



## **Agenda: Battle Creek City Commission**

Meeting Date: June 16, 2026 - 7:00 PM  
Location: City Commission Chambers  
Chair: Mayor Mark A. Behnke  
Title: Battle Creek City Hall - City Commission Chambers - 3rd Floor

### **INVOCATION**

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

### **PROCLAMATIONS AWARDS**

Beautiful Battle Creek Awards for May and June 2026

### **CHAIR NOTES ADDED OR DELETED RESOLUTIONS**

### **PETITIONS COMMUNICATIONS REPORTS**

### **PUBLIC HEARINGS**

A Public Hearing to receive public comment on the Brownfield Plan for "The Fields at Battle Creek" development.

### **PUBLIC COMMENT REGARDING ANY REMAINING AGENDA ITEMS**

### **COMMISSION COMMENT REGARDING MEETING BUSINESS**

### **CONSENT AGENDA**

Minutes

Minutes for the June 2, 2026 City Commission Regular Meeting

Petitions, Communications, Reports

City Manager's Report for June 16, 2026

Ambulance Report for May 2026

Proclamations Awards

Proclamation for Juneteenth Family Day 2026

Resolutions

408 - A Resolution appointing six members, Courtney Iobe and Terry Youmans from Community Action; Donny Williams; David Censke; Mary Simmons; and Markeia Simmons to the Post Addition Neighborhood Planning Council #1.

409 - A Resolution seeking authorization for the City Manager to execute and sign Contract 216627CON with the Michigan Department of Transportation for resurfacing along Riverside Dr and along Limit St.

410 - A Resolution requesting authorization for the City Manager to accept a proposal from Midwest Employers Casualty Company to provide Excess Workers' Compensation Insurance services for the period of 7/1/2026 through 6/30/2027 at an estimated cost of \$95,962.00.

### **RESOLUTIONS NOT INCLUDED IN THE CONSENT AGENDA**

411- A Resolution authorizing Jose Segovia to purchase 2 months of generic service credit pursuant to the provisions of the Municipal Employees Retirement System (MERS).

412 - A Resolution authorizing the City Manager to (continue to) employ retiree Doug Bagwell for an interim period, not to exceed past 6/30/2027 under 296.09(c).

413 - A Resolution authorizing Water and Sewer System Rates for all customers for FY2026, 2027, 2028, 2029, and 2030.

414 - A Resolution seeking Authorization for Issuance of 2026 Refunding Bonds.

415 - A Resolution seeking approval for the Fiscal Year 2025-2026 year-end budget amendments for the City's General Fund (Fund 101), Major Street Fund (Fund 202), and Michigan Justice Training Fund (Fund 266).

416 - A Resolution approving a Brownfield Plan for the proposed "The Fields at Battle Creek" development.

417 - A Resolution seeking authorization for the City Manager to enter into a Purchase Agreement and all other documents necessary to purchase a vacant portion of parcel number 52-3560-00-013-0, commonly known as 165 N. Washington Street, from Bronson Battle Creek Hospital for \$150,000.00.

418 - A Resolution authorizing the City Manager to execute a Comprehensive Transition Agreement between the City of Battle Creek and the Transportation Authority of Calhoun County.

419 - A Resolution seeking to set a Closed Session regarding a Labor Matter for June 16, 2026.

### **GENERAL PUBLIC COMMENT**

(Limited to three minutes per individual)

### **COMMISSION COMMENTS**

### **RECESS**

### **CLOSED SESSION**

## **RETURN FROM RECESS**

### **ADJOURNMENT**

It is the desire of the City Commission to encourage public expression in the course of its meetings. Such expression can be integral to the decision-making process of the City Commission. It is the intention of the City Commission to respect the rights of persons addressing the Commission. Public comment periods are a time for citizens to make comments; they are not intended as a forum for debate or to engage in question-answer dialogues with the Commission or staff. Commissioners are encouraged not to directly respond to speakers during public comment periods. At the conclusion of the speaker's remarks, the Mayor or individual Commissioners may refer a question to City staff, if appropriate. Also, individual Commissioners may choose to respond to speakers during the "Commission Comment" period.

It is with these aims in mind, so as to promote decorum and civility and an orderly process for conducting its public business meetings, that the following rules concerning public comments, consistent with applicable law, are adopted by the City Commission.

(1) Persons attending a regular or special Commission Meeting shall be permitted to address the City Commission in conformity with this rule. The opportunity to address the Commission shall be limited to the following:

(a) Persons desiring to address the City Commission are encouraged, but shall not be required, to fill out and turn in to either the City Clerk, Mayor, or presiding Commissioner, prior to the meeting, a comment card disclosing the following information: The person's name, address, and telephone number; the specific issue, topic or resolution the individual wishes to address.

(b) During public hearings when scheduled, but only when the law requires a separate period of public comment, speakers may present facts and opinions on the specific matter being heard by the Commission. A three-minute time limit is imposed per speaker. In the discretion of the Mayor or presiding officer, the time limit for individual speakers may be lengthened or shortened when appropriate.

(c) During the public comment period on any specific agenda item, whether it be a public hearing, an ordinance introduction or adoption, a consent agenda item, or a resolution not on the consent agenda, each speaker may address the Commission once, regarding anything on the meeting agenda, for a total not to exceed four minutes regardless of how many agenda items the speaker is addressing, which time period may be lengthened or shortened by the Mayor or presiding officer when appropriate.

(d) During the General Public Comment portion of the meeting, speakers may address the City Commission on any matter within the control and jurisdiction of the City of Battle Creek. A speaker shall be permitted to address the City Commission once, for up to three minutes, during this portion of the meeting.

(e) Applicants or Appellants, as defined below, or an attorney retained to represent them, are not bound by the specific time limitations set out above but may have the amount of time deemed reasonably necessary by the Mayor or presiding official to present their case to the City Commission without violating the rules set out below in subsection 4(a)

through (g), with which they are obligated to comply.

(i) Applicant is defined an individual or business entity seeking a City Commission final decision on a matter for which the individual has made application to the City based upon a specific provision in a City Ordinance or state statute for permission to take a specific action;

(ii) Appellant is an individual appealing a decision of a City official or an inferior body based upon a specific provision in City ordinances entitling the individual to appeal the decision to the City Commission.

(2) An individual wishing to address the City Commission shall wait to be recognized by the Mayor or presiding Commissioner before speaking. An individual who has not filled out a card requesting to address the City Commission shall raise their hand and wait to be recognized by the Mayor or presiding Commissioner before speaking and shall identify themselves by name and address and, if appropriate, group affiliation for the record.

(3) Speakers shall address all remarks to the Mayor, or the presiding Commissioner or official, and not to individual Commissioners or staff members. Speakers shall not address their remarks to members of the public in attendance at the meeting.

(4) A speaker will be ruled out-of-order by the Mayor or presiding Commissioner and the Commission will continue with its business, and the speaker may be required to leave the meeting after having been ruled out-of-order for a breach of the peace committed at the meeting as permitted by the OMA, when the speaker violates above sub-section 3 or the following:

(a) Becomes repetitive or speaks longer than the allotted time;

(b) Attempts to yield any unused portion of time to other speakers;

(c) Engages in a personal attack upon a city employee, administrator or Commissioner only if the personal attack is totally unrelated to the manner in which the employee, administrator or Commissioner carries out their public duties or office;

(d) Uses obscene or profane language;

(e) Engages in slanderous or defamatory speech;

(f) Uses derogatory racial, sexual or ethnic slurs or epithets relating to any individual or category of persons; or

(g) Engages in conduct that interrupts or disrupts the meeting.

(5) Individuals attending City Commission meetings or workshops, excluding City staff, shall not pass the commission chambers bar upon which the podium is affixed (and which divides the audience section from the well of the chambers) without having been invited to do so by the Mayor or official presiding over the meeting, or after requesting and explicitly being granted permission to do so. Any individual violating this subsection will be ruled out-of-order by the Mayor or presiding official and the individual may be required to leave the meeting for a breach of the peace committed at the meeting as permitted by the OMA.

# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**Dee Eugene McGuffey**  
**33 Horton Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16<sup>th</sup> Day of June, Two Thousand Twenty Six.

*James Moreno*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**Community Action**  
**175 Main Street**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*James Moreno*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Aaron Oaks**

**312 Lakeview Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Tim Canologue*

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NPC Chair

*Mark Delonke*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

## Complete Accounting & Tax Services 313 Lakeview Avenue

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Tim Canologue*

NPC Chair

*Mark Belarke*

Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**Robert E. Larrison**  
**97 Myrtle Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Kathy Antaya*

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NPC Chair

*Mark Belarke*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Mary Jozwiak**

**37 N. 28<sup>th</sup> Street**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Brad Miller*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Andrew W. Olsen & Bridget E. Olsen**  
**469 E. Hamilton Lane**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Brad Miller*

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NPC Chair

*Mark Belarke*

---

Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**City of Battle Creek**  
**Fire Station No. 6**  
**2401 SW Capital Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Brad Miller*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**Nicole M. Garvison**  
**45 Horton Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16th Day of June, Two Thousand Twenty Six.

*James Moreno*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Post Foods LLC**

**275 Cliff Street**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16<sup>th</sup> Day of June, Two Thousand Twenty Six.

*James Moreno*

NPC Chair

*Mark Beland*

Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO  
**New Level Church**  
**400 W. Michigan Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16th Day of June, Two Thousand Twenty Six.

*Pastor Monique French*

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NPC Chair

*Mark Beltrame*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Robert Mora**

**451 Iroquois Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Tim Canologue*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

PROUDLY PRESENTED TO

**Scooters**

**612 W. Columbia Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16th Day of June, Two Thousand Twenty Six.

*Tim Canologue*

NPC Chair

*Mark Beland*

Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Anna B. Kaynor**  
**208 N. Ridgeway Drive**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

**In testimony thereof, the Seal of the City of Battle Creek was affixed on the 16th Day of June, Two Thousand Twenty Six.**

*Brad Miller*

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NPC Chair

*Mark Beland*

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Mayor



# BEAUTIFUL BATTLE CREEK AWARD

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PROUDLY PRESENTED TO

**Red Lobster**

**2565 SW Capital Avenue**

Are hereby recognized by the Neighborhood Planning Council, and by the City of Battle Creek, for their continuing efforts to improve their neighborhood through property maintenance and beautification that contributes to the community-wide goal of improving the quality of life for Battle Creek's citizens.

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*Brad Miller*

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NPC Chair

*Mark Belenke*

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Mayor





## General Detail

A Public Hearing to receive public comment on the Brownfield Plan for "The Fields at Battle Creek" development.

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Battle Creek City Commission

### Action Summary

**Staff Member:** William Kim, City Attorney

**Department:** City Attorney's Office

#### Summary

A Public Hearing to receive public comment on the Brownfield Plan for the proposed "The Fields at Battle Creek" development project. As required by MCL 125.2664, notice for this public hearing was published on 3/26/26, notice to MSHDA was sent on 5/26/26, and notice to the taxing jurisdiction was mailed on 5/26/26.

#### Budgetary Considerations

#### History, Background and Discussion

##### General Background:

Developer GLC Multi BC, LLC, with support from Brownfield consultant Michigan Growth Advisors, has proposed an Act 381 Brownfield Plan for the redevelopment of one parcel totaling approximately 13.12 acres located within the City of Battle Creek at 15105 S. Helmer Road.

The proposed development includes the construction of 240 multi-family residential units across multiple buildings, including associated amenities such as a clubhouse, pool, and open space. The development will include 48 income-restricted units (20% of total units) at 100% AMI, anticipated to remain income-restricted for a period of 20 years.

The total capital investment is estimated to be approximately \$48.9 million, with construction anticipated to begin in Fall 2026 and occur over an approximately 2-year buildout period.

The property is considered "eligible property" under Act 381 based on its classification as "Housing Property", as defined in Section 2(y) of the Act, due to the proposed construction of residential housing units.

**Housing Need:  
2024 HR&A Study:**

- As identified in the 2024 HR&A Battle Creek Housing Action Plan, the City of Battle Creek currently faces a significant housing shortage, including an estimated 1,200 unit rental supply deficit for households earning above 80% AMI.
- In addition, anticipated job growth associated with the Ford BlueOval Battery Park project in Marshall is expected to generate demand for an additional 2,800 housing units over the next five years, including both rental and owner-occupied housing.
- The City’s housing stock is aging, with a limited supply of newer multifamily housing options.
- The proposed "The Fields at Battle Creek" development directly responds to these identified housing needs by introducing a large-scale, market-rate multifamily development with a component of income-restricted units, expanding housing options and increasing density within the City.

**Capture:**

The duration of the Brownfield Plan is anticipated to be up to 30 years, inclusive of tax increment revenue (TIR) capture for reimbursement of eligible activities, followed by up to 5 years of additional capture dedicated to the Local Brownfield Revolving Fund (LBRF), as permitted under Act 381. The total amount of eligible activities under the Plan is estimated at approximately \$22.6 million, including interest.

Of the total tax increment revenues anticipated to be captured over the life of the Plan:

- Approximately \$18.7 million represents eligible activity costs (exclusive of interest)
- Approximately \$4.0 million represents interest on unreimbursed eligible activities
- Approximately \$1.25 million is anticipated to be captured by the State Brownfield Redevelopment Fund
- Approximately \$2.0 million is anticipated to be captured by the BCBRA for administrative and implementation costs
- Approximately \$4.7 million is anticipated to be captured and deposited into the Local Brownfield Revolving Fund (LBRF)

Actual reimbursement amounts are dependent on construction timing, taxable value growth, and submission and approval of eligible cost documentation in accordance with Act 381 and the approved Brownfield Plan.

**Outcomes:**

- 240 new multifamily residential units constructed
- 48 income-restricted units (20%) at 100% AMI for a 20-year affordability period

- Approximately \$48.9 million in new private investment
- New residential density supporting regional job growth and housing demand
- Diversification of the City’s housing stock with modern multifamily product
- New site infrastructure including roads, utilities, stormwater management, and site improvements
- Long-term contribution to the City’s tax base
- Capture to the Local Brownfield Revolving Fund, State Brownfield Redevelopment Fund, and BCBRA administrative expenses over the life of the plan

**Staff Reimbursement Agreement Review:**

Staff has reviewed a draft Development and Reimbursement Agreement between the BCBRA and GLC Multi BC, LLC. The agreement establishes how eligible project costs may be reimbursed using tax increment revenues generated by the development, consistent with the approved Brownfield Plan and Act 381.

- Reimbursement is limited solely to available tax increment revenues generated by the development and does not constitute a general obligation of the BCBRA or the City.
- Developer reimbursement is contingent upon submission and approval of eligible cost documentation in accordance with the Brownfield Plan, Act 381, and BCBRA reimbursement procedures.
- The development will maintain 48 income-restricted residential units (20% of total units) at 100% AMI for a minimum 20-year affordability period.
- The Developer is required to annually provide income and rent documentation and reporting pursuant to ACT 381 reporting requirements under MCL 125.2666(7) and (9).
- The agreement authorizes reimbursement of approved eligible activities, including housing development activities, from captured tax increment revenues generated by the project.

