSHIP

- Fallen Trees – Portage Lake Avenue
- Limestone Patch – McKinley Road, Riker Road, Waterloo Road: 20 tons

FREEDOM TOWNSHIP

- Boom Mow – Esch Road
- Cut Bleeders – Bethel Church Road, Saline Waterworks Road, Steinbach Road
- Limestone Patch – Parker Road, Schneider Road, Weber Road: 13 tons