

**CHARTER TOWNSHIP OF CHESTERFIELD  
REGULAR BOARD MEETING  
TO BE HELD AT THE MUNICIPAL OFFICES, 47275 SUGARBUSH RD.  
CHESTERFIELD, MI 48047  
586-949-0400**

**November 1, 2016  
7:00 P.M.**

**AGENDA**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE: Boy Scout Troop 82.**
- 3. ROLL CALL**
- 4. PROCLAMATION:** Recognizing retiring Library Director, Marion Lusardi for her years of service.
- 5. PRESENTATION:** Chesterfield Township Water and Sewer Rate Advisory Board.
- 6. CONSENT AGENDA:** All items under the Consent Agenda are considered routine by the Board and will be enacted in one motion. There is no separate discussion of these items. If discussion of any item(s) is required by a Board Member, it will be removed from the Consent Agenda and considered separately. Public comments on the Consent Agenda items are permitted.
  - A)** Approval of the Agenda (with Addendum if necessary).
  - B)** Approval of the Minutes of the Regular Board Meeting of October 17, 2016.
  - C)** Approval of the Payment of Bills as submitted by the Finance Department.
- 7. REGULAR AGENDA:**
  - A)** Approve the recommendation from the Planning Commission to approve the Salt River Flats PUD 2015-14 with requirements stipulated by the Chesterfield Township Fire Department. **(Postponed from the Regular Board Meeting of September 6, 2016 and October 3, 2016).**
  - B)** Approve a request from Supervisor Lovelock to exempt The Charter Township of Chesterfield from the Publicly Funded Health Insurance Contribution Act for calendar year 2017.
  - C)** Adopt a Charitable Gaming License, Resolution 2016-15, to be issued to the Chesterfield Township Historical Society.
  - D)** Adopt a Charitable Gaming License, Resolution 2016-16, to be issued to the Macomb Symphony Orchestra.

- E) Approve a request from the Senior Center to award a contract to repair and sealcoat the Senior Walking Path to A&R Sealcoating for a total cost of \$18,000.00.
- F) Approve a request from the Clerk's Department to purchase 9 new HP 16.9 Notebooks to serve as back-up Electronic Poll Books from antonline for a total cost of \$4,913.82.

**8. ADDENDUM: (If Necessary)**

**9. PUBLIC COMMENTS: (Five-Minute Time Limits)**

**10. BOARD COMMENTS:**

**11. ADJOURNMENT:**

**NEXT REGULAR BOARD MEETING IS MONDAY NOVEMBER 21, 2016 AT 7 P.M. THE DEADLINE FOR THE SUBMITTAL OF ITEMS FOR THE AGENDA IS NOON WEDNESDAY, NOVEMBER 16, 2016. IF YOU HAVE ANY QUESTIONS, PLEASE CALL 949-0400 EXT. 5.**

**The Charter Township of Chesterfield fully embraces the spirit and letter of the law as it pertains to the American with Disabilities Act. In accordance with the law, any individual who needs accommodation is asked to contact the Clerk's Office during normal business hours at 586-949-0400 ext. 5. To provide appropriate accommodation, the Clerk's Office needs two (2) business days notice prior to the meeting.**

**POSTED: October 27, 2016**

**Wurmlinger, Eric M.**

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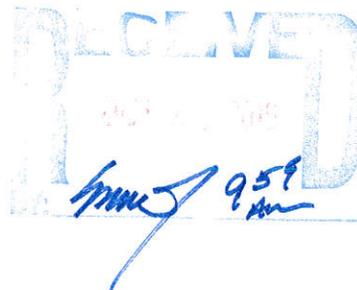
**From:** Amanda Smith  
**Sent:** Wednesday, October 26, 2016 8:27 AM  
**To:** Wurmlinger, Eric M.  
**Subject:** Agenda Item - Boy Scouts

Good Morning,

Boy Scout Pack #82 will be presenting the colors at the Board Meeting on 11/1.

Please let me know if you have any questions ☺

Amanda K. Smith  
Charter Township of Chesterfield  
47275 Sugarbush  
Chesterfield Township, MI 48047  
P: (586) 949-0400 option 8, then 2  
F: (586) 949-4108  
E: [asmith@chesterfieldtwp.org](mailto:asmith@chesterfieldtwp.org)



# *Proclamation*

*Charter Township of Chesterfield, Macomb County Michigan*

*In recognition of*

*Marion Midge Lusardi*

*Whereas* - On behalf of the citizens of the Charter Township of Chesterfield, we are honored to offer this Proclamation in recognition of Marion Midge Lusardi for her 20 years of service as Director of Chesterfield Township Library and in honor of her retirement; and,

*Whereas* - Midge graduated from St Mary's College, Notre Dame, IN, with a Bachelors of Arts in 1973, she went on to teach a Composition Clinic at Wayne State University's 1973-75; and,

*Whereas* - Midge married Bob in June of 1970, they had two sons Matthew and Gregory, she was a fulltime mother from 1976-1989; and,

*Whereas* - Midge joined Chesterfield Township Library in October of 1996 as the Director; she received several awards such as State Librarian Citation of Excellence award from the Library of Michigan in 2001, Professional Service Award, Wayne State University Distinguished Service Award in September 2006; and,

*Whereas* - Midge received numerous Grants throughout her career, she received the LSTA Grant for 10,000 from the Library of Michigan in 2000, multiple grants from the Anchor Bay Rotary, Macomb Rotary Foundation, Detroit Metro Book and Author Society, the Anchor Bay Community Foundation for Literacy Projects, Target and Walmart's, also received a bequest in 2006 of 1.2 million dollars from Betty Tobin and Pat Gerow.

*Now therefore be it resolved on November 1, 2016, by the Charter Township of Chesterfield Board of Trustees would like to honor and say thank you for her 20 outstanding years of service. in our Community.*

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Michael E. Lovelock, Supervisor

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Cindy Berry, Clerk

Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

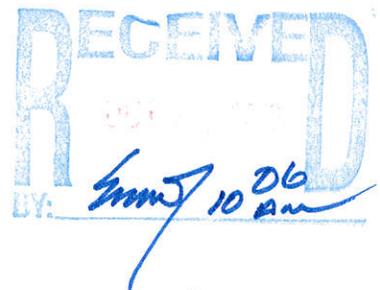
2016 White Paper

## Presentation

# Water and Sewer Rate Advisory Board

## 2016 White Paper

### Version 1.2



# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

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Document Version	Date	Updated by	Description of Changes
Version 1.0	10/16/16	Steve Maul	Formatting changes, added ToC, added PE to the definitions table
Version 1.1	10/17/16	Steve Maul	Updated Org Chart added in the Attachments
Version 1.2	10/25/16	WSRAB input	Various text corrections in the document. Attachment #2 updated

# **Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”**

## **2016 White Paper**

### **Abstract**

The financial needs and wants of the Chesterfield Water and Sewer Department (CWSD) needed to be examined and understood before the township board passed a twenty two percent increase in water rates for July of 2015. The Engineering firm AEW presented six options to increase the rates during three special meetings in June 2015. The actual increase from DWSD indicated a thirteen point eight percent (13.8%) decrease in commodity rates but an increase in fixed rates.

Base costs used for the six options were questioned but left unanswered during the meetings. Eventually, Supervisor Lovelock chose option six which represented a twenty one point seven percent (21.7%) increase in existing rates to bring before the township board for approval. He also claimed a \$250,000 CWSD monthly operating loss due to the increase from Detroit Water and Sewer Department (DWSD). Interest from a concerned public over the issue led to the formation of the Water and Sewer Rate Advisory Board (WSRAB) comprised of three Township Board members and 13 citizen volunteers.

Initial meetings of the WSRAB considered many options for water delivery to the township, including developing our own municipal water system and/or partnering with Mt. Clemens or New Baltimore. However, these options were found to be too costly to implement, or that available capacity was not available from the other systems. Most importantly, the contract from the DWSD imposed on Chesterfield Township a two million dollar (\$2,000,000) annual penalty for the remaining years of the contract if we chose to leave their water system. In short, there are not any financially sustainable options other than staying in the contract with DWSD.

The increase from DWSD was then considered and how it affected the current rate, the budget, spending, costs, hidden funds/costs, reserves (enterprise fund), facility improvement/replacement plans.

In the past whenever DWSD increased rates, Chesterfield increased their rates to the residents by the same percentage. In other words, the increases were merely passed through to the township residents. However, the CWSD charge for water is about three times that charged to

## **Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”**

### **2016 White Paper**

them by DWSD resulting in greater increased revenue than needed to cover the increase from DWSD.

The goal of WSRAB was to determine the amount of rate increase to the residents that is appropriate and in line with the rate increases from DWSD and Macomb and advise the full board of our findings.

In November 2015, the Township Board passed an amendment to Ordinance 153 - Water and Sewer rates charges and fees. This amendment changed the fixed charge (RTS) for water and sewer to non-residential customers by a ratio dependent on the size of the meter line. It ranged from 1:1 on a 5/8" line to 70:1 on a 10" line.

Using information supplied by the CWSD, the advisory board determined that there were 17,620 residential meters and 829 non-residential meters. When the meter ratio passed in the Ordinance is applied, it converted to 3,421 equivalent meters giving a total of 21,041 equivalent meters as of April 2016.

The WSRAB determined that the increase from DWSD amounted to approximately \$1,000,000 annually beginning in August 2015. Using the known equivalent meters of 21,041 the WSRAB advised a fixed rate increase of \$12.50 per equivalent meter per billing cycle which would provide \$1,000,000 million per year.

The Township Board authorized this increase in April 2016. However, the CWSD would not/did not change the billing to reflect the increase as proposed by the WSRAB and as called for in the amendment to Ordinance 153. The Township Board has not demanded the CWSD follow the ordinance and is apparently willing to not recover all the costs from the DWSD increase in order to not charge commercial / industrial customers as provided in ordinance 153.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Systemic Issues Identified

Over the past year that the WSRAB has met and analyzed the costs and operation of the CWSD, a number of systemic issues were noted that should be addressed and resolved to improve operations. Specific issues are discussed later in this white paper.