Staff and legal counsel will continue to review and finalize the agreement prior to execution to ensure consistency with the approved Brownfield Plan and Act 381 requirements.

**Positions**

The Battle Creek Brownfield Redevelopment Authority approved this plan at their May 18, 2026 meeting.

**Attachments**

- |  |  |
|--|--|
| 1 The Fields at Battle Creek Brownfield Plan | The Fields at Battle Creek Brownfield Plan   |
| . (4932-2663-9783.2)                         | (4932-2663-9783.2).pdf                       |
| 2 2026-05-01_BCBRA_FieldsatBattleCreek_      | 2026-05-01_BCBRA_FieldsatBattleCreek_        |
| . BrownfieldPlanSummary_JH                   | BrownfieldPlanSummary_JH.pdf                 |
| 3 2026-05-                                   | 2026-05-                                     |
| . 21_FieldatBattleCreek_BrownfieldPlan_Nota  | 21_FieldatBattleCreek_BrownfieldPlan_Notariz |

rizedResolution\_JH

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# **ACT 381 BROWNFIELD PLAN**

**GLC Multi BC, LLC  
The Fields at Battle Creek  
15105 S Helmer Road  
Calhoun County, City of Battle Creek  
Battle Creek Brownfield Redevelopment Authority**

**April 30, 2026**



**Prepared by**  
Michigan Growth Advisors  
100 W Michigan Avenue  
Suite #200  
Kalamazoo, MI 49007

**Approved by the Battle Creek Brownfield Redevelopment Authority on \_\_\_\_\_**

**Approved by the Battle Creek City Commission on \_\_\_\_\_**

# TABLE OF CONTENTS

## 1.0 INTRODUCTION

- 1.1 Proposed Redevelopment and Future Use for Each Eligible Property
- 1.2 Identification of Housing Need
- 1.3 Eligible Property Information

## 2.0 INFORMATION REQUIRED BY SECTION 13(2) OF THE STATUTE

- 2.1 Description of Costs to Be Paid for With Tax Increment Revenues
- 2.2 Summary of Eligible Activities
- 2.3 Estimate of Captured Taxable Value and Tax Increment Revenues
- 2.4 Method of Financing and Description of Advances Made by the Municipality
- 2.5 Maximum Amount of Note or Bonded Indebtedness
- 2.6 Duration of Brownfield Plan
- 2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions
- 2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property
- 2.9 Estimates of Residents and Displacement of Individuals/Families
- 2.10 Plan for Relocation of Displaced Persons
- 2.11 Provisions for Relocation Costs
- 2.12 Strategy for Compliance with Michigan’s Relocation Assistance Law
- 2.13 Other Material that the Authority or Governing Body Considers Pertinent

## EXHIBITS

### FIGURES

- Figure 1 Legal Description and Map of the Eligible Property

### TABLES

- Table 1 Eligible Activities Costs
- Table 2 Tax Capture Schedule
- Table 3 Reimbursement Schedule

### ATTACHMENTS

- Attachment A Brownfield Plan Resolutions
- Attachment B Reimbursement Agreement
- Attachment C Site Plan
- Attachment D Housing Study

# ACT 381 BROWNFIELD PLAN

## 1.0 INTRODUCTION

### 1.1 **Proposed Redevelopment and Future Use for Each Eligible Property**

The proposed redevelopment consists of one parcel totaling approximately 13.12 acres in the City of Battle Creek, Calhoun County. The project will involve preparing the sites for development to make way for 240 multi-family residential units on the property. The residential units are expected to be constructed across 8 residential buildings containing between 24 and 36 residential units each. The site is also expected to include amenities such as a pool, clubhouse, play area, and dog park. The residential units are expected to be built over a 2-year construction cycle with approximately 132 units delivered in Year 1 and 108 units delivered in Year 2.

The development will include 48 income-restricted residential units (20% of the development) including 8 studio units, 19 one-bedroom units, and 21 two-bedroom units. The units are expected to be income-restricted at 100% AMI rents in Calhoun County, net of a utility allowance, for a duration of 20 years.

The total capital investment is estimated at \$48.9 million. Construction activities are expected to begin in fall of 2026.

### 1.2 **Identification of Housing Need**

#### Specific Housing Need

A Housing Action Plan dated March 2024 was completed by H&R Advisors in partnership with the City of Battle Creek, Battle Creek Unlimited, and the W.K. Kellogg Foundation. There is an approximately 1,200 rental supply shortage that exists today in Battle Creek for renters with household income above 80% AMI. As a result of the job creation and anticipated housing demand derived from the Ford BlueOval project in Marshall, Michigan there is anticipated to be a 2,800-housing unit deficit for renter households making more than \$60,000 annually over the next 5 years.

Additionally, Battle Creek's housing stock is aging. Only 9% of all occupied housing units were built after 2000, and 55% of the occupied housing stock was built prior to 1960. The creation of new multi-family housing units in this area will help stabilize the aging housing market in the City of Battle Creek. Additionally, only 11% of the existing housing stock are multi-family developments with 10-49 housing units and only 7% of the existing housing stock are multi-family developments with 50 or more units. The majority of housing stock in the City (66%) is single-family detached housing. The creation of additional multi-family housing options will diversify the housing stock and increase the density of the area.

Job Growth Data

According to the Battle Creek Housing Action Plan, there are an estimated 1,840 to 3,740 net new workers in Kalamazoo and Calhoun Counties as a result of the direct and indirect employment from the BlueOval project contemplated in Marshall, Michigan. The project is expected to create approximately 1,700 direct jobs and an additional 2,040 indirect and induced jobs in the area. Assuming the City of Battle Creek captures 50% to 75% of the new employment, there is an anticipated demand for approximately 550 to 1,690 new renter households in the City of Battle Creek and approximately 350 to 1,070 new owner-occupied households in the City of Battle Creek. The BlueOval project is expected to be partially operational in 2026, indicating new supply of housing is necessary quickly for the City of Battle Creek to support these new jobs.

**1.3 Eligible Property Information**

Basis of Eligibility

Section 2(y)(i) of Public Act 381 of 1996 ("Act 381"), as amended, defines "Housing Property" as "A property on which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designated to be used as a dwelling." The development proposes 240 housing units on Parcel #0616-48-400-1; thus this parcel is eligible property under Act 381.

Location and Legal Description

15105 S Helmer Rd Parcel ID: 0616-48-400-1 13.12 Acres  
Battle Creek, MI 49015

Legal Description:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00\*19'06" WEST 326.83 FEET ALONG THE EAST LINE FO SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 89\*59'33" WEST 660.00 FEET; THENCE NORTH 00\*19'06" WEST 866.00 FEET; THENCE SOUTH 89\*59'33" EAST 660.00 FEET TO A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4, SAID POINT BEING SOUTH 00\*19'06" E 132.00 FEET FROM THE NOTHEAST CORNER OF THE SOUTH 1/2 OF SAID SOUTHEAST 1/4; THENCE SOUTH 00\*19'06" EAST 866.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION. CONTAINING APPROXIMATELY 13.12 ACRES.

**2.0 Information Required by Section 13(2) of the Statute**

**2.1 Description of Costs to Be Paid for With Tax Increment Revenues**

Tax increment revenues will be used to reimburse GLC Multi BC, LLC ("Developer") for the cost of eligible activities as authorized by Act 381. Michigan State Housing Development Authority ("MSHDA") approved non-environmental eligible activities and statutorily approved EGLE environmental eligible activities will be reimbursed with local and school tax increment revenues ("TIR").

The total cost of eligible activities including contingency and interest on unreimbursed eligible activities is anticipated to be \$22,635,936. The cost of eligible activities not including interest are anticipated to be \$18,660,154. The estimated cost of all eligible activities under this plan are summarized in Table 1. Capture to the State Brownfield Redevelopment Fund is anticipated to be \$1,250,580 and capture to the Battle Creek Brownfield Redevelopment Authority for administrative expenses is anticipated to be \$1,975,021.

#### Environmental Activities

Department specific activities considered under this plan include a Phase I Environmental Site Assessment ("ESA").

#### Non-Environmental Activities

Because the basis of property eligibility is "Housing Property" under Public Act 381, additional non-environmental costs can be reimbursed through a brownfield plan. This plan provides for reimbursement of eligible "housing development activities" including reimbursement provided to the developer to fill a financing gap associated with the development of housing units priced for income qualified households, and site preparation, demolition, and infrastructure activities that are necessary for new housing development for income qualified households on eligible property.

## **2.2 Summary of Eligible Activities**

### 2.2..1 Phase I & Phase II ESA, BEA and Due Care Plan

A Phase I ESA will be required for the project and is anticipated to cost \$5,000. This is a cost statutorily approved for reimbursement with school taxes.

### 2.2..2 Demolition

Site and building demolition are included as eligible activities. Engineering and design of this activity is also included as an eligible activity. The total cost of demolition activities is anticipated to be \$211,200.

### 2.2..3 Infrastructure

Infrastructure activities will include curbs and gutters, landscaping, street lighting, roads, sanitary sewer, sidewalks, parking areas, storm water systems, water mains, and EV Charging. Engineering and design of these activities are also included as eligible activities. The total cost of these infrastructure activities is anticipated to be \$2,957,529.

### 2.2..4 Site Preparation

Site preparation activities will include cut and fill, grading, and staking. Engineering and design of these activities are also included as eligible

activities. The total cost of these site preparation activities is anticipated to be \$1,314,500.

2.2..5 Interest

Financing costs for the project are considered an eligible activity. This plan allows for 5% simple interest rate on the developer’s unreimbursed eligible activities. The total interest associated with eligible activities is anticipated to be \$3,975,782.

2.2..6 Contingency

A 15% contingency on infrastructure, demolition, and site preparation costs is included as an eligible activity. The contingency included in this Plan is \$672,484. The contingency is not calculated on the Potential Rent Loss Financing Gap.

2.2..7 Financing Gap

Housing development activities, related to reimbursement provided to the developer to fill a financing gap associated with the development of housing units priced for income qualified households’ units, are included as eligible activities. The financing gap is calculated utilizing the Potential Rent Loss formula developed by MSHDA with a Control Rent of \$2,083 for a studio unit, \$2,440 for a one-bedroom unit, and \$2,940 for a two-bedroom unit. There are expected to be 48 income-restricted rentals in this development rented at 100% AMI rents net of utility allowances for Region C. The potential annual rent loss is estimated to be \$671,472 in one year of the Plan. The potential annual rent loss and total rent loss over the term of a 20-year affordability period for each project are delineated in the table below.

Type	MSHDA Control Rent	Project Rent	Potential Rent Loss	Income Qualified Units	Annual Loss	Total Loss
Studio	\$2,083	\$1,261	\$9,858	8	\$78,864	\$1,577,280
1-Bed	\$2,440	\$1,344	\$13,152	19	\$249,888	\$4,997,760
2-Bed	\$2,940	\$1,580	\$16,320	21	\$342,720	\$6,854,400
<b>TOTAL</b>				<b>48</b>	<b>\$671,472</b>	<b>\$13,429,440</b>

2.2..8 Brownfield Plan and Act 381 Work Preparation

The cost to prepare the Brownfield Plan and Act 381 Work Plan is anticipated to be \$20,000.

2.2..9 Brownfield Plan Implementation

The cost of implementing the Brownfield Plan is anticipated to be \$50,000.

2.2..10 Local Brownfield Revolving Fund

Local Brownfield Revolving Fund capture is also included in this Plan. Capture to the Local Brownfield Revolving Fund is anticipated to be \$4,696,431 and captured for a full five years following reimbursement of Developer’s eligible activities.

**2.3 Estimate of Captured Taxable Value and Tax Increment Revenues**

An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available TIR, including real and personal property TIR.

**2.4 Method of Financing and Description of Advances Made by the Municipality**

The eligible activities will be financed by the developer and reimbursed as outlined in this plan and accompanying development agreement. No advances from the City or County are anticipated at this time.

**2.5 Maximum Amount of Note or Bonded Indebtedness**

No note or bonded indebtedness for this project is anticipated at this time. Therefore, this section is not applicable.

**2.6 Duration of Brownfield Plan**

The duration of this plan is estimated to be 30 years, inclusive of 5 years of capture to the Local Brownfield Revolving Fund. It is estimated that capture of tax increment revenue on all eligible property will begin in 2028, however could be delayed for up to 5 years after the approval of this plan as permitted by Act 381. In no event shall capture extend beyond 30 years as required by Act 381. An analysis showing the reimbursement schedule is attached as Table 3. It is expected that the redevelopment of the properties will start in 2026, and that full recapture of eligible costs and eligible administrative costs of the authority will continue until 2057.

**2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions**

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail within Table 2.

**2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property**

The property consists of one parcel which is approximately 13.12 acres in size and located at 15105 S Helmer Road (Parcel Identification Number 0616-48-400-1). A legal description of the properties along with a scaled map showing eligible property dimensions, is attached as Figure 1.

The parcels are considered “eligible property” due to the development of residential housing units on the property, as defined within the definition of “Housing Property” in Section 2(y) of Public Act 381 of 1996, as amended.

Taxable personal property, if any, is included in this plan.

**2.9 Estimates of Residents and Displacement of Individuals/Families**

No persons reside at the property therefore this section is not applicable.

