

MEMORANDUM

To: Mayor Lewis, City Council and Manager Guetschow
From: Ginger Terpstra, City Clerk
Subject: Questions regarding the January 22, 2018 Claims Submitted for Payment
Date: January 19, 2018

The following questions were received from Councilmember Bahmer regarding items submitted for payment.

- On page #15 of this week's claims and accounts there is a ferric chloride purchase from Haviland in the amount of \$5,181.66. Memory seems to indicate that this particular vendor is the only one to provide ferric chloride in our area, thereby meeting the city's purchasing policy by essentially offering a proprietary product. The question, then, is does this recollection prove to be accurate? If not, what is the rationale behind no bids?
 - ✚ The purchase of ferric chloride from Haviland is a result of the Utility Superintendent soliciting bids from three vendors in accordance with the purchasing policy. One vendor was unresponsive, and another was late with their bid, but ultimately still higher than Haviland's price. Formal bids were not prepared as it was anticipated that the bids would come in under the \$5,000 threshold.

Ferric chloride is not a proprietary product. Your recollection of proprietary products most likely relates to the orthophosphate that we use at the well field.
- On page #22, there is a tuition/books reimbursement in the amount of \$4,766.84 due to Lisa Sherman. A bit of background on this expenditure would be appreciated, particularly as it relates to the benefits Charlotte is anticipating to derive from a Police Chief pursuing a continuing education.
 - ✚ The City's personnel policy provides for reimbursement for tuition, fees, books and other course materials for employees pursuing an approved course of study. Chief Sherman is enrolled in a Masters degree program in Criminal Justice, a program anticipated to yield significant benefits for the City as well as for her. The reimbursement is for course work successfully completed by her. Council was made aware that Chief Sherman would be seeking reimbursement during the discussion held with her regarding her proposed budget for this fiscal year.

- Finally on page #29, there is a small \$55.00 charge to the community development department for a caption that reads “MSU seminar on solar”. It appears some of the seminar’s description didn’t fit in the allotted space, so a brief synopsis of what the charge entails would be appreciated.
 - ✚ Consumers Energy is under a mandate to produce a certain percentage of its power from renewable or sustainable sources. In order to meet this requirement, Consumers is offering incentives toward the development of Michigan solar farms that would feed power into the grid.

These incentives have attracted nationwide interest, and cities including Charlotte are now getting inquiries from new developers on an almost weekly basis. This has been going on for about 6 months, and certain properties like landfills, airport open space, and nearby farm fields are attracting a lot of attention. Companies are looking for 10-20 acre sites that they would lease for between \$1,000-\$1,500 per acre for terms up to 20 years.

Because this is a new industry in Michigan, the MSU-Extension put on a seminar for mid-Michigan local government officials to learn about the various kinds of solar farms that are being proposed, the land use issues associated with solar farm development, and the expectations communities should have of these developers and their projects.

It also provided zoning and land use information regarding small-scale residential solar power installations which are growing more popular as the technology becomes more effective and affordable.

It was a 3-hour evening seminar in East Lansing.