- The Township board should be more transparent regarding rate increases. Actual increases should be based on facts not wants.
- There should be more focus on controlling and following costs. Consistent use of project request forms to authorize spending is part of this process.
- The Township should include infrastructure replacement costs in the CWSD budget and budgeting process
- Additional limits and controls should be instituted on the Enterprise Fund. The Township has the authority to make these changes as required.
- Explore options to reduce total contract engineering costs to the Township
- Redesign the customer bill to show the costs separately for GLWA rate. This includes:
  - GLWA Water Commodity rate
  - Macomb County Sewer rate
  - Irrigation Water Rate (TBD)
  - RTS Charges (Residential or Industrial/Commercial)
  - CWSD rate (including fixed and variable costs)
  - Bond interest cost
- All township board members need to fully understand and be engaged in CWSD processes and operation *before* they vote on any budget spending items. It appears that some members of the Township Board are not exercising sufficient due diligence.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Water and Sewer Rates Issues/Recommendations

#### **1. AEW rate increase Option 6 at a 21.7% increase would have generated approximately \$1.7 million more in revenue than the GLWA and Macomb County increases**

**Recommendation:** Analyze/Audit all future commodity and fixed rate increases. Compare the data for the increases from the GLWA/MC, to the method and amount of revenue the increase will generate. Take into consideration the previous year’s audit information for Appropriations, Revenue and the Enterprise Fund balance. \*Attachment # 1 has more information on this item.

#### **2. Inconsistent data used to calculate rate increases**

**Recommendation:** All Township water and sewer data used to calculate rate increases should be verified as accurate and consistent by the Township finance department. This includes: Residential, Multi-units, Commercial, Industrial and Government/Municipal as well as the number of users and Equivalent Meter Ratios. The Data should be updated annually for Residential/Non-Residential number of users. The Data and Calculations used should be transparent and available to Chesterfield residents.

#### **3. Current format of Township water bill does not define the cost components of the bill. This includes: commodity rates/RTS fixed rates, debt or depreciation**

**Recommendation:** WSRAB model to revise the current water and sewer bill sent to residents that defines the commodity and fixed rate charges for water and sewer.

**Proposed revised water /sewer billing outline. \* Attachment #2 contains additional information.**

#### **4. Meter Equivalent charge for Non-Residential users is not being enforced. Residents are subsidizing commercial and industrial users. The fixed cost attributed to the maintenance and services required from the Twp. S&W department increases with the size of the meter.**

**Reference:** Recommendation by DPW Superintendent Mr. Coddington to the WSRAB that the 2016 rate increase by a 4.3% flat fee based the on actual number of meters, without the implementation of Meter Equivalents and stating that the implementation of Meter Equivalents “not appropriate at this time”, without explanation. Past years revenue losses are substantial.

**Recommendation:** Re-submit to the Twp. Board for a motion to implement the Meter Equivalent charge for Non-Residential users or have the Twp. Board state valid reasons for not taking action.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Enterprise Fund Issues/Recommendations

- 1. The Enterprise Fund is a capital fund. The balance of this fund expands or contracts if water and sewer revenues exceed or are less than expenditures. Currently, there is no minimum or maximum dollar value level in place for this fund. Expenditures are made for not only capital and infrastructure replacement also includes Outside Contractual Services that are water and sewer related is charged to this fund.**

**Reference:** 2015 Planet & Moran Audit page 15, Other Services (\$849,243).

**Recommendation:** Define a feasible min/max level for the fund and initiate a controlled transparent documented oversight requirement process for all appropriations over \$1,500.00.

- 2. The Enterprise Fund is a Capital Fund and millions of dollars are spent annually with little to no Capital or Infrastructure replacement. Currently the Twp. DPW has stated approximately \$4.5 million will be required annually for infrastructure replacement.**

**Recommendation:** Depreciation is the loss of value/worth from the use/wear of capital and infrastructure and is charged to the water/sewer users in the bills they receive. The amount for annual depreciation should be in dedicated sub fund within the Enterprise Fund used only for the hard replacement of capital and infrastructure.

- 3. No oversight or budget process for expenditures**

**Recommendation:** Initiate an annual budget process for appropriations from the Enterprise Fund to be reviewed and approved by the Twp. Board along with the Water and Sewer Annual Operating Budget.

- 4. Pull ahead payments made from the enterprise fund depletes the fund balance and is poor cash flow management**

**Recommendation:** Expenditures from the fund and revenues received should be coordinated to make payments on time when due while maintaining a max cash flow balance.

**Note:**

There is no oversight in Michigan Compiled Law for an Enterprise Fund Min/Max level, Budget process or an Appropriation Approval Process. There should not be a Min/Max proposal with a clause to increase or lower rates based on the fund level without the implementation of an Annual Capital Budget and an Appropriation Approval Process to include defining the oversight requirements and amending the Twp. Charter.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Infrastructure Replacement Issues/Recommendations

#### **1. No plan or budget for replacement for decaying infrastructure prior to 2016**

**Recommendation:** Initiate an annual detailed plan for replacement. Prioritize base on risk of failure, seek Twp. board approval and have a Town Hall meeting for residents.

#### **2. Annual Infrastructure replacement estimated has grown from \$1.6 million to \$4.5 million**

**Recommendation:** Initiate an annual budget process for appropriations for Infrastructure replacement to be reviewed and approved by the Twp. Board along with the Water and Sewer Annual Operating Budget.

**Reference: Water and Sewer Departments 2016 Budget Appropriation General Ledger  
# 591-441-968.000 Depreciation Expense: \$2,300,000**

#### **3. Township needs to identify the primary method to fund revenue required for infrastructure replacement. Is it water & sewer rate increase, Enterprise Fund, Bonds?**

**Recommendation:** The initial source of revenue should be the amount of the Budgeted Annual Depreciation. If additional revenue is needed and rate increases or bonds are considered this funding should be controlled to be spent only on designated infrastructure replacement. Currently residential and non-residential users are charged for Depreciation/Replacement in the water and sewage treatment commodity billing charge.

**\* See Attachment #3 in back pages.**

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Engineering Issues/Recommendations

- 1. Currently, water and sewer projects are awarded without a RFP, approximately \$500K in contract engineering fees annually. The Twp. DPW department has become dependent on a single source for contract engineering services.**

**Recommendation:** The current contract with the Twp.’s engineering source is over 20 years old. Consider competitive alternate engineering sources. Update and renegotiate a new contract, the current contract in the last paragraph absolves the current source of certain responsibilities.

- 2. The majority of contract engineering fees are not represented in the Water & Sewer Department annual budget. Currently, they are appropriated from the Enterprise Fund based on the Township Board’s approval to pay invoices submitted.**

**Recommendation:** All contract engineering expenditures for water and sewer should be allocated in the operation budget or the “New Enterprise Fund Budget”. All engineering expenditures will be approved by the Township. Board prior to the start of any project with RFP’s, with a project definition and a set dollar amount.

- 3. Currently the CWSD is dependent on the current Contract Engineering source and does not have a Professional Engineer (PE) and there is no oversight in place for the quality/quantity of work provided by the current source.**

**Recommendation:** The Twp. needs to hire a PE for in house projects and to provide oversight for the quality of work and services performed by contractual service vendors.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Budget Process/Operations Issues/ Recommendations

#### **1. Water & Sewer Dept. Operational costs are increasing approximately 6% annually**

**Recommendation:** Analyze and compare proposed budget to historical data for large percentage element increases. Personnel, medical and legacy costs are major contributors to the budget increase and are not sustainable in the long term without changes. Re-negotiate contracts and consider not exempting twp. employees from Public act 152.

#### **Examples:**

- GL 591-542-740.000
- Operating Supplies 2015 \$125K 2016 \$195K increased 36%
- Hire an in house PE to reduce contract engineering costs.

See Attachment # 4 in back pages.

#### **2. Depreciation of Capital/Infrastructure is appropriated in the Water& Sewer Annual Budget and is not utilized annually for replacement of failing infrastructure. Infrastructure replacement has been left up to the sole discretion of the Township DPW Management.**

**Recommendation:** Initiate a Transparent Capital/Infrastructure annual replacement budget.

#### **3. There are no departmental allocations from the Water & Sewer Department to other Township departments for: Management of staff/employees, capital equipment use and depreciation, building/office space, utilities and storm system maintenance that contributes to fixed costs for water and sewer department.**

**Recommendation:** Develop employee organizational charts and job descriptions. Vehicles and Capital Equipment shared with log books. Allocate costs that are currently absorbed by the Water and Sewer department to the other Twp. departments that utilize them. See Attachment # 5 in back pages.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### SAW Grant Issues/Recommendations

- 1. Award of a \$2 million dollar project without a RFP or an approved board resolution with a dollar value. No mention to the Township residents of a \$440,000 Township match in funding. The increase in the Residents/Non-Resident sewer rates could be substantial.**

**Recommendation:** The SAW Grant was initially funded out of the Enterprise Fund, with State funding starting Jan. 1, 2016. Initiate the Budget process and oversight for all Appropriations from the Enterprise Fund.

- 2. SAW Grant Expenditures contributed to the reduction in the Enterprise Fund in 2013, 2014 and 2015. State reimbursement started Jan. 1, 2016**

**Recommendation:** Initiate the Budget process and oversight for all Appropriations from the Enterprise Fund. This will help explain all contributors to the Enterprise Fund shrinkage.

- 3. Outside source contracted to determine future rate increases for revenue to fund the proposed SAW Grant Project, the project not yet defined and without a cost estimate**

**Recommendation:** The outside source will use data supplied by the Township DPW/Contract Engineering source to calculate rate increases based on estimates for the selected SAW Grant project.

There should be RFP project bid requirements containing project cost data used in the calculations, not an estimate from the Township Contract Engineering source. The data for user rate increase, consistent with the new water and sewer billing data, verified as accurate and consistent by the Township Finance Department.