**2.10 Plan for Relocation of Displaced Persons**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

**2.11 Provisions for Relocation Costs**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

**2.12 Strategy for Compliance with Michigan's Relocation Assistance Law**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

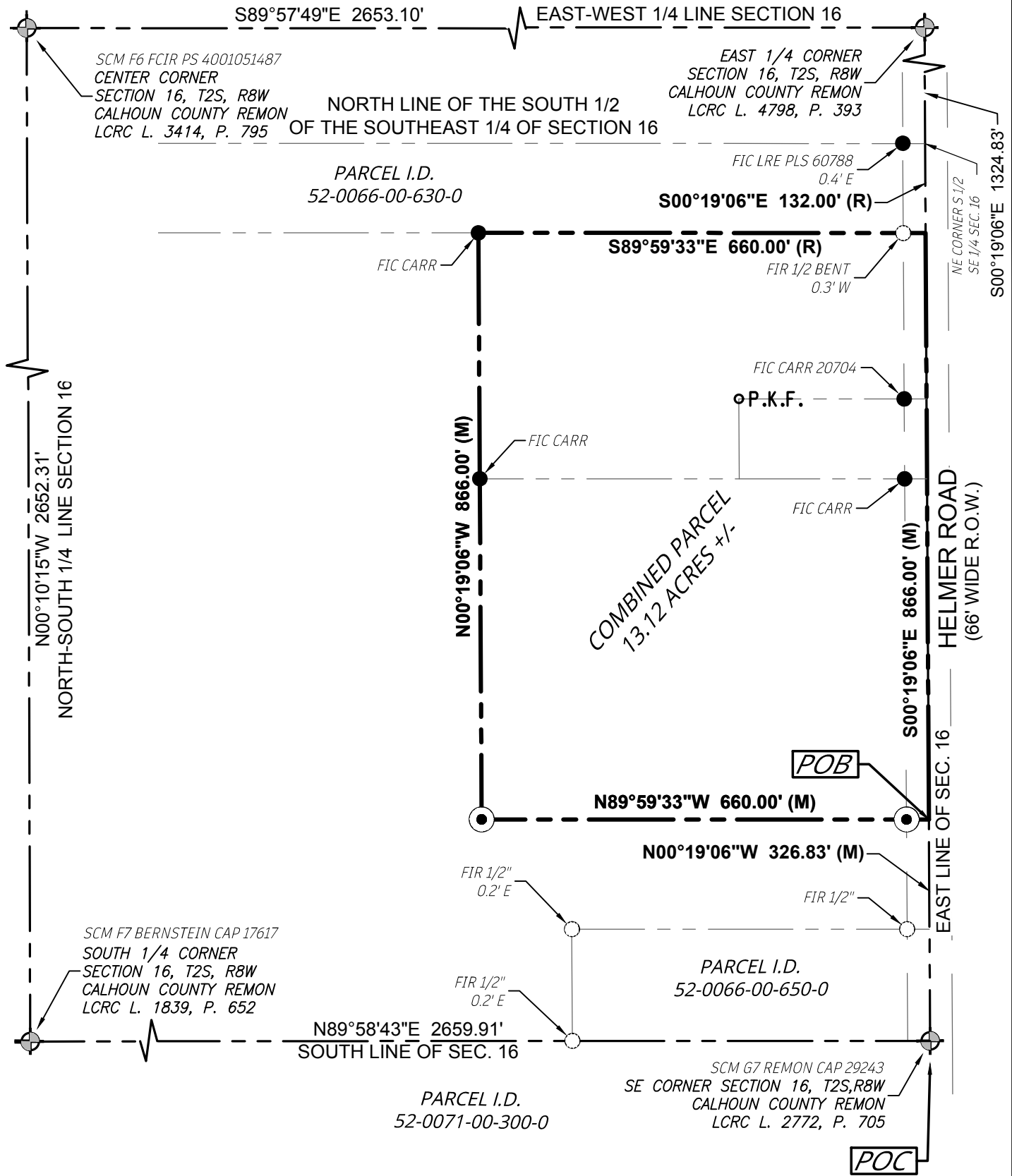
**2.13 Other Material that the Authority or Governing Body Considers Pertinent**

None.

# Figure 1

## Legal Description and Eligible Property Map

# CERTIFICATE OF SURVEY

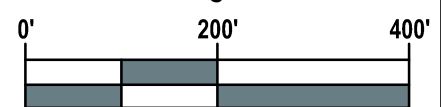


## SURVEYOR'S NOTES

1. BEARINGS ARE BASED ON MICHIGAN STATE PLANE SOUTH ZONE.
2. EAST 1/4 CORNER OF SECTION 16 WAS CALCULATED FROM WITNESS MONUMENT 1 AND WITNESS MONUMENT 2 AS DESCRIBED IN LCRC L.4798, P. 393

## LEGEND

- SECTION CORNER
- FOUND IRON ROD/PIPE
- FOUND P.K. NAIL
- SET IRON ROD



GRAPHIC SCALE: 1" = 200'

No.	Revision Date	Date	11-25-2025
		CADD	M. KRAWCZYK
		PM	S. WILSON
		Project No.	097282.02

## PROJECT HELMER PARCEL SPLIT

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# CERTIFICATE OF SURVEY

## NEW LEGAL DESCRIPTION - COMBINED PARCEL

THAT PART OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 8 WEST, CITY OF BATTLE CREEK, CALHOUN COUNTY, MICHIGAN DESCRIBED AS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00°19'06" WEST 326.83 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 89°59'33" WEST 660.00 FEET; THENCE NORTH 00°19'06" WEST 866.00 FEET; THENCE SOUTH 89°59'33" EAST 660.00 FEET TO A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4, SAID POINT BEING SOUTH 00°19'06" E 132.00 FEET FROM THE NORTHEAST CORNER OF THE SOUTH 1/2 OF SAID SOUTHEAST 1/4; THENCE SOUTH 00°19'06" EAST 866.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION.

CONTAINING APPROXIMATELY 13.12 ACRES.

## NEW LEGAL DESCRIPTION - REMAINDER PARCEL

THAT PART OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 8 WEST, CITY OF BATTLE CREEK, CALHOUN COUNTY, MICHIGAN DESCRIBED AS:

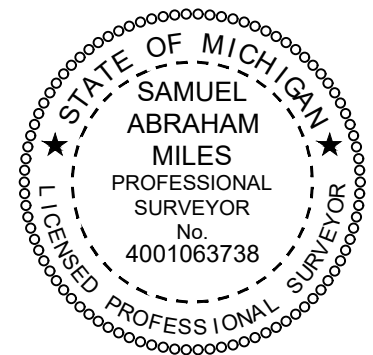
COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00°19'06" WEST 165.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 89°58'43" WEST 528.00 FEET; THENCE SOUTH 00°19'06" EAST 165.00 FEET TO A POINT ON THE SOUTH LINE OF SAID SOUTHEAST 1/4; THENCE SOUTH 89°58'43" WEST 2131.91 FEET ALONG SAID SOUTH LINE TO THE SOUTH 1/4 CORNER OF SAID SECTION 16; THENCE NORTH 00°10'15" WEST 1326.16 FEET ALONG THE NORTH-SOUTH 1/4 LINE TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 89°59'33" EAST 1328.25 FEET ALONG SAID NORTH LINE TO THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 00°14'40" EAST 132.00 FEET ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 89°59'33" EAST 668.42 FEET; THENCE SOUTH 00°19'06" EAST 866.00 FEET; THENCE SOUTH 89°59'33" EAST 660.00 FEET TO THE EAST LINE OF SAID SOUTHEAST 1/4; THENCE SOUTH 00°19'06" EAST 161.83 FEET TO THE PLACE OF BEGINNING OF THIS DESCRIPTION.

CONTAINING APPROXIMATELY 61.74 ACRES.

## SURVEYOR'S NOTES

1. BEARINGS ARE BASED ON MICHIGAN STATE PLANE SOUTH ZONE.
2. EAST 1/4 CORNER OF SECTION 16 WAS CALCULATED FROM WITNESS MONUMENT 1 AND WITNESS MONUMENT 2 AS DESCRIBED IN LCRC L.4798, P. 393

I HEREBY CERTIFY THAT I HAVE SURVEYED AND MAPPED THE PARCEL(S) HEREON DESCRIBED AND THAT THE RELATIVE POSITIONAL PRECISION OF EACH CORNER IS WITHIN THE LIMITS ACCEPTED BY THE PRACTICE OF PROFESSIONAL SURVEYING AND THAT ALL THE REQUIREMENTS OF PUBLIC ACT 132 OF 1970, AS AMENDED, HAVE BEEN COMPLIED WITH.



12-15-25

\_\_\_\_\_  
SAMUEL A. MILES, P.S.

No.	Revision Date	Date	
		11-25-2025	
		CADD	M. KRAWCZYK
		PM	S. WILSON
		Project No.	097282.02

DRAWING NOTE: SCALE DEPICTED IS MEANT FOR 8.5"x14" AND WILL SCALE INCORRECTLY IF PRINTED ON ANY OTHER SIZE MEDIA

### PROJECT HELMER PARCEL SPLIT



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**PAGE 7 OF 7**

# **Table 1**

## **Eligible Activity Costs**



**Eligible Activities Table**  
**Helmer Road Multi-Family**  
 Battle Creek, Michigan  
 April 2026

EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
<b>Department Specific Activities Sub-Total</b>	\$ 5,000	
<i>Environmental Site Assessments</i>	\$ 5,000	
<b>EGLE Eligible Activities Sub-Total</b>	<b>\$ 5,000</b>	
MSHDA Housing Development Activities Costs and Schedule		
MSHDA Eligible Activities	Cost	Completion Season/Year
<b>Demolition Sub-Total</b>	\$ 211,200	Fall 2028
<i>Building Demolition</i>	\$ 211,200	
<b>Infrastructure Sub-Total</b>	\$ 2,957,529	Fall 2028
<i>Curbs and Gutters</i>	\$ 215,809	
<i>Landscaping</i>	\$ 521,400	
<i>Street Lighting</i>	\$ 165,000	
<i>Roads</i>	\$ 806,150	
<i>Sanitary Sewer</i>	\$ 226,875	
<i>Sidewalks</i>	\$ 297,945	
<i>Storm Water Systems</i>	\$ 343,750	
<i>Water Mains</i>	\$ 357,500	
<i>EV Charging</i>	\$ 23,100	
<b>Site Preparation Sub-Total</b>	\$ 1,314,500	Fall 2028
<i>Cut and Fill</i>	\$ 539,000	
<i>Grading</i>	\$ 627,000	
<i>Staking</i>	\$ 148,500	
<b>Affordable Housing Financing Gap</b>	\$ 13,429,440	
<b>Brownfield Plan/Act 381 Work Plan</b>	\$ 20,000	Spring 2026
<b>Brownfield Plan Implementation</b>	\$ 50,000	
<b>MSHDA Eligible Activities Sub-Total</b>	<b>\$ 17,982,669</b>	
<b>Contingency (15%)</b>	\$ 672,484	
<b>Interest</b>	\$ 3,975,782	
<b>Total Brownfield Eligible Activities</b>	<b>\$ 22,635,936</b>	

# **Table 2**

## **Tax Capture Schedule**



**Tax Increment Financing Capture Estimates**  
**Helmer Road Multi-family**  
 Battle Creek, Michigan  
 April 2026

Estimated Taxable Value (TV) Increase Rate: 2.00%

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV	\$ 7,260,000	\$ 13,464,000	\$ 13,733,280	\$ 14,007,946	\$ 14,288,105	\$ 14,573,867	\$ 14,865,344	\$ 15,162,651	\$ 15,465,904	\$ 15,775,222	\$ 16,090,726	\$ 16,412,541	\$ 16,740,792	\$ 17,075,608	\$ 17,417,120	\$ 17,765,462	\$ 18,120,771	\$ 18,483,187
Incremental Difference (New TV - Base TV)	\$ 7,260,000	\$ 13,464,000	\$ 13,733,280	\$ 14,007,946	\$ 14,288,105	\$ 14,573,867	\$ 14,865,344	\$ 15,162,651	\$ 15,465,904	\$ 15,775,222	\$ 16,090,726	\$ 16,412,541	\$ 16,740,792	\$ 17,075,608	\$ 17,417,120	\$ 17,765,462	\$ 18,120,771	\$ 18,483,187

School Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Education Tax (SET)	6.0000	\$ 43,560	\$ 80,784	\$ 82,400	\$ 84,048	\$ 85,729	\$ 87,443	\$ 89,192	\$ 90,976	\$ 92,795	\$ 94,651	\$ 96,544	\$ 98,475	\$ 100,445	\$ 102,454	\$ 104,503	\$ 106,593	\$ 108,725	\$ 110,899
School Operating Tax	18.0000	\$ 130,680	\$ 242,352	\$ 247,199	\$ 252,143	\$ 257,186	\$ 262,330	\$ 267,576	\$ 272,928	\$ 278,386	\$ 283,954	\$ 289,633	\$ 295,426	\$ 301,334	\$ 307,361	\$ 313,508	\$ 319,778	\$ 326,174	\$ 332,697
<b>School Total</b>	<b>24.0000</b>	<b>\$ 174,240</b>	<b>\$ 323,136</b>	<b>\$ 329,599</b>	<b>\$ 336,191</b>	<b>\$ 342,915</b>	<b>\$ 349,773</b>	<b>\$ 356,768</b>	<b>\$ 363,904</b>	<b>\$ 371,182</b>	<b>\$ 378,605</b>	<b>\$ 386,177</b>	<b>\$ 393,901</b>	<b>\$ 401,779</b>	<b>\$ 409,815</b>	<b>\$ 418,011</b>	<b>\$ 426,371</b>	<b>\$ 434,899</b>	<b>\$ 443,596</b>

Local Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Cal Co Seniors	0.7439	\$ 5,401	\$ 10,016	\$ 10,216	\$ 10,421	\$ 10,629	\$ 10,841	\$ 11,058	\$ 11,279	\$ 11,505	\$ 11,735	\$ 11,970	\$ 12,209	\$ 12,453	\$ 12,703	\$ 12,957	\$ 13,216	\$ 13,480	\$ 13,750
Cal Co Med Care	0.2481	\$ 1,801	\$ 3,340	\$ 3,407	\$ 3,475	\$ 3,545	\$ 3,616	\$ 3,688	\$ 3,762	\$ 3,837	\$ 3,914	\$ 3,992	\$ 4,072	\$ 4,153	\$ 4,236	\$ 4,321	\$ 4,408	\$ 4,496	\$ 4,586
Cal Co Veterans	0.0999	\$ 725	\$ 1,345	\$ 1,372	\$ 1,399	\$ 1,427	\$ 1,456	\$ 1,485	\$ 1,515	\$ 1,545	\$ 1,576	\$ 1,607	\$ 1,640	\$ 1,672	\$ 1,706	\$ 1,740	\$ 1,775	\$ 1,810	\$ 1,846
Cal Co Parks	0.2000	\$ 1,452	\$ 2,693	\$ 2,747	\$ 2,802	\$ 2,858	\$ 2,915	\$ 2,973	\$ 3,033	\$ 3,093	\$ 3,155	\$ 3,218	\$ 3,283	\$ 3,348	\$ 3,415	\$ 3,483	\$ 3,553	\$ 3,624	\$ 3,697
CDA 911	0.9799	\$ 7,114	\$ 13,193	\$ 13,457	\$ 13,726	\$ 14,001	\$ 14,281	\$ 14,567	\$ 14,858	\$ 15,155	\$ 15,458	\$ 15,767	\$ 16,083	\$ 16,404	\$ 16,732	\$ 17,067	\$ 17,408	\$ 17,757	\$ 18,112
TACC	2.6600	\$ 19,312	\$ 35,814	\$ 36,531	\$ 37,261	\$ 38,006	\$ 38,766	\$ 39,542	\$ 40,333	\$ 41,139	\$ 41,962	\$ 42,801	\$ 43,657	\$ 44,531	\$ 45,421	\$ 46,330	\$ 47,256	\$ 48,201	\$ 49,165
Calhoun ISD	6.1919	\$ 44,953	\$ 83,368	\$ 85,035	\$ 86,736	\$ 88,471	\$ 90,240	\$ 92,045	\$ 93,886	\$ 95,763	\$ 97,679	\$ 99,632	\$ 101,625	\$ 103,657	\$ 105,730	\$ 107,845	\$ 110,002	\$ 112,202	\$ 114,446
Kellogg CC	3.6109	\$ 26,215	\$ 48,617	\$ 49,590	\$ 50,581	\$ 51,593	\$ 52,625	\$ 53,677	\$ 54,751	\$ 55,846	\$ 56,963	\$ 58,102	\$ 59,264	\$ 60,449	\$ 61,658	\$ 62,891	\$ 64,149	\$ 65,432	\$ 66,741
City Operating	8.4870	\$ 61,616	\$ 114,269	\$ 116,554	\$ 118,885	\$ 121,263	\$ 123,688	\$ 126,162	\$ 128,685	\$ 131,259	\$ 133,884	\$ 136,562	\$ 139,293	\$ 142,079	\$ 144,921	\$ 147,819	\$ 150,775	\$ 153,791	\$ 156,867
City St Maint	1.1260	\$ 8,175	\$ 15,160	\$ 15,464	\$ 15,773	\$ 16,088	\$ 16,410	\$ 16,738	\$ 17,073	\$ 17,415	\$ 17,763	\$ 18,118	\$ 18,481	\$ 18,850	\$ 19,227	\$ 19,612	\$ 20,004	\$ 20,404	\$ 20,812
Pol/Fire Pension	5.5830	\$ 40,533	\$ 75,170	\$ 76,673	\$ 78,206	\$ 79,770	\$ 81,366	\$ 82,993	\$ 84,653	\$ 86,346	\$ 88,073	\$ 89,835	\$ 91,631	\$ 93,464	\$ 95,333	\$ 97,240	\$ 99,185	\$ 101,168	\$ 103,192
Cal Co Operating	5.3692	\$ 38,980	\$ 72,291	\$ 73,737	\$ 75,211	\$ 76,716	\$ 78,250	\$ 79,815	\$ 81,411	\$ 83,040	\$ 84,700	\$ 86,394	\$ 88,122	\$ 89,885	\$ 91,682	\$ 93,516	\$ 95,386	\$ 97,294	\$ 99,240
Willard Library	1.9958	\$ 14,490	\$ 26,871	\$ 27,409	\$ 27,957	\$ 28,516	\$ 29,087	\$ 29,668	\$ 30,262	\$ 30,867	\$ 31,484	\$ 32,114	\$ 32,756	\$ 33,411	\$ 34,079	\$ 34,761	\$ 35,456	\$ 36,165	\$ 36,889
<b>Local Total</b>	<b>37.2956</b>	<b>\$ 270,766</b>	<b>\$ 502,148</b>	<b>\$ 512,191</b>	<b>\$ 522,435</b>	<b>\$ 532,883</b>	<b>\$ 543,541</b>	<b>\$ 554,412</b>	<b>\$ 565,500</b>	<b>\$ 576,810</b>	<b>\$ 588,346</b>	<b>\$ 600,113</b>	<b>\$ 612,116</b>	<b>\$ 624,358</b>	<b>\$ 636,845</b>	<b>\$ 649,582</b>	<b>\$ 662,574</b>	<b>\$ 675,825</b>	<b>\$ 689,342</b>

