



MEMORANDUM

TO: Mayor and Council
FROM: Corey Schmidt, City Manager
RE: 2017 Annual Report
DATE: January 15, 2018

This report provides a summary of the City of Marlette's major highlights and activities of the prior year for posterity.

Capital Projects

The City of Marlette completed the following capital projects and repairs in the 2017 calendar year:

- **Street Resurfacing:** The City completed the resurfacing of three sections of streets in September 2017. These included the entire length of Vail Street, Ellsworth Street from Main Street to Wilson Street, and Lamotte Street from Marlette Street to Morris Street. Ace-Saginaw Paving completed the work for a total of \$66,696. The project was funded by the Major Streets and Local Streets Fund. These streets were selected based on their ratings in the PASER rating process and input gathered from the Infrastructure Committee.
- **Water Valve Replacements:** With the assistance of Fox Excavating, the DPW replaced four inoperable and leaking water valves and installed an insert-a-valve to improve water main conditions in September and October 2017. The insert-a-valve was installed on an eight-inch water main running north and south on Main Street near the Morris Street intersection. The four replacements were at the northwest and northeast corners of Main Street and Morris Street, the southeast corner of Wilson Street and Morris Street, and the northwest corner of Main Street and Chard Street. This unplanned project became necessary after it was discovered that certain water valves were not operating, leading to the inability to isolate certain sections of water mains near the downtown. The cost to hire Fox Excavating was \$20,500, with the City purchasing the valves, traffic control devices, and contributing labor to the project.
- **Sewer Lateral Replacement at Main and Morris:** In May, the DPW replaced a section of sewer lateral that was within the public right-of-way on the north side of Morris Street near the Main Street intersection. This project became necessary due to a broken lateral that was serving the Summit Fitness gym and Value Midwest office, which was leaking sewage into the basement of the Hope Church office building. While conducting this repair, it was discovered that the Hope Church office building's sewage lateral was connected to an old stormwater main on Main Street. To correct this issue, Hope Church connected into the new lateral provided along Morris Street. While this was an unexpected repair rather than a planned capital project, it represented a large time commitment due to the location at Main Street and corrected an issue for three downtown businesses.

While none of the above projects were funded with grants, the City took several steps in 2017 toward funding future projects with grants.

- Applied for a \$56,100 grant through the Recreation Passport program offered by Michigan Department of Natural Resources. If awarded, this grant will fund the renovation of the asphalt basketball courts in the Community Park. A funding decision is expected in early 2018.
- Applied for a Safe Routes to School grant, which would fund the renovation of several sections of sidewalks on routes to the three school buildings in town. This grant is a collaborative process with the schools and the community. After several reviews by the State of Michigan, the final application represented approximately \$418,000 in infrastructure improvements. If awarded, the grant would also provide \$10,000 for school programming and activities to encourage walking and biking to school. A funding decision is expected in 2018.
- Applied for a Michigan Rural Development Fund Grant to create a water main connection between the dead-end water main on Lamotte Street and the M-53 water main on the north end of town. This grant was unsuccessful.
- Received a \$2,000 grant from the I-69 Thumb Regional Prosperity Initiative for use in implementing programs or activities that will spur downtown activity in 2018.

Facilities, Grounds, and Equipment Improvements

A number of smaller but still highly visible improvements were made to public facilities and grounds in 2017.

- **WWTP Drying Oven:** Replaced drying oven used for laboratory work at the WWTP.
- **WWTP UV Building:** Replaced ultra violet bulbs, sleeves, and associated hardware for the UB building.
- **Baseball Dugouts:** Accepted the donation of two new dugouts at the east baseball field from the BallBusters Baseball club.
- **Park Equipment Painting:** The lifeguards repainted most of the steel playground equipment at the park in the summer. We also had the ceilings of all three pavilions painted by an individual in need of community service hours over the summer.
- **Park Trees:** Two new trees were planted at the Community Park by the DPW after the trees were donated by Huggett Sod Farm in memory of a former classmate's family member who passed away.
- **Hydrant Art:** The Marlette Art Club painted several fire hydrants around town with unique designs and colors.
- **Parking Lot Crack Sealing:** The DPW completed crack sealing of all City-owned asphalt parking lots in August and September.
- **Water Meters:** Several water meters were purchased to replace old meters.

Contracted Services

The City conducted a competitive bid process to select a new mowing contractor for the cemetery in the spring. Victor's Service was the low bidder with a bid of \$400 per mow. After learning the ins-and-outs of mowing our cemetery during the first few mows, Victor's Service did fine work the remainder of the mowing season.

Private Investment Activity

Private investment in the community, as measured by dollar amounts submitted with zoning permits, totaled **\$1,087,360** in 2017. Of this amount, \$278,160 was in the residential category, including the first new single-family home built in Marlette in at least 10 years. The remainder of the residential amount is from improvements such as new decks, porches, additions, garages, and fences. Commercial investment totaled \$809,200, largely from Grupo Antolin, which completed a major expansion for the second-straight year. This figure also includes interior remodeling costs incurred by St. Mary's of Michigan Seton Cancer Institute (the company submitted a zoning permit even though the interior remodel did not require one).