Chesterfield residents were invoiced approximately \$9,600 by AEW for an “Outside Source” to calculate the 2015/2016 water and sewer rates. This work product was abandoned when the 21.7% rate increase was challenged and data was made available for the actual DWSD and Macomb County fixed rate increases.

The Data and Calculations used should be transparent and available to Chesterfield residents.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Attachment # 1: 21.7% Option - Increase overcharge to residents calculations

The total increase from the DWSD and MC was approximately \$1,000,000

2016 Water and Sewer Departments **Projected Budget Revenue** for the sale of water and sewage treatment without rate increases.

Sewer Treatment Sales:	\$7,000,000
Water Sales:	<u>\$5,100,000</u>
Total:	\$12,100,000
	<u>+21.7%</u>
	\$14,725,700
	- <u>\$12,100,000</u>
Increase @ 21.7%:	\$2,625,700
DWSD & MC Increase:	\$1,000,000
<b>Over Charge of:</b>	<b>\$1,625,700</b>

2015 Water and Sewer Departments **Plante & Moran Audit Revenue** for the sale of water and sewage treatment without rate increases.

Sewer Treatment Sales:	\$6,947,878
Water Sales:	<u>\$5,607,130</u>
Total:	\$12,555,008
	<u>+21.7%</u>
	\$15,279,445
	- <u>\$12,555,000</u>
Increase @ 21.7%:	\$2,724,437
DWSD & MC Increase:	\$1,000,000
<b>Over Charge of:</b>	<b>\$1,724,437</b>

**Note: Revenues are historically understated in the annual budgets.**

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Attachment # 2: Proposed revised Water/Sewer Billing Format

The proposed billing format (below) shows the purchased cost of water and sewage from GLWA and Macomb. The GLWA currently charges \$9.18 Mcf or \$1.23 / 1000 gallons.

The fixed rate charge is \$186,600 / month (\$6220 day) . The GLWA contract costs are based on maximum usage of 12,500,000 gallons per day which is used to determine fixed water costs. Fixed sewage costs from Macomb are currently \$335,000 month (\$11,166/day) for the same usage of 12,500,000 gallon/day. Irrigation Water Cost, RTS Cost, CWSD Costs (fixed and variable) and Bond Interest Cost are also on the bill.

RTS income based on 21,041 current equivalent meters will yield \$2.3 million per year.

#### GLWA:

Water (commodity); \$1.23 / 1000 gal. x usage (1000 gal. increments) for 90 days =

Water (fixed); \$ .49 / 1000 gal. x usage (1000 gal. increments) for 90 days =

#### MACOMB:

Sewage; \$ .90 / 1000 gal. x usage (1000 gal. increments) for 90 days =

Irrigation Water Charges: TBD

#### RTS:

Residential meters;

\$7.00 water + \$12.50 water + \$8.00 sewer = \$27.50 per residential meter each billing cycle.

Industrial and Government facilities; The pipeline size ratio cited in Ord. 153 cites the multiplier used to determine the equivalent meter number, which is then multiplied by \$27.50 each billing cycle.

#### CWSD:

Water & Sewer; Quarterly operational cost to deliver water and sewer services based on water usage in 1000 gallon increments.

Quarterly operational cost is based on yearly budget divided by max usage of 12,500,000 gal. per day for 365 days which gives cost per gal x 1000 x usage for billing period.

#### Bond Interest:

TBD; shared by equivalent meters or by water usage.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Attachment # 3: Infrastructure Replacement Funding Sources

AEW Option Rate Increase Table: Water and Sewer Commodity Charge for 2015 with a -5.8% reduction.

No current values for 2014 that were requested by the WSRAB were provided.

**Assumption:** The current values that Residential and Non-Residential users are paying are 5.8% higher in the current billing rate for water at \$3.80 and \$5.88 for sewage treatment.

Water Commodity Charge for Depreciation  $\$0.8458 + 5.8\% = \$0.8948$

Sewage Commodity Charge for Depreciation  $\$1.0693 + 5.8\% = \$1.1313$

**Water and Sewer combined billing charge for Depreciation/Replacement of: \$2.0261 Per 1000 gal.**

	2014	2015	
<b><u>Water Commodity Charge - Per 1000 gal</u></b>			
Chesterfield Admin. & Fixed Overhead (Not in RTS Charge)		\$0.3817	
Chesterfield Operations & Maintenance		\$0.5929	
Capital Improvements - Non Bonded		\$1.2974	
Township Debt Service (Not in Debt Service Charge)		\$0.1228	
Depreciation/Replacement		\$0.8458	
Miscellaneous Revenue		-\$0.4444	
DWSD Water Commodity		\$0.9870	
DWSD Fixed Charge (Not in RTS Charge)		\$0.9565	
Miscellaneous Adjustments		-\$1.1596	
<b>Total Commodity Water</b>	<b>\$3.80</b>	<b>\$3.58</b>	<b>-5.8%</b>
<b><u>Sewer Commodity Charge - Per 1000 gal</u></b>			
Chesterfield Admin. & Fixed Overhead (Not in RTS Charge)		\$0.3282	
Chesterfield Operations & Maintenance		\$0.6788	
Capital Improvements - Non Bonded		\$0.5449	
Township Debt Service (Not in Debt Service Charge)		\$0.3144	
Depreciation/Replacement		\$1.0693	
Miscellaneous Revenue		-\$0.7118	
DWSD Fixed Charge (Not in RTS Charge)		\$1.2310	
OMIDD Fixed Charge (Not in RTS Charge)		\$0.0289	
OMIDD Debt Service (Not in Debt Service Charge)		\$0.4553	
MCWDD Fixed Charge (Not in RTS Charge)		\$0.2189	
MCWDD Debt Service (Not in Debt Service Charge)		\$1.2068	
Miscellaneous Adjustments		\$0.1753	
<b>Total Commodity Sewer</b>	<b>\$5.88</b>	<b>\$5.54</b>	<b>-5.8%</b>

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Attachment # 4: CWSD Operational Costs by Year (2014-2016)