Non-Capturable Millages	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
LK School Debt	7.0000	\$ 50,820	\$ 94,248	\$ 96,133	\$ 98,056	\$ 100,017	\$ 102,017	\$ 104,057	\$ 106,139	\$ 108,261	\$ 110,427	\$ 112,635	\$ 114,888	\$ 117,186	\$ 119,529	\$ 121,920	\$ 124,358	\$ 126,845	\$ 129,382
<b>Total Non-Capturable Taxes</b>	<b>7.0000</b>	<b>\$ 50,820</b>	<b>\$ 94,248</b>	<b>\$ 96,133</b>	<b>\$ 98,056</b>	<b>\$ 100,017</b>	<b>\$ 102,017</b>	<b>\$ 104,057</b>	<b>\$ 106,139</b>	<b>\$ 108,261</b>	<b>\$ 110,427</b>	<b>\$ 112,635</b>	<b>\$ 114,888</b>	<b>\$ 117,186</b>	<b>\$ 119,529</b>	<b>\$ 121,920</b>	<b>\$ 124,358</b>	<b>\$ 126,845</b>	<b>\$ 129,382</b>
	68.2956																		
	68.2956																		
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>		<b>\$ 445,006</b>	<b>\$ 825,284</b>	<b>\$ 841,790</b>	<b>\$ 858,625</b>	<b>\$ 875,798</b>	<b>\$ 893,314</b>	<b>\$ 911,180</b>	<b>\$ 929,404</b>	<b>\$ 947,992</b>	<b>\$ 966,952</b>	<b>\$ 986,291</b>	<b>\$ 1,006,017</b>	<b>\$ 1,026,137</b>	<b>\$ 1,046,660</b>	<b>\$ 1,067,593</b>	<b>\$ 1,088,945</b>	<b>\$ 1,110,724</b>	<b>\$ 1,132,938</b>

Footnotes:	
Total Units	240
Average Home taxable Value	\$ 55,000
Homestead Proportion (Stabilized)	0%

New Units Constructed	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	132	108	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>240</b>	<b>132</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>



Tax Increment Financing Capture Estimates  
**Helmer Road Multi-family**  
 Battle Creek, Michigan  
 April 2026

Estimated Taxable Value (TV) Increase Rate:

Plan Year	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
Calendar Year	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV	\$ 18,852,850	\$ 19,229,907	\$ 19,614,506	\$ 20,006,796	\$ 20,406,932	\$ 20,815,070	\$ 21,231,372	\$ 21,655,999	\$ 22,089,119	\$ 22,530,901	\$ 22,981,520	\$ 23,441,150	\$ -
Incremental Difference (New TV - Base TV)	\$ 18,852,850	\$ 19,229,907	\$ 19,614,506	\$ 20,006,796	\$ 20,406,932	\$ 20,815,070	\$ 21,231,372	\$ 21,655,999	\$ 22,089,119	\$ 22,530,901	\$ 22,981,520	\$ 23,441,150	\$ -

School Capture	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
State Education Tax (SET)	6.0000	\$ 113,117	\$ 115,379	\$ 117,687	\$ 120,041	\$ 122,442	\$ 124,890	\$ 127,388						\$ 2,501,160
School Operating Tax	18.0000	\$ 339,351	\$ 346,138	\$ 353,061	\$ 360,122	\$ 367,325	\$ 374,671	\$ 382,165						\$ 7,503,479
<b>School Total</b>	<b>24.0000</b>	<b>\$ 452,468</b>	<b>\$ 461,518</b>	<b>\$ 470,748</b>	<b>\$ 480,163</b>	<b>\$ 489,766</b>	<b>\$ 499,562</b>	<b>\$ 509,553</b>	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 10,004,639</b>

Local Capture	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
Cal Co Seniors	0.7439	\$ 14,025	\$ 14,305	\$ 14,591	\$ 14,883	\$ 15,181	\$ 15,484	\$ 15,794	\$ 16,110	\$ 16,432	\$ 16,761	\$ 17,096	\$ 17,438	\$ 393,939
Cal Co Med Care	0.2481	\$ 4,677	\$ 4,771	\$ 4,866	\$ 4,964	\$ 5,063	\$ 5,164	\$ 5,268	\$ 5,373	\$ 5,480	\$ 5,590	\$ 5,702	\$ 5,816	\$ 131,383
Cal Co Veterans	0.0999	\$ 1,883	\$ 1,921	\$ 1,959	\$ 1,999	\$ 2,039	\$ 2,079	\$ 2,121	\$ 2,163	\$ 2,207	\$ 2,251	\$ 2,296	\$ 2,342	\$ 52,903
Cal Co Parks	0.2000	\$ 3,771	\$ 3,846	\$ 3,923	\$ 4,001	\$ 4,081	\$ 4,163	\$ 4,246	\$ 4,331	\$ 4,418	\$ 4,506	\$ 4,596	\$ 4,688	\$ 105,912
CDA 911	0.9799	\$ 18,474	\$ 18,843	\$ 19,220	\$ 19,605	\$ 19,997	\$ 20,397	\$ 20,805	\$ 21,221	\$ 21,645	\$ 22,078	\$ 22,520	\$ 22,970	\$ 518,915
TACC	2.6600	\$ 50,149	\$ 51,152	\$ 52,175	\$ 53,218	\$ 54,282	\$ 55,368	\$ 56,475	\$ 57,605	\$ 58,757	\$ 59,932	\$ 61,131	\$ 62,353	\$ 1,408,626
Calhoun ISD	6.1919	\$ 116,735	\$ 119,070	\$ 121,451	\$ 123,880	\$ 126,358	\$ 128,885	\$ 131,463	\$ 134,092	\$ 136,774	\$ 139,509	\$ 142,299	\$ 145,145	\$ 3,278,974
Kellogg CC	3.6109	\$ 68,076	\$ 69,437	\$ 70,826	\$ 72,243	\$ 73,687	\$ 75,161	\$ 76,664	\$ 78,198	\$ 79,762	\$ 81,357	\$ 82,984	\$ 84,644	\$ 1,912,183
City Operating	8.4870	\$ 160,004	\$ 163,204	\$ 166,468	\$ 169,798	\$ 173,194	\$ 176,658	\$ 180,191	\$ 183,794	\$ 187,470	\$ 191,220	\$ 195,044	\$ 198,945	\$ 4,494,364
City St Maint	1.1260	\$ 21,228	\$ 21,653	\$ 22,086	\$ 22,528	\$ 22,978	\$ 23,438	\$ 23,907	\$ 24,385	\$ 24,872	\$ 25,370	\$ 25,877	\$ 26,395	\$ 596,283
Pol/Fire Pension	5.5830	\$ 105,255	\$ 107,361	\$ 109,508	\$ 111,698	\$ 113,932	\$ 116,211	\$ 118,535	\$ 120,905	\$ 123,324	\$ 125,790	\$ 128,306	\$ 130,872	\$ 2,956,526
Cal Co Operating	5.3692	\$ 101,225	\$ 103,249	\$ 105,314	\$ 107,420	\$ 109,569	\$ 111,760	\$ 113,995	\$ 116,275	\$ 118,601	\$ 120,973	\$ 123,392	\$ 125,860	\$ 2,843,306
Willard Library	1.9958	\$ 37,627	\$ 38,379	\$ 39,147	\$ 39,930	\$ 40,728	\$ 41,543	\$ 42,374	\$ 43,221	\$ 44,085	\$ 44,967	\$ 45,867	\$ 46,784	\$ 1,056,893
<b>Local Total</b>	<b>37.2956</b>	<b>\$ 703,128</b>	<b>\$ 717,191</b>	<b>\$ 731,535</b>	<b>\$ 746,165</b>	<b>\$ 761,089</b>	<b>\$ 776,311</b>	<b>\$ 791,837</b>	<b>\$ 807,673</b>	<b>\$ 823,827</b>	<b>\$ 840,303</b>	<b>\$ 857,110</b>	<b>\$ 874,252</b>	<b>\$ 19,750,207</b>

Non-Capturable Millages	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
LK School Debt	7.0000	\$ 131,970	\$ 134,609	\$ 137,302	\$ 140,048	\$ 142,849	\$ 145,705	\$ 148,620	\$ 151,592	\$ 154,624	\$ 157,716	\$ 160,871	\$ 164,088	\$ 3,706,911
<b>Total Non-Capturable Taxes</b>	<b>7.0000</b>	<b>\$ 131,970</b>	<b>\$ 134,609</b>	<b>\$ 137,302</b>	<b>\$ 140,048</b>	<b>\$ 142,849</b>	<b>\$ 145,705</b>	<b>\$ 148,620</b>	<b>\$ 151,592</b>	<b>\$ 154,624</b>	<b>\$ 157,716</b>	<b>\$ 160,871</b>	<b>\$ 164,088</b>	<b>\$ 3,706,911</b>
	68.2956													
	68.2956													
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>		<b>\$ 1,155,597</b>	<b>\$ 1,178,709</b>	<b>\$ 1,202,283</b>	<b>\$ 1,226,329</b>	<b>\$ 1,250,855</b>	<b>\$ 1,275,872</b>	<b>\$ 1,301,390</b>	<b>\$ 807,673</b>	<b>\$ 823,827</b>	<b>\$ 840,303</b>	<b>\$ 857,110</b>	<b>\$ 874,252</b>	<b>\$ 29,754,846</b>

Footnotes:

Total Units	240
Average Home taxable Value	\$ 55,000
Homestead Proportion (Stabilized)	0%

New Units Constructed  
**240**

# **Table 3**

## **Reimbursement Schedule**



**Tax Increment Revenue Reimbursement Schedule**  
**Helmer Road Multi-Family**  
 Battle Creek, Michigan  
 April 2026

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	32.0%	\$ 8,754,059	\$ -	\$ 8,754,059
Local	68.0%	\$ 18,615,820	\$ -	\$ 18,615,820
<b>TOTAL</b>		<b>\$ 27,369,879</b>		<b>\$ 27,369,879</b>
EGLE	0.0%	\$ 5,000	\$ -	\$ 5,000
MSHDA	100.0%	\$ 18,655,154	\$ -	\$ 18,655,154

Estimated Total Years of Plan:	<b>30</b>
--------------------------------	-----------

Estimated Capture	\$ 29,754,846
Administrative Fees	\$ 1,975,021
State Brownfield Redevelopment Fund	\$ 1,250,580
Local Brownfield Revolving Fund	\$ 4,696,431

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Total State Incremental Revenue	\$ 174,240	\$ 323,136	\$ 329,599	\$ 336,191	\$ 342,915	\$ 349,773	\$ 356,768	\$ 363,904	\$ 371,182	\$ 378,605	\$ 386,177	\$ 393,901	\$ 401,779	\$ 409,815	\$ 418,011	\$ 426,371	\$ 434,899	\$ 443,596
State Brownfield Redevelopment Fund (50% of SET)	\$ 21,780	\$ 40,392	\$ 41,200	\$ 42,024	\$ 42,864	\$ 43,722	\$ 44,596	\$ 45,488	\$ 46,398	\$ 47,326	\$ 48,272	\$ 49,238	\$ 50,222	\$ 51,227	\$ 52,251	\$ 53,296	\$ 54,362	\$ 55,450
<b>State TIR Available for Reimbursement</b>	<b>\$ 152,460</b>	<b>\$ 282,744</b>	<b>\$ 288,399</b>	<b>\$ 294,167</b>	<b>\$ 300,050</b>	<b>\$ 306,051</b>	<b>\$ 312,172</b>	<b>\$ 318,416</b>	<b>\$ 324,784</b>	<b>\$ 331,280</b>	<b>\$ 337,905</b>	<b>\$ 344,663</b>	<b>\$ 351,557</b>	<b>\$ 358,588</b>	<b>\$ 365,760</b>	<b>\$ 373,075</b>	<b>\$ 380,536</b>	<b>\$ 388,147</b>
Total Local Incremental Revenue	\$ 270,766	\$ 502,148	\$ 512,191	\$ 522,435	\$ 532,883	\$ 543,541	\$ 554,412	\$ 565,500	\$ 576,810	\$ 588,346	\$ 600,113	\$ 612,116	\$ 624,358	\$ 636,845	\$ 649,582	\$ 662,574	\$ 675,825	\$ 689,342
BRA Administrative Fee 10%	\$ 27,077	\$ 50,215	\$ 51,219	\$ 52,243	\$ 53,288	\$ 54,354	\$ 55,441	\$ 56,550	\$ 57,681	\$ 58,835	\$ 60,011	\$ 61,212	\$ 62,436	\$ 63,685	\$ 64,958	\$ 66,257	\$ 67,583	\$ 68,934
<b>Local TIR Available for Reimbursement</b>	<b>\$ 243,689</b>	<b>\$ 451,933</b>	<b>\$ 460,972</b>	<b>\$ 470,191</b>	<b>\$ 479,595</b>	<b>\$ 489,187</b>	<b>\$ 498,971</b>	<b>\$ 508,950</b>	<b>\$ 519,129</b>	<b>\$ 529,512</b>	<b>\$ 540,102</b>	<b>\$ 550,904</b>	<b>\$ 561,922</b>	<b>\$ 573,161</b>	<b>\$ 584,624</b>	<b>\$ 596,316</b>	<b>\$ 608,243</b>	<b>\$ 620,407</b>
<b>Total State &amp; Local TIR Available</b>	<b>\$ 396,149</b>	<b>\$ 734,677</b>	<b>\$ 749,371</b>	<b>\$ 764,358</b>	<b>\$ 779,645</b>	<b>\$ 795,238</b>	<b>\$ 811,143</b>	<b>\$ 827,366</b>	<b>\$ 843,913</b>	<b>\$ 860,791</b>	<b>\$ 878,007</b>	<b>\$ 895,567</b>	<b>\$ 913,479</b>	<b>\$ 931,748</b>	<b>\$ 950,383</b>	<b>\$ 969,391</b>	<b>\$ 988,779</b>	<b>\$ 1,008,554</b>