Business activity included the following:

- Maggie and Red's opened in the former Victorian Expressions at 3031 Main Street. This is the second business venture on Main Street by the owner, who also operates Maggie's on Main (formerly Sweet Maggie Blues) on Main Street. The interior of the building was renovated extensively to go along with façade improvements on the outside.
- Value Midwest renovated an unused portion of their building to open Summit 24/7 Fitness, which is a 24/7 fitness center, at 6444 Morris Street.
- The Busted Nut Garage opened in the former Schultz Electric building at 6436 East Marlette Street. The company provides restoration of vehicles and other repairs.
- Before and After Vintage Marketplace opened at 3370 Main Street after previously operating at 3020 Main Street. The business left 3020 Main Street after the upper façade of the building became in disrepair in April 2017. That building is currently under order for necessary repairs by the building department before it can be occupied again.
- Marlette Family Dentistry opened a new office at 3149 Main Street.
- Pront-o-mart, located at 3379 Main Street, shut down operations in spring 2017. The property is currently listed for sale by owner.

There are currently two parcels in the Industrial Park awaiting development. As City Council is aware, each parcel has a date by which the owners must build, otherwise ownership of the property will revert to the City. In 2017, the City Council agreed to provide an extension to RCA Trucking for the build-by date for Parcel #4 to December 31, 2018. Parcel #2, owned by 31 Motorsports, also has a build-by date of December 31, 2018.

Community Programming and Engagement

- The City applied for the First Impressions program offered by the Michigan State University Extension Office. Marlette was selected along with three other communities to receive assessments in 2017. Four evaluators from this program visited Marlette in the summer to evaluate the community in the eyes of a first-time visitor. The goal of the visit was to learn Marlette's strengths and weaknesses for attracting visitors. The results of their assessments were shared with the community in a community forum on September 25, 2017. The event was attended by 36 interested citizens. The Downtown Development Authority has been re-engaged to build on the momentum of this event in 2018.
- The City issued a parks and recreation survey in the fall of 2017 as part of the Five-Year Recreation Plan update. The survey was completed by 135 individuals. The feedback from this survey will be used to implement projects and programming in 2018 and beyond.

Personnel

In April, Liz George was hired as a new part-time clerical office assistant, filling the role vacated by Meranda Lentz following her promotion to City Clerk. In May, Sandie Cargill retired as the City Clerk, after 27 years of service. Following this retirement, Meranda Lentz officially took over as full-time City Clerk after having served as a part-time clerical office assistant since March 2015.

The City Council approved a formal wage and classification system as part of the 2017-18 budget, which went into effect on July 1, 2017. The wage and classification system advances employees along a step-scale after certain employment anniversary dates. This move continued an attempt to bring our wage scale to the average for our region. At the end of 2017, the City implemented health insurance cost-sharing with employees, with the employees paying six percent of their monthly premium beginning in 2018.

In the summer months, the City of Marlette welcomed several new lifeguards and welcomed back many experienced lifeguards to operate the pool. We also had three additional lifeguards become certified to teach swim lessons.

Other Updates

The City staff continued to look for ways to provide value by completing required documents, plans, and other work in-house rather than through consulting firms. The following items were the primary deliverables in 2017:

- **Update to the Code of Ordinances.** City staff completed the first comprehensive update of the Code of Ordinances book in at least 16 years. City Council passed a variety of ordinance amendments in June that corrected several inconsistencies in our ordinances and improved staff's ability to use the ordinances.
- **Rates and Fees Schedule.** In conjunction with the Code update, City Council passed a comprehensive rates and fees schedule in 2017. This schedule summarizes all of the rates and fees charged by the City of Marlette for various services. It is consistent with the Code of Ordinances and brings clarity and transparency for staff, Council, and the public.
- **Water Asset Management Plan.** The Michigan Department of Environmental Quality (DEQ) required the completion of a water asset management plan by water systems serving 1,000 or more customers by January 1, 2018. This plan was completed and submitted to the DEQ by the deadline. While City staff assembled this information and document, it would not have been possible to do in-house without the groundwork laid by Townley Engineering, which had previously completed a water reliability study and several GIS mapping projects of the City's water system.
- **Five-Year Recreation Plan Update.** In order to be eligible for recreation grants through the State of Michigan, municipalities must have a current Five-Year Recreation Plan. Marlette began the process to update this plan and published a draft version for public review in December 2017. The final product won't be completed until early 2018, but much of the work was done in 2017, including a parks and recreation survey sent to all households.

Conclusion

While 2017 was not as project-intensive as 2016, the City of Marlette still completed some necessary improvements and repairs and laid the groundwork for potential future projects. The City also received valuable feedback it can use going forward from the First Impressions assessment and the parks and recreation survey.