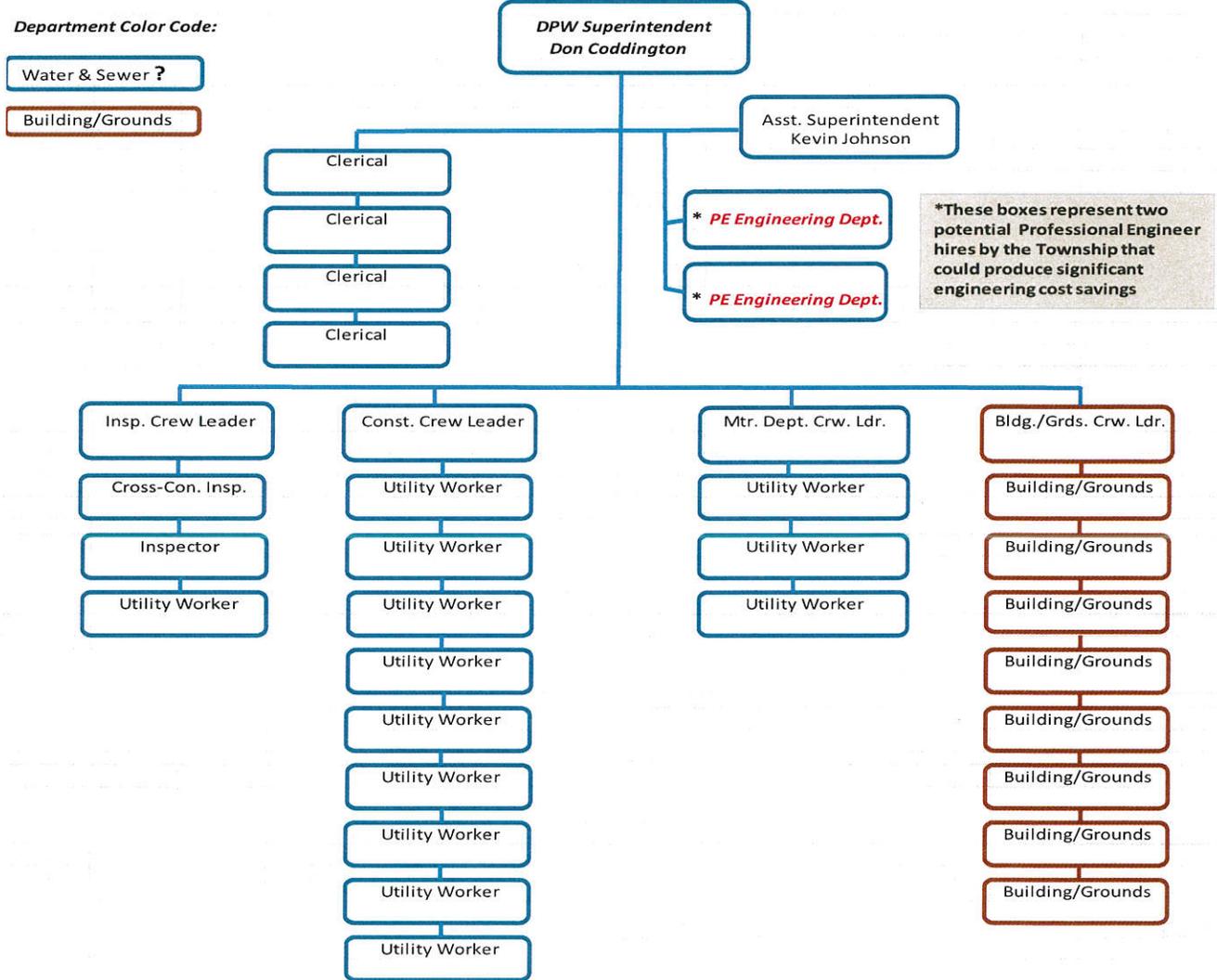
2014 Expenditures:		2015 Expenditures:			2016 Expenditures:					
Water	Superintendent	80,000	Water	Superintendent	87,000	9%	Water	Superintendent	93,004	6%
		0		Assistant/Deputy	70,900	100%		Assistant/Deputy	73,867	4%
	Operations	839,330		Operations	908,240	8%		Operations	931,507	2%
	Administrative Staffing	179,300		Administrative Staffing	171,020	-5%		Administrative Staffing	178,932	4%
	Part -time/Temp/Per Diem	3,600		Part -time/Temp/Per Diem	3,600	0%		Part -time/Temp/Per Diem	4,800	25%
	Maintenance/Standby	10,400		Maintenance/Standby	11,700	13%		Maintenance/Standby	11,700	0%
	Overtime	10,000		Overtime	40,000	300%		Overtime	40,000	0%
	Longevity Pay	70,640		Longevity Pay	75,760	7%		Longevity Pay	71,441	-6%
	Education Pay/Certs/Licenses	7,700		Education Pay/Certs/Licenses	7,700	0%		Education Pay/Certs/Licenses	9,350	18%
	Workers Compensation	48,530		Workers Compensation	43,330	-11%		Workers Compensation	51,379	16%
	Employer Fica/Medicare	98,990		Employer Fica/Medicare	110,760	12%		Employer Fica/Medicare	113,730	3%
	Medical Insurance	331,230		Medical Insurance	422,450	28%		Medical Insurance	526,455	20%
	Life/Disability Insurance	6,200		Life/Disability Insurance	6,700	8%		Life/Disability Insurance	13,637	51%
	Pension Contribution	167,970		Pension Contribution	175,000	4%		Pension Contribution	178,823	2%
	Accrued Sick/Vacation Pay	74,000		Accrued Sick/Vacation Pay	72,000	-3%		Accrued Sick/Vacation Pay	72,000	0%
	OPEB-Designation	233,420		OPEB-Designation	263,130	13%		OPEB-Designation	159,600	-65%
	Office Supplies	5,500		Office Supplies	6,000	9%		Office Supplies	6,000	0%
	Operating Supplies	50,000		Operating Supplies	50,000	0%		Operating Supplies	55,000	9%
	Uniforms	9,000		Uniforms	9,000	0%		Uniforms	10,000	10%
	Contractual Services	5,000		Contractual Services	5,000	0%		Contractual Services	8,000	38%
	Audit Fees	16,000		Audit Fees	16,000	0%		Audit Fees	16,425	3%
	General Administration	260,320		General Administration	195,650	-25%		General Administration	211,270	7%
	Engineering Fees	80,000		Engineering Fees	80,000	0%		Engineering Fees	100,000	20%
	Legal Expenses	15,000		Legal Expenses	15,000	0%		Legal Expenses	15,000	0%
	Dues & Memberships	13,000		Dues & Memberships	15,000	15%		Dues & Memberships	15,000	0%
	Dispatch Services	8,000		Dispatch Services	10,000	25%		Dispatch Services	20,000	50%
	Telephone	20,000		Telephone	25,000	25%		Telephone	35,000	29%
	Vehicle Repair & Maintenance	70,000		Vehicle Repair & Maintenance	70,000	0%		Vehicle Repair & Maintenance	70,000	0%
	Gas Pump Repairs	2,000		Gas Pump Repairs	2,000	0%		Gas Pump Repairs	2,000	0%
	Travel, Training, Schl & Conf	2,000		Travel, Training, Schl & Conf	2,000	0%		Travel, Training, Schl & Conf	5,000	60%
	Printing & Publications	20,000		Printing & Publications	20,000	0%		Printing & Publications	20,000	0%
	General Insurance & Bonds	63,000		General Insurance & Bonds	63,000	0%		General Insurance & Bonds	75,000	16%
	Utilities	60,000		Utilities	50,000	-17%		Utilities	50,000	0%
	Building & Grounds Maintenance	20,000		Building & Grounds Maintenance	20,000	0%		Building & Grounds Maintenance	20,000	0%
	Road Repairs	10,000		Road Repairs	10,000	0%		Road Repairs	10,000	0%
	Off Equip/Computer Repair/Maint	20,000		Off Equip/Computer Repair/Maint	20,000	0%		Off Equip/Computer Repair/Maint	20,000	0%
	Retals & Leases	5,000		Retals & Leases	5,000	0%		Retals & Leases	5,000	0%
	Computer Usage & Maintenance	6,500		Computer Usage & Maintenance	6,500	0%		Computer Usage & Maintenance	6,500	0%
	Miscellaneous	8,000		Miscellaneous	10,000	25%		Miscellaneous	10,000	0%
Sewer	Operating Supplies	10,000	Sewer	Operating Supplies	10,000	0%	Sewer	Operating Supplies	10,000	0%
	Contractual Services	10,000		Contractual Services	10,000	0%		Contractual Services	10,000	0%
	Municipal Pumping	40,000		Municipal Pumping	25,000	-38%		Municipal Pumping	25,000	0%
	Equipment Repair & Maintenance	50,000		Equipment Repair & Maintenance	50,000	0%		Equipment Repair & Maintenance	50,000	0%
	Sewer Easements	1,500		Sewer Easements	1,500	0%		Sewer Easements	1,500	0%
Water	Operating Supplies	100,000	Water	Operating Supplies	125,000	25%	Water	Operating Supplies	195,000	36%
	Contractual Services	10,000		Contractual Services	10,000	0%		Contractual Services	10,000	0%
	Equipment Repair & Maintenance	20,000		Equipment Repair & Maintenance	25,000	25%		Equipment Repair & Maintenance	25,000	0%
		3,171,130			3,430,940				3,641,920	6%
				<b>Increase from 2014</b>	<b>259,810</b>	<b>8.2%</b>				
	2013 Operating Cost	2,958,836		<b>Increase from 2013</b>	<b>472,104</b>	<b>16.0%</b>		<b>Increase from 2013</b>	<b>18.8%</b>	
		3,430,940							<b>683,084</b>	

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Attachment: # 5 Chesterfield Township Organizational Chart

**Chesterfield Twp. DPW Organizational Chart:**



Data for this chart was provided to the WSRAB by DPW Superintendent Don Coddington. For proper cost allocation, each employee should be designated as Water & Sewer or Building & Grounds resource. For clerical employees not dedicated to a single department, a shared percentage allocation should be assigned between the two departments.

# Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”

## 2016 White Paper

### Abbreviations, Acronyms and Definitions:

**AEW:** Anderson, Eckstein, and Westrick : Chesterfield Twp. single contract engineering source.

**AWWA:** The American Water Works Association Established in 1881 is the largest nonprofit, scientific and educational association dedicated to managing and treating of water and water and waste systems.

**Municipal Bonds:** A municipal bond is a debt security issued by a state, municipality or county to finance its capital expenditures, including the construction of highways, bridges or schools, water and sewage infrastructure.

**Capital Improvements:** A capital improvement is the addition of a permanent structural change or the restoration of some aspect of a property that will either enhance the property's overall value, increases its useful life or adapts it to a new use.

**Commodity:** A reasonably interchangeable good or material (Water and Sewage Treatment) bought and sold freely as an article of commerce.

**Commodity Rate:** Is associated with the purchase of a commodity (Water and Sewage Treatment). These commodities are priced to residents based on a unit of 1,000 gals.

**CWSD:** The Chesterfield Water and Sewer Department.

**Debt Service:** The annual amount due for bond payments, to include interest.

**Depreciation:** Is a reduction in the value of an asset with the passage of time, due in particular to wear and tear.

**Depreciation/Replacement:** Element (Cost) added to the commodity rate for water and sewage treatment charged to residents.

**DWSD:** The Detroit Water and Sewer Department.

**Enterprise Fund:** Is an accounting system emphasizing accountability rather than profitability, used by non-profit organizations, governments and municipalities for business operations.

**Fixed Cost:** A fixed cost is a cost that does not change with an increase or decrease in the amount of goods or services produced or sold (GLWA and MC monthly fixed cost). Fixed costs are expenses that have to be paid by a company, independent of any business activity. The allocation of Fixed Cost can be factored into the price of the projected volume of a commodity, a stand-alone element on the invoice or both to recover the fixed cost expense.

# **Chesterfield Twp. Water and Sewer Rate Advisory Board “WSRAB”**

## **2016 White Paper**

**GLWA:** Great Lakes Regional Water Authority has taken over management of the Detroit Water and Sewer Department and provides water and sewer services for the Southeast Michigan.

**Infrastructure:** Infrastructure is the basic facilities and installations that help a government or community run, including roads, schools, phone lines, water and sewage.

**MC:** Macomb County Public Works: Provides Wastewater management and treatment.

**Mcf:** 1,000 cubic feet: The unit size billed to Chesterfield for water from the GLWA.  $1,000 \text{ Mcf} \times (7.48 \text{ Conversion Factor}) = 7,480 \text{ gals.}$

**ME:** Meter Equivalents: Factors/Ratios for sizing water meters and determining certain fees, following the American Water Works Associations EQUIVALENT FACTOR SCHEDULE.

**PE:** Professional Engineer

**RTS:** Readiness to Serve Charge: Charge to residents for Water and Sewer Department Cost of Operation and Fixed Overhead.

**SAW Grant:** A Michigan Department of Environmental Quality grant for \$1,860,000 with a required Chesterfield Twp. match of \$400,000 total amount \$2,286,000. For a Wastewater Asset Management Plan and does not include any new or replacement of infrastructure.

**WSRAB:** Chesterfield Twp. Water and Sewer Rate Advisory Board formed to research/analyze cost and revenues to accurately, with fairness and equality recommend water and sewer rate increases to the Twp. Board.

# Consent Agenda Item # **B**

## Proposed MINUTES OF THE REGULAR BOARD MEETING OF THE CHARTER TOWNSHIP OF CHESTERFIELD

October 17, 2016

The meeting was called to order by Supervisor Lovelock at 7:02 pm in the Charter Township of Chesterfield Municipal Offices at 47275 Sugarbush, Chesterfield, MI 48047.