DEVELOPER	Beginning Balance	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
<b>DEVELOPER Eligible Activity Balance</b>	\$ 5,230,714	\$ 5,767,322	\$ 5,965,402	\$ 6,148,789	\$ 6,317,189	\$ 6,466,963	\$ 6,594,961	\$ 6,700,077	\$ 6,781,184	\$ 6,837,129	\$ 6,866,740	\$ 6,868,817	\$ 6,842,140	\$ 6,785,464	\$ 6,697,516	\$ 6,577,001	\$ 6,422,596	\$ 6,232,954	\$ 6,006,698

MSHDA Gap Calc Reimbursement	\$ 13,429,440	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Tax Reimbursement	\$ 152,460	\$ 282,744	\$ 288,399	\$ 294,167	\$ 274,326	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419
Local Tax Reimbursement	\$ 243,689	\$ 451,933	\$ 460,972	\$ 470,191	\$ 438,478	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053
<b>Total Gap Calc Reimbursement Balance</b>	<b>\$ 275,323</b>	<b>\$ 212,117</b>	<b>\$ 134,219</b>	<b>\$ 41,333</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

MSHDA Housing Development Reimbursement	\$ 5,225,714	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ 25,699	\$ 47,586	\$ 53,702	\$ 59,939	\$ 66,301	\$ 72,791	\$ 79,410	\$ 86,162	\$ 93,048	\$ 100,073	\$ 107,238	\$ 114,546	\$ 122,000	\$ 129,604	
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ 41,077	\$ 76,061	\$ 85,836	\$ 95,806	\$ 105,975	\$ 116,348	\$ 126,928	\$ 137,719	\$ 148,727	\$ 159,955	\$ 171,407	\$ 183,088	\$ 195,003	\$ 207,156	
<b>Total MSHDA Reimbursement Balance</b>	<b>99.9%</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,158,937</b>	<b>\$ 5,035,289</b>	<b>\$ 4,895,752</b>	<b>\$ 4,740,007</b>	<b>\$ 4,567,730</b>	<b>\$ 4,378,592</b>	<b>\$ 4,172,254</b>	<b>\$ 3,948,373</b>	<b>\$ 3,706,598</b>	<b>\$ 3,446,570</b>	<b>\$ 3,167,926</b>	<b>\$ 2,870,291</b>	<b>\$ 2,553,288</b>	<b>\$ 2,216,528</b>

EGLE Reimbursement	\$ 5,000	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ 46	\$ 51	\$ 57	\$ 63	\$ 70	\$ 76	\$ 82	\$ 89	\$ 96	\$ 103	\$ 110	\$ 117	\$ 124	
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ 39	\$ 73	\$ 82	\$ 92	\$ 101	\$ 111	\$ 121	\$ 132	\$ 142	\$ 153	\$ 164	\$ 175	\$ 187	\$ 198	
<b>Total EGLE Reimbursement Balance</b>	<b>0.1%</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 4,936</b>	<b>\$ 4,818</b>	<b>\$ 4,684</b>	<b>\$ 4,535</b>	<b>\$ 4,370</b>	<b>\$ 4,189</b>	<b>\$ 3,992</b>	<b>\$ 3,778</b>	<b>\$ 3,546</b>	<b>\$ 3,298</b>	<b>\$ 3,031</b>	<b>\$ 2,746</b>	<b>\$ 2,443</b>	<b>\$ 2,121</b>

Interest Accrual	5%	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Interest Reimbursement Balance</b>		<b>\$ 261,286</b>	<b>\$ 522,571</b>	<b>\$ 783,857</b>	<b>\$ 1,045,143</b>	<b>\$ 1,303,090</b>	<b>\$ 1,554,854</b>	<b>\$ 1,799,642</b>	<b>\$ 2,036,642</b>	<b>\$ 2,265,028</b>	<b>\$ 2,483,958</b>	<b>\$ 2,692,571</b>	<b>\$ 2,889,989</b>	<b>\$ 3,075,319</b>	<b>\$ 3,247,648</b>	<b>\$ 3,406,044</b>	<b>\$ 3,549,559</b>	<b>\$ 3,677,223</b>	<b>\$ 3,788,049</b>

Total Annual Developer Reimbursement	\$ 396,149	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	\$ 396,149	\$ 734,677	\$ 749,371	\$ 764,358	\$ 779,645	\$ 795,238	\$ 811,143	\$ 827,366	\$ 843,913	\$ 860,791	\$ 878,007	\$ 895,567	\$ 913,479	\$ 931,748	\$ 950,383	\$ 969,391	\$ 988,779	\$ 1,008,554	

**LOCAL BROWNFIELD REVOLVING FUNI**

LBRF Deposits *	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Footnotes:



Tax Increment Revenue Reimbursement Schedule  
**Helmer Road Multi-Family**  
 Battle Creek, Michigan  
 April 2026

	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
Total State Incremental Revenue	\$ 452,468	\$ 461,518	\$ 470,748	\$ 480,163	\$ 489,766	\$ 499,562	\$ 509,553						\$ 10,004,639
State Brownfield Redevelopment Fund (50% of State TIR Available for Reimbursement)	\$ 56,559	\$ 57,690	\$ 58,844	\$ 60,020	\$ 61,221	\$ 62,445	\$ 63,694						\$ 1,250,580
<b>State TIR Available for Reimbursement</b>	<b>\$ 395,910</b>	<b>\$ 403,828</b>	<b>\$ 411,905</b>	<b>\$ 420,143</b>	<b>\$ 428,546</b>	<b>\$ 437,116</b>	<b>\$ 445,859</b>	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 8,754,059</b>
Total Local Incremental Revenue	\$ 703,128	\$ 717,191	\$ 731,535	\$ 746,165	\$ 761,089	\$ 776,311	\$ 791,837	\$ 807,673	\$ 823,827	\$ 840,303	\$ 857,110	\$ 874,252	\$ 19,750,207
BRA Administrative Fee	\$ 70,313	\$ 71,719	\$ 73,153	\$ 74,617	\$ 76,109	\$ 77,631	\$ 79,184	\$ 80,767	\$ 82,383	\$ 84,030	\$ 85,711	\$ 87,425	\$ 1,975,021
<b>Local TIR Available for Reimbursement</b>	<b>\$ 632,816</b>	<b>\$ 645,472</b>	<b>\$ 658,381</b>	<b>\$ 671,549</b>	<b>\$ 684,980</b>	<b>\$ 698,679</b>	<b>\$ 712,653</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	<b>\$ 18,615,820</b>
<b>Total State &amp; Local TIR Available</b>	<b>\$ 1,028,725</b>	<b>\$ 1,049,300</b>	<b>\$ 1,070,286</b>	<b>\$ 1,091,692</b>	<b>\$ 1,113,525</b>	<b>\$ 1,135,796</b>	<b>\$ 1,158,512</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	
<b>DEVELOPER</b>													
<b>DEVELOPER Eligible Activity Balance</b>	<b>\$ 5,742,426</b>	<b>\$ 5,438,705</b>	<b>\$ 4,389,064</b>	<b>\$ 3,297,372</b>	<b>\$ 2,183,847</b>	<b>\$ 1,048,051</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>MSHDA Gap Calc Reimbursement</b>													
MSHDA Gap Calc Reimbursement	\$ 671,472	\$ 671,472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,429,440
State Tax Reimbursement	\$ 258,419	\$ 258,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,168,384
Local Tax Reimbursement	\$ 413,053	\$ 413,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,261,056
<b>Total Gap Calc Reimbursement Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,429,440</b>
<b>MSHDA Housing Development Reimbursement</b>													
MSHDA Housing Development Reimbursement													\$ 5,225,714
State Tax Reimbursement	\$ 137,359	\$ 145,270	\$ 411,511	\$ 158,901	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,011,141
Local Tax Reimbursement	\$ 219,553	\$ 232,197	\$ 657,752	\$ 253,985	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,214,573
<b>Total MSHDA Reimbursement Balance</b>	<b>\$ 1,859,616</b>	<b>\$ 1,482,149</b>	<b>\$ 412,886</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,225,714</b>
<b>EGLE Reimbursement</b>													
EGLE Reimbursement													\$ 5,000
State Tax Reimbursement	\$ 131	\$ 139	\$ 394	\$ 152									\$ 1,924
Local Tax Reimbursement	\$ 210	\$ 222	\$ 629	\$ 243									\$ 3,076
<b>Total EGLE Reimbursement Balance</b>	<b>\$ 1,779</b>	<b>\$ 1,418</b>	<b>\$ 395</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>
<b>Interest Accrual</b>													
Interest Accrual	\$ 92,981	\$ 74,107	\$ 20,644	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,975,782
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ 261,089	\$ 428,546	\$ 437,116	\$ 403,347						\$ 1,530,099
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ 417,321	\$ 684,980	\$ 698,679	\$ 644,703						\$ 2,445,683
<b>Total Interest Reimbursement Balance</b>	<b>\$ 3,881,030</b>	<b>\$ 3,955,138</b>	<b>\$ 3,975,782</b>	<b>\$ 3,297,372</b>	<b>\$ 2,183,847</b>	<b>\$ 1,048,051</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,975,782</b>
<b>Total Annual Developer Reimbursement</b>	<b>\$ 1,028,725</b>	<b>\$ 1,049,300</b>	<b>\$ 1,070,286</b>	<b>\$ 1,091,692</b>	<b>\$ 1,113,525</b>	<b>\$ 1,135,796</b>	<b>\$ 1,048,051</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,635,936</b>
<b>LOCAL BROWNFIELD REVOLVING FUND</b>													
<b>LBRF Deposits *</b>													
State Tax Capture							\$ 5,000						\$ 5,000
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,950	\$ 888,441	\$ 906,210	\$ 924,334	\$ 942,821	\$ 961,677	\$ 4,691,431
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 72,950</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	<b>\$ 4,696,431</b>

\* Up to five years of capture for LBRF Deposits

Footnotes:

# **Attachment A**

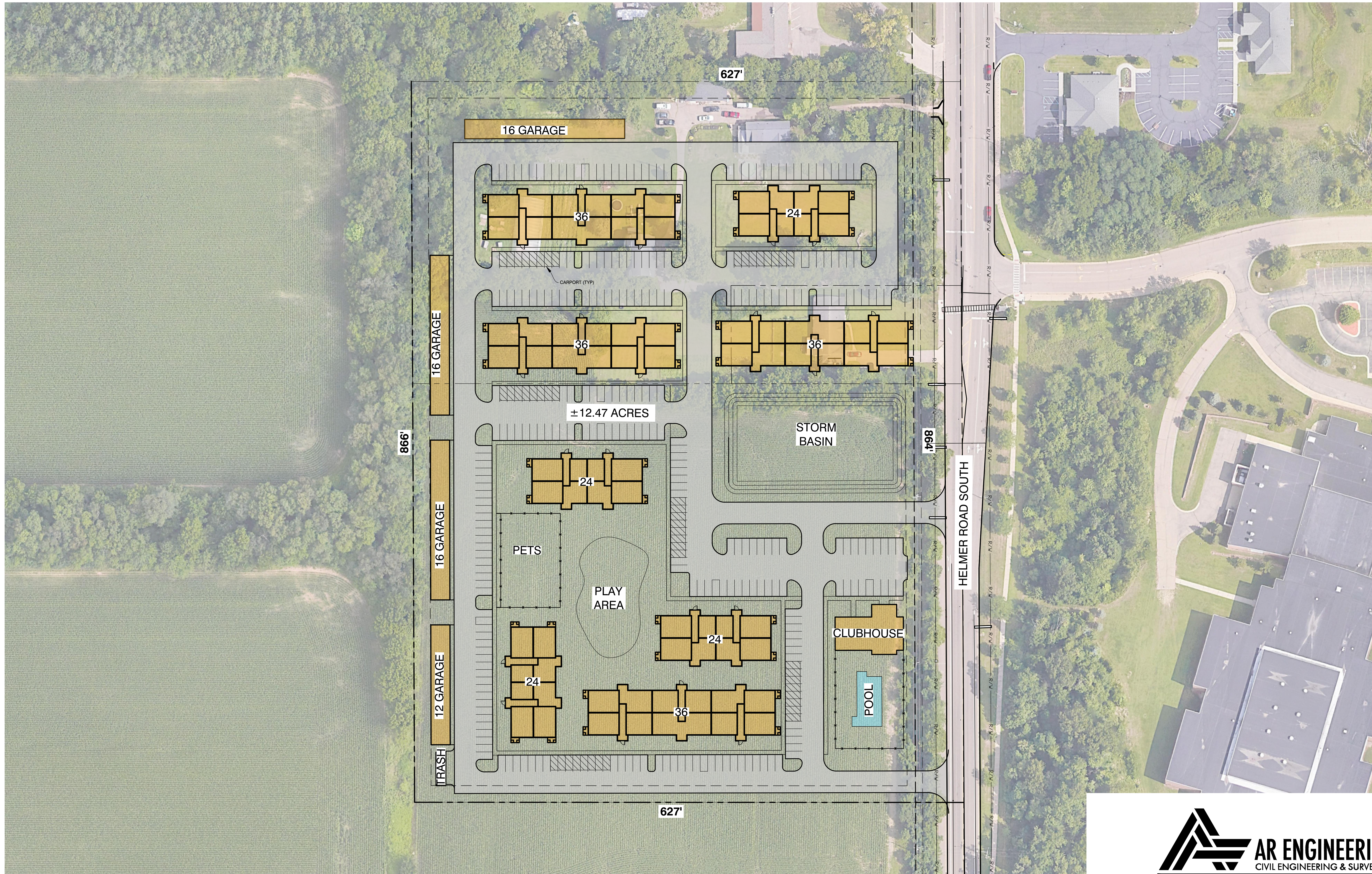
## **Brownfield Plan Resolutions**

# **Attachment B**

## **Reimbursement Agreement**

# **Attachment C**

## **Site Plan**



# **Attachment D**

## **Housing Study**



# Battle Creek Housing Action Plan

March 2024

# Table of Contents

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Executive Summary	4
Introduction	13
Housing Market Conditions	17
Existing and Future Housing Needs	40
Housing Gaps	81
Recommendations	92
Appendix	127

## ACKNOWLEDGEMENTS

The Battle Creek Housing Action Plan is the result of a collaborative effort between the City of Battle Creek, Battle Creek Unlimited, the W.K. Kellogg Foundation, and various stakeholders.