Present: Supervisor Lovelock, Clerk Berry, Treasurer Hartman  
Trustees: Anderson, Bell, DeMuyndck, Joseph

Also Present: Mary Geremesz, Township Attorney Anderson

The Pledge of Allegiance was led by the executive board of the Friends of Chesterfield Police. **PLEDGE OF ALLEGIANCE**

Trustee Joseph made a PowerPoint presentation to the board on behalf of the Friends of Chesterfield Police. **PRESENTATION**

Motion by Berry, supported by Joseph to: **5A)** Approve the Agenda as submitted. **5B)** Approve the minutes of the Regular Board Meeting of October 3, 2016. **5C)** Approve the payment of bills as submitted. **CONSENT AGENDA /APPROVED**

Roll Call Vote:

Ayes: Berry, Joseph, Anderson, Bell, DeMuyndck, Hartman, Lovelock

Nays: None

**MOTION CARRIED**

Motion by Joseph, supported by DeMuyndck to approve a request from the Department of Public Works to solicit Request for Proposals, RFP, for a new Supervisory Control and Data Acquisition system, SCADA with all expenditures coming from the 2016 budget. **MOTION TO APPROVE THE SOLICITATION OF RFP'S FOR A SCADA SYSTEM FOR DPW/APPROVED**

Roll Call Vote:

Ayes: Joseph, DeMuyndck, Anderson, Bell, Hartman, Lovelock, Berry

Nays: None

**MOTION CARRIED**

Motion by Lovelock, supported by Joseph to approve the sale of property, parcels #015-09-28-326-006, #015-09-28-326-007 and #015-09-28-326-008, to David Morelli of Morelli Custom Homes, LLC for \$38,250.00. **MOTION TO APPROVE THE SALE OF TOWNSHIP PROPERTY TO MORELLI CUSTOM HOMES/APPROVED**

Roll Call Vote:

Ayes: Lovelock, Joseph, Anderson, Bell, DeMuyndck, Hartman, Berry

Nays: None

**MOTION CARRIED**

Motion by Lovelock, supported by Joseph to approve the Planning Commission's recommendation to rezone parcel ID# 09-27-101-020 and 09-27-101-021 located at the northwest corner of Mallard street and Jefferson Ave. The Jefferson property will go from RM-3 (Multiple Family Residential) to R2 and the property on Mallard, RM-3 (Multiple Family Residential) will be R-1A pending a property split.

Roll Call Vote:

Ayes: Lovelock, Joseph, Anderson, Bell, DeMuyneck, Hartman, Berry

Nays: None

**MOTION TO APPROVE  
REZONING  
PROPERTIES  
LOCATED AT THE  
CORNER OF  
MALLARD ST.AND  
JEFFERSON AVE.  
/APPROVED**

**MOTION CARRIED**

Rita Richards, Joe Miller, Bob Kott, Kevin Johnson, Bill Benenati and Dan Blackburn addressed the board.

**PUBLIC COMMENTS**

Motion by Lovelock, supported by DeMuyneck to adjourn the meeting at 8:27pm.

Ayes: All

Nays: None

**ADJOURNMENT**

**MOTION CARRIED**

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Cindy Berry, Clerk

Michael Lovelock, Supervisor

# MUSILLI BRENNAN ASSOCIATES, PLLC

A Professional Limited Liability Company of Attorneys and Counselors at Law  
24001 Greater Mack Avenue  
St. Clair Shores, Michigan 48080-1408  
(586) 778-0900  
Facsimile (586) 778-1204

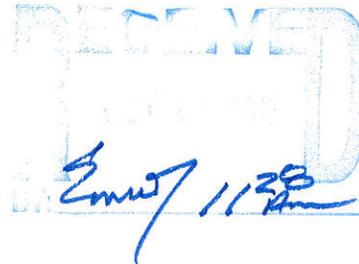
Gary E. Gendernalik  
GendernalikG@lawyermichigan.us

October 25, 2016

Agenda Item # **A**

Chesterfield Township Board  
47275 Sugarbush Rd  
Chesterfield MI 48047

Re: Salt River Flats Development  
PUD #2015-14  
Proposed 163 lots-80 feet x 130 feet  
Property Zoned R-1-A  
November 1, 2016 Board Meeting Item



Dear Board Members:

The purpose of this correspondence is to bring to your attention certain concerns of the Chesterfield Township residents/property owners that live on Laurel Oak Lane and on Baker Road whose property abuts the proposed Salt River Flats Development. The majority of the property owners are cognizant of the fact that in all probability, the property in question will never be used as a golf course and will be developed in some type of single family development. They have expressed concerns as to the layout of the proposed Salt River Flats Development. The following is a list of some of the concerns that the residents have:

1. The property is zoned for R-1-A development/family residential development. The Zoning Ordinance Section 76-332(e) indicates that in the R-1 District, the minimum lot size is **13,500** square feet with a minimum width of **90** feet. The minimum depth is **150** feet. In reviewing the site plan submission/PUD rezoning documents, the developer seeks to have lots that are **80** feet in width with **130** feet of depth, per sheet 6 of 20 of the revised plan dated 6/28/2016 submitted by Midwest Consulting. That dimension provides a lot having **10,400** square feet, which is **3,100** square feet below the minimum lot size requirement. **That is a deficiency of approximately 23% of the required lot size.** On many occasions, the homeowners have made a suggestion that the perimeter lots along the west side of the proposed development and on the east side have a width dimension of **90** feet with a depth of **130** feet and this would provide a lot containing **11,700** square feet, which is **1,800** square feet below the minimum lot size requirement per the ordinance. Those are planning concepts and not just engineering concepts. This lot size suggestion was made given the fact that the revised site plan showed a **50** foot buffer on the east and west perimeter. The only exception as to that **50** foot open space is in conjunction with the location of Lot 19 and 20. It was suggested, in the past, that Lots 19 and 20 be eliminated and just become part of three lots or four lots in that Nicholas Court area of the first phase of this development. In reviewing the Planning Commission minutes and the prior discussions at the Township Board, no public official has ever addressed those suggestions. Sheet 6 of the proposal dated 6/28/2016 has a typical lot layout detail referencing the **80** by **130** foot lot with a **30** foot front setback and a **35** foot rear yard setback with **10** foot side yard setbacks. In the current economic climate, more and more people are building homes with 3-car garages. If you had a **90** foot wide lot, it would more easily accommodate a 3-car garage. The developer has said that the homes are going to be in the market range of **\$400,000** plus or minus.

Larger/wider lots would facilitate those types of homes. At one of the recent Board meetings, the developer and/or one of the Township Board members indicated in part, that if this proposal was not approved, someone in the future might come and build 200 homes on this parcel. That statement seems baseless based on the fact that the property is zoned R-1-A, which requires lots 90 feet wide and 150 feet deep. In the past, a previous developer tried to rezone the property to R-1-C provides for lots 60 feet wide and 120 feet deep with a total square footage of 7,800 square feet. The residents doubt that the current property owner/current developer or any other developer would ask for 60 foot lots on the parcel in question.

2. We are cognizant of the fact that this is a PUD proposal, which is basically a rezoning of the property in conjunction with a proposed site plan land program. The PUD process, in conjunction with a site condominium is clearly an appropriate planning tool for this particular parcel of property given the fact that the Salt River winds through it, there is considerable flood plain and floodway and related development issues.

The Chesterfield Township Zoning Ordinance in section 76-480 et seq., spells out the PUD process. The Zoning Ordinance at Section 76-481(b)(3)(c) reads as follows: **“The PUD shall include residential densities consistent with or less than what could be obtained through a conventional development on the residentially zoned property. The applicant shall submit a plan meeting all zoning ordinance, land division ordinance, and other applicable ordinances to determine the permitted number of residential units within a PUD.”** Basically, that ordinance provision requires a yield plan to demonstrate a conventional development in comparison to what is being proposed. **In reviewing the Township records, it would appear that no yield plan has ever been submitted to the Planning Commission and/or the Township Board.**

3. The Township Zoning Ordinance at Section 76-481(b)(7) reads as follows: **“Suitability. The site shall be suitable for development in the manner proposed, without hazards to person or property, on or off the tract, from probability of flooding, erosion or other dangers, annoyances or inconveniences. Condition of soil, ground water level, drainage and topography shall all be appropriate to both kind and pattern of use intended.”** Citizens have voiced their concern concerning the probability of flooding issue and their own personal observation of the flooding of the Salt River Golf Course. Many residents pointed out photographs that they took of flooding on the property during the last 25 years. I have attached some additional photographs that were provided to me by Joey Treadwell who lives on Laurel Oak Lane taken in 2014 and 2015 showing some of the typical flooding.

4. The Zoning Ordinance in Section 76-481(12)(b)(6) provides in part that the developer should provide bonds, guarantees, development agreements, or contracts or deed restrictions acceptable to the Township Board for the completion of the approved plan and for continuing operation of maintenance of such areas, facilities, and services are not to be provided, operated or maintained at general public expense. At prior meetings there were little if any discussion concerning that aspect of the zoning ordinance. In the revised site plan, the developer has at least 4 phases as to the proposed project as noted on sheet 6 and 7 of the revised plan dated June 28, 2016. Phase I has 39 lots. In Phase II, it shows the construction of a bridge over the Salt River. **At the last Township Board meeting, the developer indicated that he was going to build the bridge in the first phase of this project.** If that is the case, then appropriate modifications have to be made to the site plan submission to delete the Phase I and II reference or in the alternative, some other documentation put in place to demonstrate a new phasing project guarantees or escrowing of funds for the bridge and the sanitary sewer pump station.

**In the recent past, Chesterfield Township has required the new developer in the Lottivue Woods Condominium Development to escrow monies to guarantee the installation of a Vortex storm sewer facility.** It would appear appropriate, given the significant cost that is reasonably foreseeable with reference to the bridge and the sanitary sewer pump station that those costs be funded up front with monies held in escrow.