We would like to thank the City staff members, housing service providers, housing developers, community members, and others who were instrumental to the development of the Battle Creek Housing Action Plan. The development of this Plan would not have been possible without the expertise and insights of the following individuals and entities:

### **City of Battle Creek**

Ted Dearing  
Rebecca Fleury  
John Hart

### **Battle Creek Unlimited**

John Hughes  
Joe Sobieralski

### **W.K. Kellogg Foundation**

Jenefer O'Dell  
Jamie Schriener

### **Allen Edwin Homes**

Brian Farkas

### **AVB, Inc.**

Curt Aardema  
John Bakos  
Evan McIntyre

### **Calhoun County Land Bank**

Amy Rose Robinson  
Krista Trout-Edwards

### **Habitat for Humanity**

Mike King

### **Hinman Development Co.**

Anmar Atchu  
Rich MacDonald

### **Hollander Development**

Michelle Audette-Bauman  
Matt Hollander  
Jason Muniz

### **LISC Kalamazoo**

Zac Bauer  
Sonja Dean

### **MDH Development**

Dan Harmsen  
Mark Harmsen

### **Neighborhoods, Inc**

Whitney Wardell

### **New Level Sports Ministries**

Malik Goodwin  
Pastor Chris McCoy

### **Northern Initiatives**

Kellie Hoffman

### **Voces**

Jose Orozco

### **Washington Heights UMC**

Pastor Monique French



| 00

# Executive Summary

## EXECUTIVE SUMMARY | BATTLE CREEK HOUSING MARKET CONDITIONS

Battle Creek's housing market is stagnant, lacking investment required to meet current and future needs.

Like many communities in Michigan and nationally, Battle Creek has housing challenges, exacerbated by COVID-19. Battle Creek's housing market conditions have only worsened in recent years, while some other southwestern Michigan communities have seen a revival. **Future population and economic growth in Battle Creek depends on the availability of quality, affordable housing to sustain current and attract future residents.**

**-1,100**

**decline in residents  
since 1990**

### **STAGNANT POPULATION**

**GROWTH.** Battle Creek is not capturing regional growth. Since 1990, Kalamazoo and Calhoun Counties combined experienced 10% population growth, but Battle Creek's population declined by 2%.

**75%**

**of homes built  
before 1980**

**AGING HOUSING STOCK.** While housing options across many typologies are affordable, many homes in Battle Creek are aging and may require significant and costly improvements.

**77%**

**Median household income in  
Battle Creek compared to region**

**LOWER HOUSEHOLD INCOMES.** Household incomes in Battle Creek have consistently trailed that of neighboring communities, challenging the financial feasibility of new housing development and investments. As a result, housing developers pursue opportunities elsewhere in the region.

See pages 17-39 of this report for more details on these figures.

## EXECUTIVE SUMMARY | HOUSING GAPS IN BATTLE CREEK

Housing development barriers, capacity constraints, and program misalignments are the city's greatest housing challenges.

The City of Battle Creek and its partners have recently made progress to enhance housing development and investment, but gaps continue to hamper Battle Creek's housing market.

**11.5%**

**Annual increase in construction material costs since 2021**

### **DEVELOPMENT BARRIERS.**

Emerging development trends such as rising construction costs and interest rates, combined with lower achievable rents and sales prices compared to the region, exacerbate feasibility challenges for housing development and investment in Battle Creek.

**0**

**Active high-performing housing non-profits in Battle Creek**

**CAPACITY CONSTRAINTS.** A lack of high-performing housing organizations in the market<sup>[1]</sup> and constrained local resources have prevented the City and providers from sustaining or expanding existing housing programs and services.

**0**

**LIHTC projects in Battle Creek since 2013**

### **PROGRAM MISALIGNMENT.**

Local, state, and federal housing programs do not fully address Battle Creek's housing needs. Developers and housing service providers have indicated ongoing challenges with accessing state and federal resources.

See pages 81-91 of this report for more details on these figures.

[1] Findings from Battle Creek Housing and Community Development Ecosystem Assessment (2019)

[2] LIHTC award allocations as of October 2023

## EXECUTIVE SUMMARY | BLUEOVAL PLANT

In February 2023, Ford announced plans to develop BlueOval Battery Park Michigan. The \$2.5 billion plant is anticipated to bring 1,700 new jobs to the Battle Creek region.

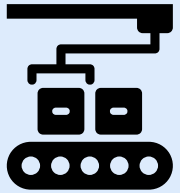


**1,700**

Direct Jobs created  
at BlueOval Plant

**2,040**

Additional indirect and  
induced Jobs created



**2026**

Factory will begin producing  
LFP battery cells



**\$2.5B**

Ford Capital Investment



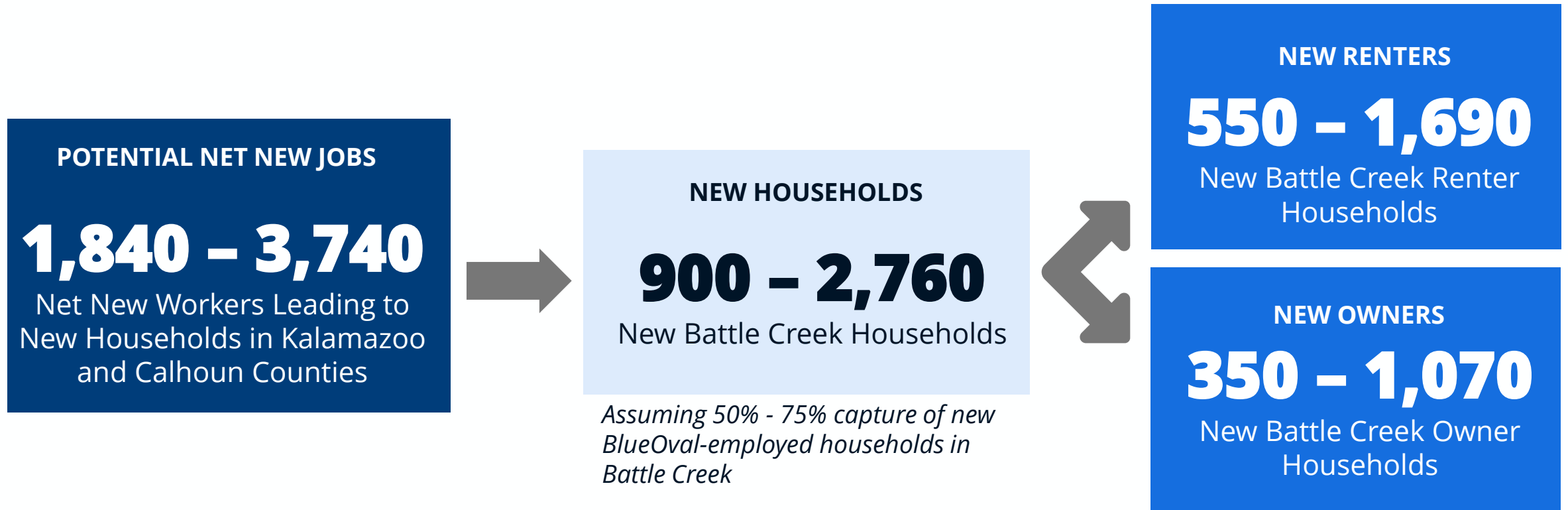
**20**

Gigawatt hours plant capacity



## EXECUTIVE SUMMARY | BLUEOVAL NEW HOUSING DEMAND

Battle Creek can increase its population and economic base by attracting BlueOval employees and other new workers to the city.



See pages 44-46 of this report for more details on this estimate.

## EXECUTIVE SUMMARY | HOUSING MARKET PRESSURES

This housing action plan aims to address Battle Creek’s existing and future housing market pressures.

BlueOval and other future economic investments can be a vital asset for Battle Creek’s population and economic growth. **However, the city’s existing housing market could hinder this growth if future workers from are unable to access quality, affordable housing.** Additionally, the influx of BlueOval workers could create further strains on Battle Creek’s housing market by intensifying displacement of long-term, lower income residents.

### INCREASED HOUSING MARKET PRESSURES

**~1,540  
Households**

#### For-Sale Housing Market

in the market to buy in Battle Creek at **\$238,000**, the price affordable to the average BlueOval household when including current and added BlueOval demand

**2,800  
Rental Unit  
Deficit**

#### Rental Housing Pressures

for households **making over \$60,000**. This deficit will occur because of added new BlueOval households and existing need for quality rental housing.

See pages 40-50 of this report for more details on these figures.

[1] Housing gap projections based on ACS data; actual housing gap subject likely to change following publication of Battle Creek Housing Action Plan.

### ADDITIONAL HOUSING CHALLENGES

#### Neighborhood Change and Displacement



Unchecked population growth could cause rapid population growth in neighborhoods which are **already facing gentrification challenges.**

Neighborhoods such as Washington Heights, a historically Black neighborhood near downtown Battle Creek, **could face further neighborhood change which displaces long-term residents.**

## EXECUTIVE SUMMARY | CALL TO ACTION

Battle Creek could experience continued population loss and economic decline if its housing challenges are not addressed.

As BlueOval and other new economic drivers come into the region, the City and its partners must ensure that Battle Creek can accommodate new household growth while addressing its existing housing needs. Inaction will further contribute to population decline and stunted economic activity as prospective employers seek alternate markets that can accommodate employee housing needs. This lack of growth would expound disinvestment and social harms that the city is already facing, such as increasing rates of poverty, homelessness, and an eroding tax base.



**POPULATION  
DECLINE**



**ERODING  
TAX BASE**



**JOB LOSS &  
STUNTED ECONOMIC  
ACTIVITY**



**INCREASING RATES  
OF POVERTY &  
HOMELESSNESS**

**The City of Battle Creek and its partners are facing an inflection point in combating its housing challenges while accommodating economic growth.** By addressing its ongoing and future housing needs, the City and its partners can position itself to meet the housing needs of existing Battle Creek residents and prospective BlueOval employees while establishing Battle Creek as an attractive destination for future residents.

## EXECUTIVE SUMMARY | PRIORITY PROGRAMS

The City and its partners can leverage existing programs and efforts to scale up programs that address Battle Creek's most pressing housing concerns.

### Land Use & Regulatory Tools



1. Update the City's existing zoning code to support infill housing typologies.



2. Adopt pre-approved development plans.

### Development Feasibility Tools

#### Sources



1. Create a **housing trust fund**.



2. Establish a **revolving loan fund**.



#### Uses



1. Establish an **emerging developer fund**.



2. Expand existing single-family rehab & repair programs to include a **funding pool for larger-scale projects**.



3. Expand and refine existing **down payment assistance programs**.



4. Create a **community land trust**.

## EXECUTIVE SUMMARY | ILLUSTRATIVE FUNDING SCENARIO FOR HOUSING TRUST FUND

A \$10 million funding commitment for affordable housing over the next five years could provide rental housing or homeownership opportunities for 70 households per year.

If \$10 million were allocated to address Battle Creek’s housing needs in the near-term, approximately \$4 million (40%) could be allocated towards capitalizing the revolving loan fund. The remaining funding (\$6 million) could be allocated towards providing grants and forgivable loans to supporting other priority programs, including expanding down payment assistance programs, establishing a community land trust, and creating a single-family rehab program to supplement existing state and federal resources.

### Potential Five-Year Impacts of Local Spending on Affordable Housing

**\$10 million**

Total local funding required to incorporate all priority recommendations

**\$23**

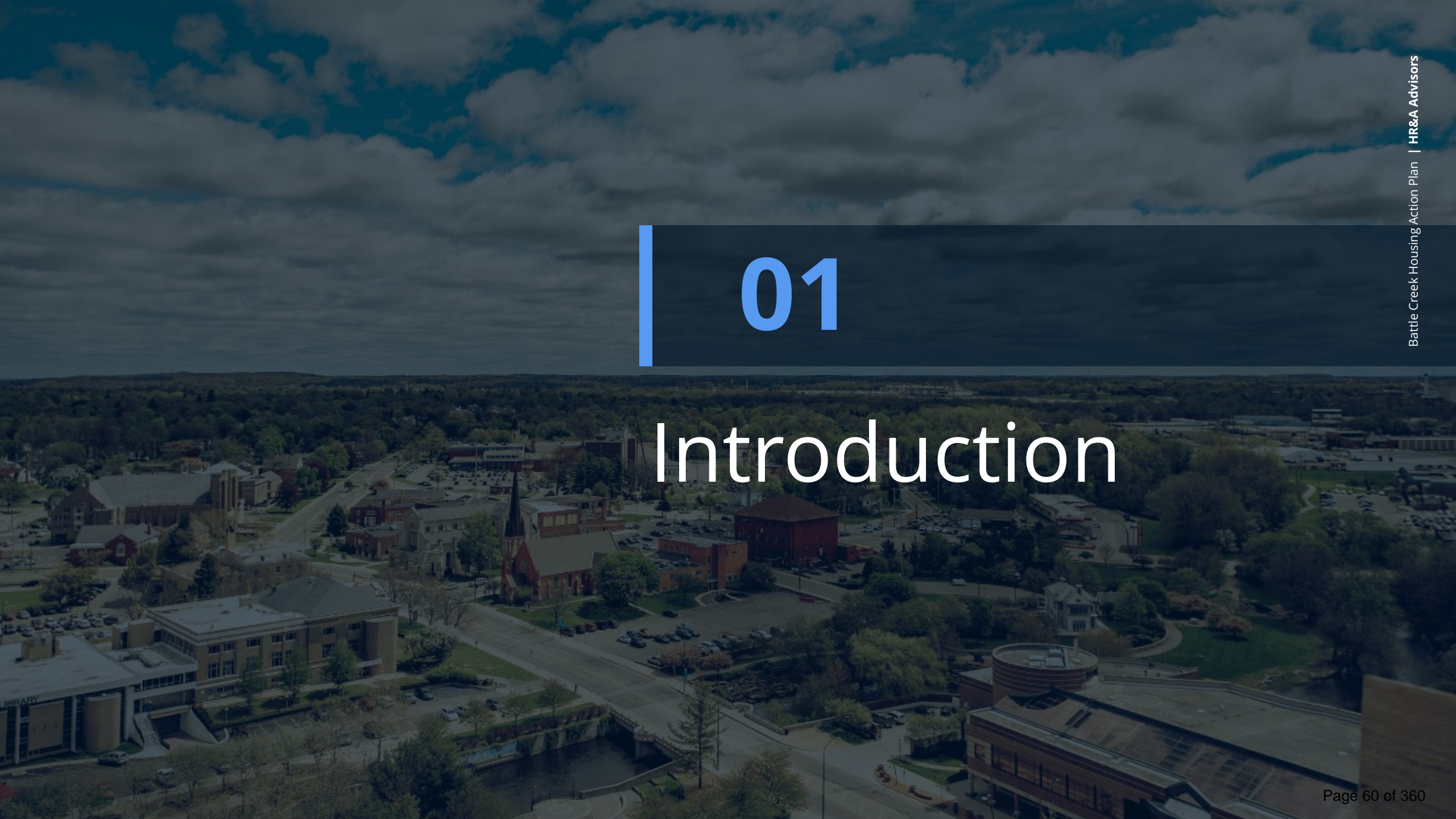
Per capita allocated annually

<b>\$6 million</b> Grants and Forgivable Loans	<b>\$4 million</b> Revolving Loan Fund
<p><b>Sample Allocation:</b></p> <ul style="list-style-type: none"> <li>• <b>DPA Program (20%)</b> <i>10 new homeowners/year</i></li> <li>• <b>Community Land Trust (45%)</b> <i>6 new homeowners/year</i></li> <li>• <b>Single-Family Rehab Program (35%)</b> <i>5 rehabbed homes/year</i></li> </ul>	<p><b>Projected Impacts:</b></p> <ul style="list-style-type: none"> <li>• 40 – 50 new homes per year or one apartment project (infill or larger-site) per year</li> </ul>

See pages 115-117 of this report for more details on these estimates.