5. At several of the public hearings concerning this proposed development, it was pointed out that 39 homes would be built in Phase I on the east side of the property as noted on sheet 6 of the drawing dated 6/28/2016. Photographs were shown of significant flooding in that area and often the public officials commented that that was an engineering issue. **If one looks at sheet 2 of the drawing dated March 2, 2016, it gives the topo elevations on the east side of the property and a common elevation is 589 feet above sea level in close proximity to the back yards of the homes that face onto Baker Road.** That same sheet 2, if you move westerly from the east property line, you can see a common elevation of approximately 579 feet. **By rough estimates, the area that would occupy lots 22 through 33 would have approximately 10 feet of fill placed prior to the construction of the homes.** No typical cross section of that fill was provided on the site plan submission. There was no preliminary discussion or typical cross section as to how that approximate 10 feet of fill would be retained along the western portion of the fill in close proximity to the Salt River. Is the concrete wall going to be built? Or is it going to be a steel retaining wall? Will it be large stones or large boulders acting as a retaining wall system? If that eastern portion is filled in Phase I, what accommodations are made as to the change in the flood plain and the floodway along that section of the Salt River?

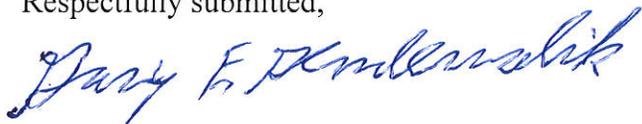
6. The Zoning Ordinance in Section 76-482(2) sets forth certain requirements as to construction in flood plains or floodways and in subpart (b)(2) reads as follows: **“Such fill or other materials shall be protected against erosion by appropriate rip-rap, vegetative cover or bulk heading.”** I do not believe that the revised site plan addresses those issues. The construction of the bulk head or other erosion control devices may add significantly to the development cost for this project and in turn, have some impact on the economic feasibility of the project as submitted.

7. Sheet 3 of the March 9, 2016 drawing shows the elimination of the storm sewer pipe that drains the entire Meadowknoll Subdivision through the Golf Course and a pipe that opens into a swale and then is re-piped with an outlet to the Salt River and the construction of homes in that area as depicted on Sheet 7 of the revised drawing dated June 28, 2016. Sheet 7 shows the construction of homes where the drain used to be and also a construction of homes where the current pond exist on the 15<sup>th</sup> hole. The easement from the prior owner of the Golf Course for the storm drainage system from the Meadowknoll Subdivision into the Salt River was granted to Chesterfield Township and the Macomb County Road Commission now known as the Macomb County Department of Public Roads. Has the Macomb County Road Department signed off on the abandonment of that storm drainage system that drains the Meadowknoll Subdivision? That drainage system currently works fine and there has been no flooding in the Meadowknoll Subdivision Development. There is no storm water detention for the Meadowknoll Subdivision. All of the storm water has a direct discharge through the pipe, the open swale and then the piping system into the Salt River. The homeowners in Meadowknoll Subdivision have a significant concern as to whether some new storm water system will work as well as the existing system.

8. The residents have expressed concern as to the fact that there is only one access road from this development out to 23 Mile Road. I realize that is an engineering issue as well as a planning issue. The Macomb County Department of Public Roads generally limits a cul-du-sac to **800** feet. The Chesterfield Township Engineering Ordinance generally would require more than one outlet when you have more than 65 lots in a subdivision. Has the developer ever applied for a variance as to that requirement to the Chesterfield Township Board?

Thus, the residents would respectfully request that the Township Board table this matter to an appropriate date in the future when these issues can be viewed and analyzed before final decision is approved by the Chesterfield Township Board.

Respectfully submitted,



Gary E. Gendernalik

Cc: Timothy VerVaecke via email: [tvervaecke@goeteckinc.com](mailto:tvervaecke@goeteckinc.com)  
Robert C. Wagner, Midwestern Consulting Group, via fax: 734-995-0599  
Elaine Lukas, via email: [elainelukas@comcast.net](mailto:elainelukas@comcast.net)  
Mark Hothem, via email: [mhothem@gmail.com](mailto:mhothem@gmail.com)  
Joey Treadwell, via email: [jaytee111@icloud.com](mailto:jaytee111@icloud.com)

## Ida Lange

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**From:** Joey Treadwell [jaytee111@icloud.com]  
**Sent:** Monday, October 03, 2016 10:44 PM  
**To:** Gary Gendernalik  
**Cc:** Dave Treadwell  
**Subject:** Salt River Flats  
**Attachments:** November 2014 - April 2015 1249.jpg; November 2014 - April 2015 1250.jpg; November 2014 - April 2015 1251.jpg; November 2014 - April 2015 1252.jpg; November 2014 - April 2015 1253.jpg



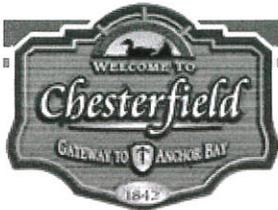








*OK for agenda*



47275 Sugarbush • Chesterfield Twp., MI 48047

# Agenda Item # B

November 1, 2016



To: Chesterfield Township Board

I am requesting Board approval to approve the Exemption for the Charter Township of Chesterfield from the annual requirements of the Publicly Funded Health Insurance Contribution Act ("Act"). The Act imposes certain limitation of public employees' medical benefit plan coverage paid for by public employers, which includes Townships.

The Act limits the amounts the Township can contribute to a medical benefit plan for its employees and elected public officials. They can pay no more than the "hard cap" set for the annual premium rates and for payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs.

For coverage years beginning on or after January 1, 2017, the limit on the amount that a public employer may contribute to a medical benefit plan equals the sum of the following:

Single Coverage	\$ 6,344.80
2-Person Coverage	\$13,268.93
Family Coverage	\$17,304.02

Chesterfield Township will never be subject to any penalties if we fail to comply for 2017. The Township does not receive any of the state funds specifically defined in the Act that would be subject to financial penalties for non-compliance. However, the Act does specifically allow local units of government to exempt themselves from the requirements of the Act for the next succeeding year by a 2/3 vote of the governing body each year.

I am, therefore, requesting your support to exempt The Charter Township of Chesterfield from the requirements of the Publicly Funded Health Insurance Contribution Act for the year of 2017.

Respectfully yours,

Michael Lovelock  
Township Supervisor



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**September 20, 2016**

**PUBLIC EMPLOYER CONTRIBUTIONS TO MEDICAL BENEFIT PLANS  
ANNUAL COST LIMITATIONS – CALENDAR YEAR 2017**

For a medical benefit plan coverage year beginning on or after January 1, 2012, MCL 15.563, as amended by 2013 Public Act 270, sets a limit on the amount that a public employer may contribute to a medical benefit plan.

For medical benefit plan coverage years beginning on or after January 1, 2013, MCL 15.563 provides that the dollar amounts that are multiplied by the number of employees with each coverage type be adjusted annually. Specifically, the dollar amounts shall be adjusted, by October 1 of each year, by the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available. For calendar year 2016, the limit on the amount that a public employer may contribute to a medical benefit plan was set to the sum of the following:

- \$ 6,142.11 times the number of employees and elected public officials with single-person coverage
- \$12,845.04 times the number of employees and elected public officials with individual-and-spouse coverage or individual-plus-1-nonspouse-dependent coverage
- \$16,751.23 times the number of employees and elected public officials with family coverage.

The limits for 2017 equal the 2016 limits increased by **3.3 percent**. The 3.3 percent is the percentage change in the medical care component from the period September 2014-August 2015 to the period September 2015-August 2016.

Thus, for medical benefit plan coverage years beginning on or after January 1, 2017, the limit on the amount that a public employer may contribute to a medical benefit plan equals the sum of the following:

- **\$ 6,344.80** times the number of employees and elected public officials with single-person coverage
- **\$13,268.93** times the number of employees and elected public officials with individual-and-spouse coverage or individual-plus-1-nonspouse-dependent coverage
- **\$17,304.02** times the number of employees and elected public officials with family coverage.

  
\_\_\_\_\_  
Nick A. Khouri  
State Treasurer

September 20, 2016

MICHIGAN Charitable Gaming Division <sup>1</sup>  
Box 30023, Lansing, MI 48909  
OVERNIGHT DELIVERY:  
101 E. Hillsdale, Lansing MI 48933  
(517) 335-5780  
LOTTERY [www.rnichigaii.govica](http://www.rnichigaii.govica)

Agenda Item # C

## Resolution 2016-15

### LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES (Required by MCL.432.103(K)(ii))

At a REGULAR meeting of the Chesterfield Township Board Of Trustees  
REGULAR OR SPECIAL TOWNSHIP, CITY OR VILLAGE COUNCIL/BOARD

called to order by \_\_\_\_\_ on November 1, 2016  
DATE

At 7:00 PM the following resolution was offered: For Approval  
TIME

Moved by Supervisor Lovelock and supported by \_\_\_\_\_

that the request from Chesterfield Township Historical society of Chesterfield Township  
NAME OF ORGANIZATION CITY

county of Macomb County, asking that they be recognized as a  
COUNTY NAME  
nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses, be considered for Approval  
APPROVAL/DISAPPROVAL

APPROVAL

DISAPPROVAL

Yeas:

Yeas:

Nays:

Nays:

Absent:

Absent:

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted by the Chesterfield Township Board Of Trustees at a Regular

TOWNSHIP, CITY OR VILLAGE COUNCIL/BOARD

REGULAR OR SPECIAL

meeting held on November 1, 2016  
DATE

SIGNED: \_\_\_\_\_  
TOWNSHIP, CITY, OR VILLAGE CLERK

\_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
ADDRESS

RECEIVED  
OCT 21 2016  
BY: Gunn J 1046

COMPLETION\* Required.  
PENALTY\_ Possible denial of application.  
BSL-CG-1153(R8/09)

## Wurmlinger, Eric M.

---

**From:** Roy Rivard <royfrivard@yahoo.com>  
**Sent:** Thursday, October 20, 2016 10:11 AM  
**To:** Wurmlinger, Eric M.  
**Cc:** Lathrop Ron & Marsha; Anderson, Henry  
**Subject:** resolution for gaming license  
**Attachments:** RESOLUTION FOR GAMING.jpg

Good morning Eric

We have a member that sews quilted blankets, and offered to make one so we could raffle it off as a Society fundraiser. The raffle would start in 2017 at our Pasta Dinner and end at our Heritage days weekend. This will require that we get a license. Starting to investigate the requirements to get the license is to have the permission of the local governing body.