[1] Projected funding impacts assumes up to \$20,000 per home through revolving loan fund (tax credit and non-tax credit projects); up to \$20,000 per prospective homebuyer for down-payment assistance program, up to \$75,000 per home for community land trust; up to \$70,000 per home for single-family rehabilitation program.

[2] Funding projections assume 3% annual escalation in funding and 10% allocation towards staffing and administration costs.



# 01

# Introduction

## BATTLE CREEK HOUSING CHALLENGES

Existing market challenges and incoming economic investments requires Battle Creek to implement an actionable plan to address its housing challenges.

### EXISTING HOUSING CHALLENGES

Battle Creek's existing housing supply is aging and requires significant reinvestment, **limiting Battle Creek's ability to capture population and economic growth**. Furthermore, there are limited quality housing options for residents in Battle Creek, ranging from lower- and moderate-income households to higher-income earners.

In recent years, the City of Battle Creek and its partners have pursued housing development and rehabilitation opportunities to increase the quality of its housing stock. However, **limited capacity from local developers and service providers** and **disinvestment from state and federal entities** have hampered Battle Creek's ability to revamp its housing stock and grow its population and economic base.

### FUTURE HOUSING NEEDS

In February 2023, Ford Motor Company announced plans to develop the BlueOval Battery Park Michigan in nearby Marshall. The Plant is currently projected to bring up to 1,700 new jobs to start with additional phases and suppliers adding additional employees to the region.

This new growth can help address Battle Creek's housing challenges but **without interventions from the City and its partners, future job growth in Battle Creek, including BlueOval, can exacerbate local and regional housing challenges**.

## STATE AND NATIONAL HOUSING CHALLENGES

Battle Creek is experiencing housing challenges shared with many communities in Michigan and across the United States.

Since the beginning of COVID-19, the nation’s housing landscape has shifted drastically. Households across the country are facing numerous challenges with finding quality, attainable housing, including an undersupply of housing, aging and disinvested housing stock, rising housing cost burdens, and an inability to access homeownership

These challenges threaten the ability of communities to accommodate housing demand, which can impact local and regional economic growth. Furthermore, housing instability can also harm the physical, mental, and financial well-being of households and community members.

NATIONAL HOUSING TRENDS		MICHIGAN HOUSING TRENDS	
<b>Over 4+ million</b>	Estimated shortage in homes for U.S households	<b>16%</b>	Decline in construction jobs since the early 2000s
<b>40 Years</b>	Median age of U.S. homes	<b>47%</b>	of homes built before 1970
<b>16%</b>	U.S households who are “severely housing cost-burdened” <sup>[1]</sup>	<b>26%</b>	Michigan households who are “housing cost-burdened” <sup>[1]</sup>
<b>\$117,000</b>	Median income required to afford homeownership costs	<b>\$173,300</b>	Median home sales price in 2021, an increase of 84% since 2013

[1] Cost burdened households spend more than 30% of income on housing; severely housing cost-burdened households spend over 50% of income on housing

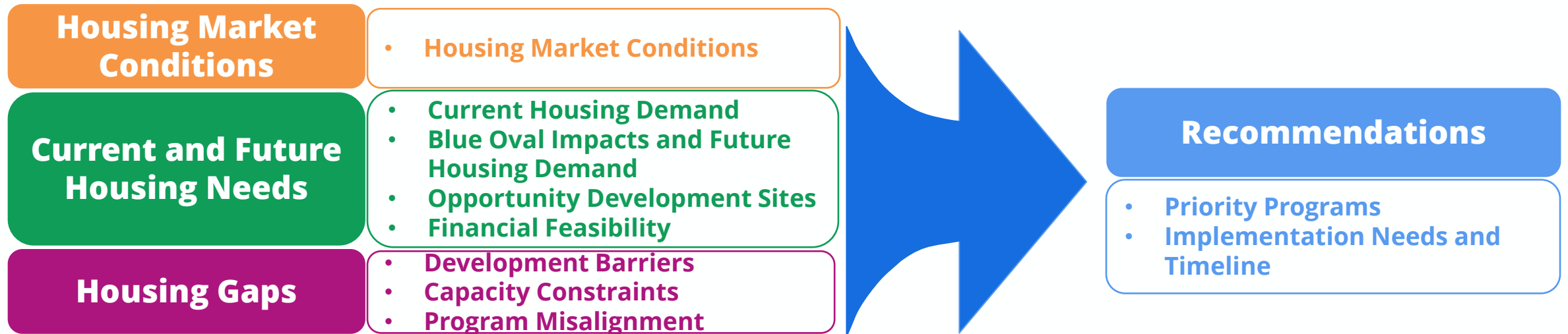
Source: Brookings Institute, Harvard University’s Joint Center for Housing Studies, MSHDA

## HOUSING ACTION PLAN PURPOSE

This plan identifies priority programs and implementation steps for the City and its partners to pursue to address Battle Creek’s most pressing housing needs.

The Battle Creek Housing Action Plan first analyzes the housing market conditions of Battle Creek’s housing stock and its residents. This analysis also projects the current housing needs of Battle Creek residents and future housing needs with the opening of BlueOval. The Plan then identifies the current gaps in Battle Creek’s housing market.

After reviewing the local housing ecosystem and housing programs, the Plan then identifies housing programs that the City and its partners should prioritize, as well as outlines implementation needs and timelines to follow in preparation for the arrival of the BlueOval plant.



### Action Item #3

#### Act 381 Brownfield Plan and Reimbursement Agreement (Resolution)

The Fields at Battle Creek

##### General Background:

Developer GLC Multi BC, LLC, with support from brownfield consultant Michigan Growth Advisors, has proposed an Act 381 Brownfield Plan for the redevelopment of one parcel totaling approximately 13.12 acres located within the City of Battle Creek at 15105 S. Helmer Road.

The proposed development includes the construction of 240 multi-family residential units across multiple buildings, including associated amenities such as a clubhouse, pool, and open space. The development will include 48 income-restricted units (20% of total units) at 100% AMI, anticipated to remain income-restricted for a period of 20 years.

The total capital investment is estimated to be approximately \$48.9 million, with construction anticipated to begin in Fall 2026 and occur over an approximately 2-year buildout period.

The property is considered “eligible property” under Act 381 based on its classification as “Housing Property”, as defined in Section 2(y) of the Act, due to the proposed construction of residential housing units.

##### Housing Need:

###### 2024 HR&A Study:

- As identified in the 2024 HR&A Battle Creek Housing Action Plan, the City of Battle Creek currently faces a significant housing shortage, including an estimated 1,200 unit rental supply deficit for households earning above 80% AMI.
- In addition, anticipated job growth associated with the Ford BlueOval Battery Park project in Marshall is expected to generate demand for an additional 2,800 housing units over the next five years, including both rental and owner occupied housing.
- The City’s housing stock is aging, with a limited supply of newer multi-family housing options.

The proposed The Fields at Battle Creek development directly responds to these identified housing needs by introducing a large-scale, market-rate multi-family development with a component of income-restricted units, expanding housing options and increasing density within the City.

Eligible Costs:

EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
<b>Department Specific Activities Sub-Total</b>	\$ 5,000	
<i>Environmental Site Assessments</i>	\$ 5,000	
<b>EGLE Eligible Activities Sub-Total</b>	\$ 5,000	
MSHDA Housing Development Activities Costs and Schedule		
MSHDA Eligible Activities	Cost	Completion Season/Year
<b>Demolition Sub-Total</b>	\$ 211,200	Fall 2028
<i>Building Demolition</i>	\$ 211,200	
<b>Infrastructure Sub-Total</b>	\$ 2,957,529	Fall 2028
<i>Curbs and Gutters</i>	\$ 215,809	
<i>Landscaping</i>	\$ 521,400	
<i>Street Lighting</i>	\$ 165,000	
<i>Roads</i>	\$ 806,150	
<i>Sanitary Sewer</i>	\$ 226,875	
<i>Sidewalks</i>	\$ 297,945	
<i>Storm Water Systems</i>	\$ 343,750	
<i>Water Mains</i>	\$ 357,500	
<i>EV Charging</i>	\$ 23,100	
<b>Site Preparation Sub-Total</b>	\$ 1,314,500	Fall 2028
<i>Cut and Fill</i>	\$ 539,000	
<i>Grading</i>	\$ 627,000	
<i>Staking</i>	\$ 148,500	
<b>Affordable Housing Financing Gap</b>	\$ 13,429,440	
<b>Brownfield Plan/Act 381 Work Plan</b>	\$ 20,000	Spring 2026
<b>Brownfield Plan Implementation</b>	\$ 50,000	
<b>MSHDA Eligible Activities Sub-Total</b>	\$ 17,982,669	
<b>Contingency (15%)</b>	\$ 672,484	
<b>Interest</b>	\$ 3,975,782	
<b>Total Brownfield Eligible Activities</b>	\$ 22,635,936	

**Capture:**

The duration of the Brownfield Plan is anticipated to be up to 30 years, inclusive of tax increment revenue (TIR) capture for reimbursement of eligible activities, followed by up to 5 years of additional capture dedicated to the Local Brownfield Revolving Fund (LBRF), as permitted under Act 381. The total amount of eligible activities under the Plan is estimated at approximately \$22.6 million, including interest.

Of the total tax increment revenues anticipated to be captured over the life of the Plan:

- Approximately \$18.7 million represents eligible activity costs (exclusive of interest)
- Approximately \$4.0 million represents interest on unreimbursed eligible activities
- Approximately \$1.25 million is anticipated to be captured by the State Brownfield Redevelopment Fund
- Approximately \$2.0 million is anticipated to be captured by the BCBRA for administrative and implementation costs
- Approximately \$4.7 million is anticipated to be captured and deposited into the Local Brownfield Revolving Fund (LBRF)

Actual reimbursement amounts are dependent on construction timing, taxable value growth, and submission and approval of eligible cost documentation in accordance with Act 381 and the approved Brownfield Plan.

**Outcomes:**

- 240 new multi-family residential units constructed
- 48 income-restricted units (20%) at 100% AMI for a 20-year affordability period
- Approximately \$48.9 million in new private investment
- New residential density supporting regional job growth and housing demand
- Diversification of the City's housing stock with modern multi-family product
- New site infrastructure including roads, utilities, stormwater management, and site improvements
- Long-term contribution to the City's tax base
- Capture to the Local Brownfield Revolving Fund, State Brownfield Redevelopment Fund, and BCBRA administrative expenses over the life of the plan

**Staff Reimbursement Agreement Review:**

Staff has reviewed a draft Development and Reimbursement Agreement between the BCBRA and GLC Multi BC, LLC. The agreement establishes how eligible project costs may be reimbursed using tax increment revenues generated by the development, consistent with the approved Brownfield Plan and Act 381.

- Reimbursement is limited solely to available tax increment revenues generated by the development and does not constitute a general obligation of the BCBRA or the City.

- Developer reimbursement is contingent upon submission and approval of eligible cost documentation in accordance with the Brownfield Plan, Act 381, and BCBRA reimbursement procedures.
- The development will maintain 48 income restricted residential units (20% of total units) at 100% AMI for a minimum 20-year affordability period.
- The Developer is required to annually provide income and rent documentation and reporting pursuant to ACT 381 reporting requirements under MCL 125.2666(7) and (9).
- The agreement authorizes reimbursement of approved eligible activities, including housing development activities, from captured tax increment revenues generated by the project.

Staff and legal counsel will continue to review and finalize the agreement prior to execution to ensure consistency with the approved Brownfield Plan and Act 381 requirements.

**Staff Recommendation:**

***\*\*\*Approve the attached resolution recommending City Commission approval of The Fields at Battle Creek Act 381 Brownfield Plan and authorizing staff to finalize and execute the Brownfield Plan Reimbursement Agreement.\*\*\****



**RESOLUTION TO RECOMMEND APPROVAL OF THE BROWNFIELD PLAN FOR THE FIELDS AT BATTLE CREEK AND AUTHORIZE EXECUTION OF A REIMBURSEMENT AGREEMENT.**

Resolution No. [03-18-26]

At a regular meeting of the Battle Creek Brownfield Redevelopment Authority (BCBRA) Board of Directors held in the Battle Creek Unlimited Board Room at the Frederick R. Brydges Custom Cargo Center at 4950 W Dickman Road, Suite 1, Battle Creek 49037 on May 18, 2026, at 3:00 PM.