As per our conversation, attached is a copy of the Resolution for permission from the board. If you cannot open it, let me know and I will hand carry you a copy

Thank You in Advance  
Roy  
586 504 0161

This message has been scanned and no issues discovered.  
[Click here](#) to report this email as spam

## Resolution 2016-16

### LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES (Required by MCL.432.103(K)(ii))

At a REGULAR meeting of the Chesterfield Township Board Of Trustees  
REGULAR OR SPECIAL TOWNSHIP, CITY OR VILLAGE COUNCIL/BOARD

called to order by \_\_\_\_\_ on November 1, 2016  
DATE

At 7:00 PM the following resolution was offered: For Approval  
TIME

Moved by Supervisor Lovelock and supported by \_\_\_\_\_

that the request from Macomb Symphony Orchestra of Chesterfield Township  
NAME OF ORGANIZATION CITY

county of Macomb County, asking that they be recognized as a  
COUNTY NAME  
nonprofit organization operating in the community for the purpose of obtaining charitable gaming  
licenses, be considered for Approval  
APPROVAL/DISAPPROVAL

APPROVAL

DISAPPROVAL

Yeas:

Yeas:

Nays:

Nays:

Absent:

Absent:

I hereby certify that the foregoing is a true and complete copy of a resolution offered and  
adopted by the Chesterfield Township Board Of Trustees at a Regular

TOWNSHIP, CITY OR VILLAGE COUNCIL/BOARD

REGULAR OR SPECIAL

meeting held on November 1, 2016  
DATE

SIGNED: \_\_\_\_\_  
TOWNSHIP, CITY, OR VILLAGE CLERK

\_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
ADDRESS



COMPLETION\* Required.  
PENALTY\_ Possible denial of application.  
BSL-CG-1153(R8/09)



# THE MACOMB SYMPHONY ORCHESTRA

---

Thomas Cook, Music Director • (586) 286-2045 • P.O. Box 381062 • Clinton Twp., MI 48038-0076

October 19, 2016

Chesterfield Township Clerk's Office

The Macomb Symphony Orchestra is in need of a township resolution for the State Of Michigan Lottery Bureau approval of a raffle license for our fund raising event being held at Stahl's Auto Museum, 56516 North Bay Drive in Chesterfield Township.

At this time, the resolution only need be scheduled for the next Township Board meeting.

We appreciate your attention to matter as the event is taking place next month.

Thank you,

Ronald Rose  
Vice President

# Agenda Item # E

## INTEROFFICE MEMORANDUM

---

**TO:** CHARTER TOWNSHIP OF CHESTERFIELD BOARD OF TRUSTEES  
**CC:** ERIC WURMLINGER – DEPUTY CLERK  
**FROM:** CAROL ROSE  
**DATE:** WEDNESDAY SEPTEMBER 28, 2016.  
**SUBJECT:** CHESTERFIELD SENIOR CENTER WALKING PATH REPAIR

---

At the request of Clerk Berry I am submitting the following.

Attached is the bid received to repair and sealcoat the Senior Walking Path.  
The bid is from A&R Sealcoating for \$18,800.  
This amount falls below the 09-16-2016 Anderson Eckstien & Westrick estimate of \$25,000-\$30,000 to do the necessary maintenance.

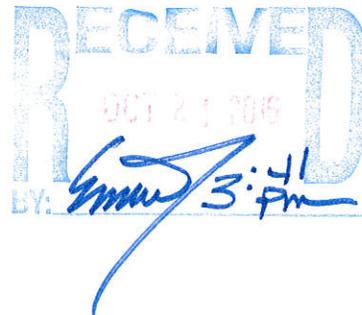
Your consideration of this request is greatly appreciated.

Please feel free to contact me with any questions.

Sincerely,

*Carol Rose*

Chesterfield Senior Center Coordinator  
47275 Sugarbush  
Chesterfield, MI 48047  
586-649-6407  
[crose@chesterfieldtwp.org](mailto:crose@chesterfieldtwp.org)





4882 Pontiac Lake Road  
Waterford, MI 48328

Phone 248-674-8500

Fax 248-674-6980

# Proposal

Date	Proposal #
10/20/2016	20161127

<b>Customer</b>
Chesterfield Township Carol Rose 47275 Sugarbush Chesterfield, MI 48047

<b>Project</b>
Senior Center Walking Path 47275 Sugarbush Chesterfield, MI 48047

<b>Terms</b>	<b>Project</b>	<b>Sales Rep.</b>
Upon Completion	Senior Center Walking Path	Joe Rhodes

Description	Qty	Unit	Unit Price	Total
Blow clean with compressed air and seal cracks in asphalt pavement using SealMaster hot poured rubber joint sealant. Overband seal any open previously sealed cracks. (Not alligatored areas)	6,000	Ln. Ft.	0.60	3,600.00
Apply two coats of Sealmaster Polymer Modified Master Seal to walking path. Includes oil spot priming, grass and weed removal and power blowing all loose debris from path.  - Approved one year warranty for materials.	76,000	Sq. Ft.	0.20	15,200.00

Joe Rhodes	Signature	<b>Total</b>	\$18,800.00
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Signature \_\_\_\_\_

<b>Customer Contact</b>	Carol Rose
-------------------------	------------

All materials to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written change orders, and will become an extra charge above our original estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by workers compensation insurance.

Date of Acceptance  
Acceptance of this proposal-The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Agenda Item # *F*

**INTEROFFICE MEMORANDUM  
CLERK'S OFFICE**

**TO:** Clerk Berry

**FROM:** Eric M. Wurmlinger



**RE:** Purchase of Additional Laptops

**DATE:** 10/27/16

---

I would like to recommend the purchase of 9 additional HP Notebooks to serve as back-up Electronic Poll Books (EPB) in those precincts that currently do not have them. As was discussed in our staff meeting several weeks ago it was agreed that this will help eliminate any problems should we lose functionality of the primary EPB and hopefully reduce the time voters may have to wait in line.

The three quotes are:

**Antonline**-\$4,913.82

**I.T. Right** -\$5,620.50

**HI-TECH** -\$5,841.00

Your consideration of this recommendation is appreciated.

Hi! [Sign in](#) or [register](#)

[Daily Deals](#)

[Gift Cards](#)

[Help & Contact](#)

[Sell](#)

[My eBay](#)

9



Shop by category

Search...

All Categories



Search

[Send us your comments](#)

## Your eBay Shopping Cart

You're not currently signed in. [Sign in](#) to save these items or see your saved items.

### Cart summary (9 items)

**Total:**  
**\$4,913.82**

[Proceed to checkout](#)



Covers your purchase price plus original shipping on virtually all items. Get the item you ordered or get your money back. [Learn more](#)

#### About your cart

Are items in my cart reserved for me?

Why are auction or best offer items in my cart?

Where can I see the items I'm bidding on?

If I buy from different sellers, will I need to pay separately?

Can I pay for items from more than one seller or different types of transactions in one payment?

Seller [antonline \(187636\)](#)

[Request total from seller](#)



HP ProBook 450 G3 15.6  
16:9 Notebook - 1366 x  
768 - Intel Core i5 (6th  
Gen) i5-

Quantity:

**\$4,913.82**

~~\$5,391.00~~

**FREE**

Standard (3-8 business days)

Standard Shipping

Condition: New  
Item price: \$545.98

[Remove](#) | [Save for later](#)

Subtotal (9 items): \$4,913.82

Shipping to **US** FREE

**Total: \$4,913.82**

[Continue shopping](#)

[Proceed to checkout](#)

## Your saved items

Want to save items in your cart to buy later? To save an item or see your saved items, [sign in](#).

Then just click 'Save for later'. Remember, saved items aren't reserved for you, so don't wait too long to buy them.



Shop by category

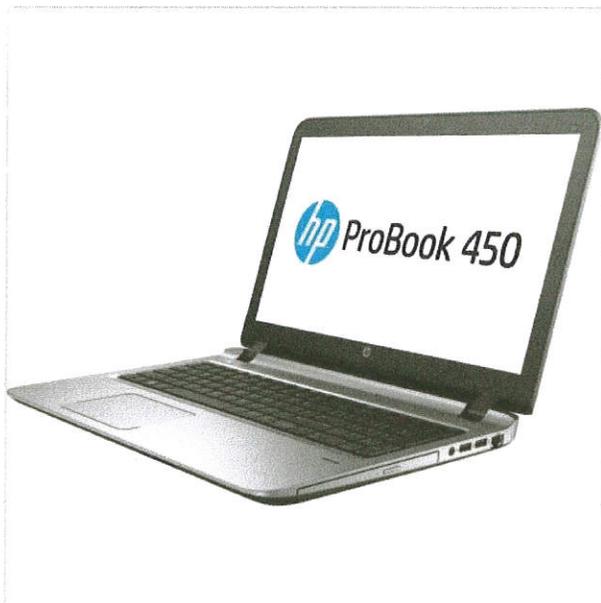
Search...

All Categories



Search

Back to search results | Listed in category: Computers/Tablets & Networking > Laptops & Netbooks > PC Laptops & Netbooks > See more HP ProBook 450 G3 15.6" Notebook W Intel I5-62...



### HP ProBook 450 G3 15.6 16:9 Notebook - 1366 x 768 - Intel Core i5 (6th Gen)

Be the first to [write a review](#).

Item condition: **New**  
 Quantity:  More than 10 available / 9 sold

List price: ~~\$599.00~~

You save: **\$53.02 (8% off)**

Now: **US \$545.98** **Buy It Now**

Added to your cart

Qualifies for:  2 yr warranty from SquareTrade - \$57.99

9 watching [Add to watch list](#)

[Add to collection](#)

**Located in United States**

Shipping: **FREE** Standard Shipping | [See details](#)

Item location: Atlanta, Georgia, United States

Ships to: United States | [See exclusions](#)

Delivery: Estimated between **Tue, Nov. 1** and **Tue, Nov. 8**

Payments: **PayPal**

Credit Cards processed by PayPal

**PayPal CREDIT**

6 months to pay on \$99+. [Apply Now](#) | [See Terms](#)

[See details](#)

Returns: 30 days money back, buyer pays return shipping, 20% restocking fee may apply |

[See details](#)

Guarantee: [See details](#)

Get the item you ordered or get your money back.

Covers your purchase price and original shipping.



antonline (187636)

98.7% Positive feedback

[Follow this seller](#)

Visit store: [Antonline](#)

[See other items](#)

Get a year of music the price of 10 months



New members get an **three months free**

**Buy now**

Taxes may apply. © 2016 Apple Inc. All rights reserved.



Have one to sell? [Sell now](#)

#### People who viewed this item also viewed

[Feedback](#)



HP ProBook 450 G3 15.6 16:9 Notebook...  
**\$565.98**

Buy It Now  
 Free shipping



HP ProBook 450 G3 15.6" Notebook-Inte...  
**\$739.99**

Buy It Now  
 Free shipping



HP ProBook 450 G2 15.6 16:9 Notebook...  
**\$492.66**

Buy It Now  
 Free shipping



HP ProBook 450 G3 15.6 16:9 Notebook...  
**\$618.97**

Buy It Now  
 Free shipping

[Description](#) [Shipping and payments](#)

Seller assumes all responsibility for this listing.

eBay item number: 291817424733

Last updated on Oct 24, 2016 10:05:05 PDT [View all revisions](#)

#### Item specifics

Condition: New: A brand-new, unused, unopened, undamaged item in its original packaging (where packaging is ... [Read more](#)  
 Brand: Hewlett Packard  
 UPC: 889899602393

MPN: W0S85UT#ABA

Model: W0S85UT#ABA

**Antonline**

antonline (187636) 98.7%

Search within store...

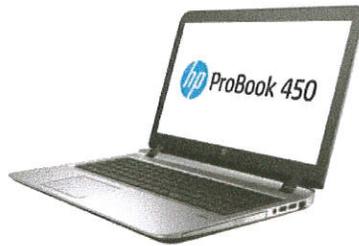
Visit Store: [Antonline](#)



Items On Sale | Laptops & Netbooks | Desktops & All-In-Ones | Home Networking & Connectivity | Monitors, Projectors & Accs



Search within store...



**HP ProBook 450 G3 15.6" 16:9 Notebook - 1366 x 768 - Intel Core i5 (6th Gen) i5-6200U Dual-core (2 Core) 2.30 GHz - 4 GB DDR4 SDRAM - 500 GB HDD - Windows 10 Home 64-bit (English) - DVD-Writer - Intel HD Graphics 520 DDR4 SDRAM - Bluetooth - English (US) Keyboard - Front Camera/Webcam - IEEE 802.11a/b/g/n/ac - Gigabit Ethernet - Network (RJ-45) - HDMI - 2 x USB 3.0 Ports - 4-cell Lithium Ion (Li-Ion) - 9.25 Hour Battery Run Time**

**BRAND NEW - FULL WARRANTY**  
 antonline is an authorized Hewlett Packard partner.  
**FREE SHIPPING** Processing & packing takes 1-2 Business days prior to ship.

Built for productivity, the HP ProBook 450 delivers the performance and security features essential for today's workforce. The sleek and tough design provides professionals a flexible platform to stay productive in or out of the office. Designed for mobility Work in style with the powerful 39,6 cm (15.6") diagonal HP ProBook 450 with a new gravity black LCD cover. Confidently take on the day with a PC built with an aluminum reinforced keyboard deck and 120,000 hours of HP Testing.

Manufacturer	HP Inc.
Manufacturer Part Number	W0S85UT#ABA
Brand Name	HP
Product Line	ProBook
Product Series	450 G3
Product Name	ProBook 450 G3 Notebook PC (ENERGY STAR)
Product Type	Notebook
Processor & Chipset	Processor Manufacturer Intel Processor Type Core i5 Processor Generation 6th Gen Processor Model i5-6200U Processor Speed 2.30 GHz Processor Core Dual-core (2 Core)
Memory	Standard Memory 4 GB Memory Technology DDR4 SDRAM
Storage	Hard Drive Capacity 500 GB Optical Drive Type DVD-Writer Screen Size 15.6" Aspect Ratio 16:9 Screen Resolution 1366 x 768
Display & Graphics	Graphics Controller Manufacturer Intel Graphics Controller Model HD Graphics 520 Graphics Memory Technology DDR4 SDRAM Graphics Memory Accessibility Shared
Network & Communication	Wireless LAN Yes Wireless LAN Standard IEEE 802.11a/b/g/n/ac Ethernet Technology Gigabit Ethernet Bluetooth Yes
Built-in Devices	Front Camera/Webcam Yes HDMI Yes
Interfaces/Ports	Total Number of USB Ports 4 Number of USB 3.0 Ports 2

5815 East Clark Rd Suite G  
Box 160  
48808 Bath  
United States

### QUOTE

**Number** ITRQ7548  
**Date** Oct 21, 2016

#### Sold To

**Chesterfield Township**  
Cindy Berry  
47275 Sugarbush Road  
48047 Chesterfield  
United States

**Phone** 586-949-0400  
**Fax**

#### Ship To

**Chesterfield Township**  
Cindy Berry  
47275 Sugarbush Road  
48047 Chesterfield  
United States  
586-949-0400

**Phone**  
**Fax**

#### From The Desk Of



**RAllen**  
855-487-4448 ext 5  
rallen@itright.com

**Terms**

**P.O. Number**

**Ship Via**

Line	Qty	Description	Unit Price	Ext. Price
------	-----	-------------	------------	------------

1      **EPOLL Books**

2      9      **Lenovo ThinkPad E550 20DF00EDUS 15.6" Notebook - Intel Core i3 i3-5005U Dual-core (2 Core) 2 GHz - Graphite Black - 4 GB DDR3L SDRAM RAM - 500 GB HDD - DVD-Writer - Intel HD Graphics 5500 DDR3L SDRAM - Windows 7 Professional 64-bit upgradable to Windows 10 - 1366 x 768 16:9 Display - Bluetooth - IEEE 802.11ac Wireless LAN - Gigabit Ethernet - Front Camera/Webcam - HDMI - 3 x Total USB Ports - 2 x USB 3.0 Ports - Network (RJ-45) - Headphone/Microphone Combo Port - 6-cell - Lithium Ion (Li-Io)**

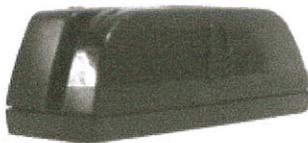
\$624.50

\$5,620.50

3      9      **MagTek Dynamag - Triple Track - USB - Black**

\$49.56

\$446.04



*For customers that want both security and ease of use, the Dynamag Secure Card Reader Authenticator (SCRA) is MagneSafe™ secured and offers a reliable and convenient swipe path with complete security features for the peace of mind you can trust. Specifically designed to meet PCI DSS requirements to secure cardholder data, the Dynamag employs the industry standard, Triple DES encryption. The Dynamag is USB powered. This bi-directional SCRA conveniently makes any existing merchant application more secure.*

4      **Optional:**



3070 Palms Road, Casco 48064  
 Phone (810) 326-9000 Fax (810) 326-9100  
[www.hitech.net](http://www.hitech.net)

# Quote

Date	Quote No.
10-17-16	HTSQ6839

SOLD TO:	SHIP TO:
<b>CHESTERFIELD TOWNSHIP</b> ELLEN CLARK 47275 SUGARBUSH CHESTERFIELD, MI 48047 United States  Phone (586) 949-0400 Fax Email eclark@chesterfieldtwp.org	<b>CHESTERFIELD TOWNSHIP</b> ELLEN CLARK 47275 SUGARBUSH CHESTERFIELD, MI 48047 United States  Phone (586) 949-0400 Fax Email eclark@chesterfieldtwp.org

SALES REP.	SALES REP. PHONE	SALES REP. EMAIL	PAYMENT TERMS
Rick Keeley	(810) 326-9000 x224	rkeeley@hitech.net	Net 30 days

QTY	MANUFACTURER	ITEM DESCRIPTION	UNIT PRICE	EXT. PRICE
-----	--------------	------------------	------------	------------

### Recommended Notebook

9	Hewlett-Packard	HP ProBook 450 G3 15.6" 16:9 Notebook - 1366 x 768 - Intel Core i5 (6th Gen) i5-6200U Dual-core (2 Core) 2.30 GHz - 4 GB DDR4 SD RAM - 500 GB HDD - Windows 10 Pro 64-bit - DVD-Writer - Intel HD Graphics 520 DDR4 SDRAM - Bluetooth - Front Camera/Webcam - IEEE 802.11a/b/g/n/ac - Gigabit Ethernet - Network (RJ-45) - HDMI - 2 x USB 3.0 Ports - 4-cell Lithium Ion (Li-Ion) - 5.50 Hour Battery Run Time	\$649.00	\$5,841.00
9	HP Inc.	HP Essential Carrying Case for 15.6" Notebook - Handle - 11.3" Height x 16" Width x 3.5" Depth	\$20.00	\$180.00
9	MagTek, Inc	MagTek Dynamag - Triple Track - USB - Black	\$82.16	\$739.44

SubTotal \$6,760.44

### Option

0	HP Inc.	HP Care Pack Hardware Support - 3 Year - Service - Next Business Day - On-site - Maintenance - Electronic and Physical Service	\$159.00	\$0.00
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PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOR FOR HARDWARE ONLY AND ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 25% RESTOCKING FEE WITH ORIGINAL PACKAGING.