PRESENT: Steve Claywell, Travis Grimsley, Justin Hodge, Jennifer Rosa, Alana White, Amanda Zimmerlin

ABSENT: Tha Par, Tino Smith, Shannon Visger, Jeremy Wilson, and Jason Woodard

MOTION BY: Justin Hodge

SUPPORTED BY: Amanda Zimmerlin

**WHEREAS**, the Battle Creek Brownfield Redevelopment Authority (the “Authority” or “BCBRA”), pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the “Act”), has prepared a Brownfield Plan (the “Plan”) for the redevelopment of property located within the jurisdictional boundaries of the Authority, commonly known as The Fields at Battle Creek, consisting of one (1) parcel totaling approximately 13.12 acres located at 15105 S. Helmer Road, Battle Creek, Michigan (the “Property”); and

**WHEREAS**, the Property is considered “eligible property” as defined under the Act based on its classification as “Housing Property” pursuant to Section 2(y) of the Act; and

**WHEREAS**, the BCBRA has, in accordance with the Act, published for public review and otherwise provided notice to and fully informed all affected taxing jurisdictions and interested persons (the “Interested Persons”) of the fiscal and economic implications of the proposed Plan and has provided a reasonable opportunity for those Interested Persons to express their views and be heard at the public hearing, in accordance with Sections 14(4) and 14(5) of the Act; and

**WHEREAS**, the BCBRA has made the following determinations and findings:

4. Authorization to Execute Reimbursement Agreement. The BCBRA's Administrator is hereby authorized and directed to execute the Reimbursement Agreement on behalf of the BCBRA, and to take any and all actions necessary or desirable to implement the terms of the Agreement and the Plan..
5. Severability. Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part declared to be invalid.
6. Repealer. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.
7. Effective Date. This Resolution shall take effect immediately upon adoption.

UPON A VOTE FOR THE ADOPTION OF SAID RESOLUTION, THE VOTE WAS:

AYES: Steve Claywell, Travis Grimsley, Justin Hodge, Jennifer Rosa, Alana White,

Amanda Zimmerlin

NAYES: NONE

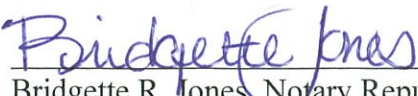
ABSTAINED: NONE

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN                    )  
  )ss.  
COUNTY OF CALHOUN                )

I, the undersigned, the duly qualified and acting Public Notary of the County of Calhoun, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Battle Creek Brownfield Redevelopment Authority Board of Directors at a regular meeting held on the 18th day of May, 2026, the original of which resolution is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267 of the Michigan Public Acts of 1976, including the case of a special or rescheduled meeting, notice by posting at least 18 hours prior to the time set for said meeting.

IT WITNESS WHEREOF, I have hereunto set my official signature, this 18th day of May, 2026.

  
Bridgette R. Jones, Notary Republic  
Calhoun County, Michigan



BRIDGETTE JONES  
My Commission Expires  
August 11, 2031  
County of Calhoun  
Acting in the County of Calhoun



## **Agenda: Battle Creek City Commission**

Meeting Date: June 2, 2026 - 7:00 PM  
Location: City Commission Chambers  
Chair: Mayor Mark A. Behnke  
Title: Battle Creek City Hall - City Commission Chambers - 3rd Floor

### **INVOCATION**

### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Comm. Katsarsky-Smith.

### **ROLL CALL**

#### **City Commission**

Mayor Mark Behnke	Commissioner Paige Katsarsky-Smith
Commissioner Jessica LaCosse	Commissioner Jim Lance
Commissioner Jenasia Morris	Commissioner Carla Reynolds
Commissioner Patrick O'Donnell	Vice Mayor Sherry Sofia
Commissioner Christopher Simmons, attending remotely	

#### **City Staff**

Amanda Zimmerlin, City Manager	William Kim, City Attorney
Marcie Gillette, Assistant City Manager	Victoria Houser, City Clerk
Shannon Bagley, Police Chief	Aaron Kuhn, Revenue Services Director
Chad Frein, IT Director	Steve Skalski, Public Works Director
Phil Kroll, Aviation Director	Olivia Heuermann, IT Service Desk Tech
Helen Guzzo, Community Development Manager	

### **CHAIR NOTES ADDED OR DELETED RESOLUTIONS**

There were no added or deleted resolutions.

### **PETITIONS COMMUNICATIONS REPORTS**

A communication was received from Joe Harris regarding Resolution 390.

### **PUBLIC HEARINGS**

A Public Hearing to receive public comment on the 2026 Annual Action Plan and Proposed Use of Funds for the federal Community Development Block Grant (CDBG) and the HOME Investment Partnership programs for Program Year 2026 (July 1, 2026, to June 30, 2027).

Mayor Behnke declared the public hearing open, inviting attendees to provide public comment.

Jason Milliman shared his experience with recovery, which has given him a second chance with his family and friends, helping to assist others on the journey to recovery.

Kathy Antaya expressed support of the 2026 Annual Action Plan and proposed use of funds, stating stable housing is the foundation for recovery, also expressing support for the Minor Home Repair program.

Tyler Okay, peer recovery coach, stated recovery housing provides the structure, support and accountability to help residents rebuild a productive life.

David Moore expressed agreement with the need for funding housing options and repairs.

Lyle Holmes, recovery coach and house manager, stated recovery housing provides the foundation to build a sober life and an opportunity to become a responsible, productive adult.

Darin Clay shared his experience with substance abuse beginning at age 13, stating recovery housing provided him the support to rebuild his life.

Nathan Butler stated he was in recovery and a peer recovery coach, stating recovery housing provides stability and accountability for those suffering from addiction, and is an investment in people and families.

John Kennefick expressed his opinion tax dollars should not be used for the programs funded by CDBG and HOME investment funds.

Hearing no additional public comments, Mayor Behnke adjourned the public hearing.

### **PUBLIC COMMENT REGARDING ANY REMAINING AGENDA ITEMS**

John Kennefick commented on resolution 403 regarding the Fee, Bond & Insurance schedule, stating there were 131 cost increases, also commenting on resolution 404 to consider the 2026-2027 fiscal year budget and millage rates.

David Moore commented on the use of taxpayer money.

**COMMISSION COMMENT REGARDING MEETING BUSINESS**

Vice Mayor Sofia requested resolution 390 be moved from the consent agenda to the regular resolution section of the agenda.

**CONSENT AGENDA**

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

Minutes

Minutes for the May 19, 2026 City Commission Regular Meeting

Petitions, Communications, Reports

City Manager's Report for June 2, 2026

Proclamations Awards

Proclamation for Men's Health Week

Resolutions

389 - A Resolution seeking to make permanent Temporary Traffic Control Order #1741.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

391 - A Resolution accepting the proposal of best value for benefits broker from Advantage Benefits Group, Inc., in an estimated annual amount of \$100,000.00.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

392 - A Resolution seeking authorization for the City Manager to enter into a permanent Easement For Electric Facilities agreement to Consumers Energy Company upon a portion of 339 West Michigan Avenue, Parcel No. 52-0256-00-050-0, for the purpose of installing and maintaining electricity power transmission infrastructure to support the City owned electric vehicle charging station.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

393 - A Resolution seeking adoption of the fiscal year 2026-2027 budget for the Battle Creek Downtown Development Authority (BCDDA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

394 - A Resolution seeking adoption of the fiscal year 2026-2027 budget for the Lakeview Downtown Development Authority (LDDA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

395 - A Resolution seeking approval of the fiscal year 2025-2026 amended budget for the Battle Creek Brownfield Redevelopment Authority (BCBRA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

396 - A Resolution seeking adoption of the fiscal year 2026-2027 budget for the Battle Creek Brownfield Redevelopment Authority (BCBRA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

397 - A Resolution seeking approval of the fiscal year 2025-2026 amended General Operating budget for the Battle Creek Tax Increment Finance Authority (BCTIFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

398 - A Resolution seeking adoption of the fiscal year 2026-2027 General Operating budget for the Battle Creek Tax Increment Finance Authority (BCTIFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

399 - A Resolution seeking approval of the fiscal year 2025-2026 amended Capital Projects budget for the Battle Creek Tax Increment Finance Authority (BCTIFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

400 - A Resolution seeking adoption of the fiscal year 2026-2027 Capital Projects budget for the Battle Creek Tax Increment Finance Authority (BCTIFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

401 - A Resolution seeking approval of the fiscal year 2025-2026 amended budget for the Battle Creek Local Development Finance Authority (LDFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

402 - A Resolution seeking adoption of the fiscal year 2026-2027 budget for the Battle Creek Local Development Finance Authority (LDFA).

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

**RESOLUTIONS NOT INCLUDED IN THE CONSENT AGENDA**

390 - A Resolution seeking to make permanent Temporary Traffic Control Order #1742.

Amanda Zimmerlin, City Manager, noted this resolution was to make permanent the recently installed traffic control device, a 4-way stop, at LaVista and Territorial.

Vice Mayor Sofia expressed opposition to the resolution, stating she understood there were particular times when this intersection was busy, but that it was not busy 24 hours of every day. Vice Mayor Sofia stated there are many intersections throughout the City that present challenges, such as Highland and Territorial, Woodrow and Arbor, and Garfield and North Avenue, asking if staff should consider traffic control devices at all intersections that present a challenge. Vice Mayor Sofia suggested drivers pay attention and follow all traffic laws.

Comm. O'Donnell, expressing support of the resolution, suggested better traffic enforcement along Territorial Road, along with reducing the speed limit and possibly a light at this intersection, not a 4-way stop. Comm. O'Donnell agreed more traffic enforcement should be a priority throughout the City.

Comm. Katsarsky Smith asked if the City has completed a comparative study of traffic accidents or incidences since the 4-way stop was installed, also asking for the number of traffic accidents at Territorial and 28th street.

Ms. Zimmerlin noted the 8 crashes over 3 years met the required threshold, but a current study for the 3 months the 4-way stop was in place has not been conducted, but she could look at crash data during those 3 months.

Darren Campbell, Traffic Engineer, noting a resident requested better traffic control at this intersection, stated the 4-way stop was put in place while there was also construction occurring which slowed traffic, stating he believed otherwise there may have been 12 crashes in the 3-year period. Mr. Campbell stated 6 crashes over 3 years meets the threshold and 8 crashes are considered significant. Mr. Campbell also noted better traffic control after adding a sign at 28th and Territorial informing everyone that cross traffic does not stop.

Comm. Simmons stated he is an advocate for additional traffic-calming measures along Territorial from 20th Street to Capital Avenue SW, which is mostly residential. Comm. Simmons stated LaVista, being a boulevard, lends itself to considering other measures. Comm. Simmons agreed the City may need to consider other intersections throughout the City to protect citizens and reduce accidents.

Comm. LaCosse reminded everyone that DPW has to go through a progression of traffic-calming measures, they do not go directly to installing stop lights.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, James Lance

Nays: Sherry Sofia

Abstain: None

MOTION Passed

403 - A Resolution seeking approval for amendments to the "2026-2027 Fee, Bond and Insurance Schedule" for the City of Battle Creek.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

404 - A Resolution seeking approval of the 2026 Millage Rates and seeking adoption of the General Fund and Special Funds Budgets for the fiscal year 2026-2027.

Motion/Vote 1

Motion to Approve

Moved By: James Lance

Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None

Abstain: None

MOTION Passed

Mayor Behnke expressed appreciation to Ms. Zimmerlin for considering the numerous requests from the Commission, stating it was a good decision to reduce the millage rate and using down some of the general fund balance was also a good decision.

405 - A Resolution seeking to establish residential refuse collection rates beginning July 1, 2026, through June 30, 2030.

Mayor Behnke noted the City receives great refuse service for the cost, but cautioned future discussion may be needed relative to unlimited garbage pick up.

Motion/Vote 1

Motion to Approve

Moved By: James Lance  
Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance  
Nays: None  
Abstain: None

MOTION Passed

406 - A Resolution seeking authorization for Police Sergeant Nicholas Woolman to purchase 12 months of military time for the purpose of increasing his service credit toward retirement.

Responding to Comm. LaCosse, Aaron Kuhn, Revenue Services Director, noted PA 145 of 1987, allows a municipality to grant the purchase of military time for retirement purposes for police and fire personnel, stating the City Commission previously approved the purchase of up to 12 months.

Motion/Vote 1  
Motion to Approve  
Moved By: James Lance  
Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance  
Nays: None  
Abstain: None

MOTION Passed

407 - A Resolution seeking approval of the 2026 Annual Action Plan and Proposed Use of Funds for Program Year 2026 (July 1, 2026 to June 30, 2027) for the Community Development Block Grant in the amount of \$1,172,453 and HOME Investment Partnership in the amount of \$238,167.87.

Comm. O'Donnell thanked everyone for sharing their experiences with recovery and the benefit of the services.

Motion/Vote 1  
Motion to Approve  
Moved By: James Lance  
Supported By: Carla Reynolds

Ayes: Paige Katsarky-Smith, Jessica Lacosse, Jenasia Morris, Mark Behnke, Patrick O'Donnell, Carla Reynolds, Christopher Simmons, Sherry Sofia, James Lance

Nays: None  
Abstain: None

MOTION Passed

## **GENERAL PUBLIC COMMENT**

(Limited to three minutes per individual)

David Moore commented on resolution 390, stating he had a friend who lost his life due to an accident at a busy intersection, also commenting on low income residents.

Mary Fields shared information on MDOT properties that will be available for auction in the next 12 months.

Sarah Edwards, Small Business Administration, informed everyone of a disaster loan program for residents and businesses that suffered any damage from recent storms, stating applications were available at [SBA.gov/disaster](https://www.sba.gov/disaster).

Kathy Antaya asked where residents could get compost soils, also encouraging everyone to attend the Juneteenth Celebration on June 19th & 20th at Claud Evans Park.

Dean Worden thanked DPW staff for the restoration of local baseball diamonds, thanked BCPD for patrolling the Riverside area to keep everyone safe, and the Streets department for the No Parking signs placed on Golden Ave. Mr. Worden also asked the Planning Commission to reconsider the maintenance of lawns when new homes are built.

Autumn Smith commented about transparency and the treatment of a former BCPD officer, stating he and his family were not treated fairly.

Joan Marshall, mother of a former police officer, asked the commission to focus on facts, not personalities, when investigating and reviewing instances.

John Kennefick commented on the use of federal funds, such as HUD funds, being used for non-profits and charities, including taxpayer funds being used for city properties and facilities.

## **COMMISSION COMMENTS**

Comm. O'Donnell reminded everyone there are ordinances and zoning regulations regarding housing in the City, stating it is not always best to follow current trends, but to consider what is best for our community. Comm. O'Donnell also acknowledged the challenges faced by many to build new homes as the costs have continually increased. Comm. O'Donnell commented on the early release of one of the people involved in the murder of a local teenager, stating he did not feel justice was served. Comm. O'Donnell encouraged the public to participate in the goal setting workshop for our City Manager on June 25th and to attend the many special events in the City throughout the summer. Comm. O'Donnell expressed condolences to the family of Joe Schwarz, a former city and state elected official.

Comm. LaCosse commented on the River Restoration project, sharing information about the flood remediation plan. Comm. LaCosse expressed condolences to Ms. Guzzo for recent family losses.

**ADJOURNMENT**

Mayor Behnke adjourned the meeting at 8:16 pm.



DATE: 06/16/2026  
TO: Mayor, Vice Mayor and City Commissioners  
FROM: Marcie Gillette, Assistant City Manager  
RE: City Manager's Report – June 16, 2026, Regular Meeting Agenda

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**A Public Hearing to receive public comment on the Brownfield Plan for The Fields at Battle Creek development.**

This is a public hearing to receive comment on the Brownfield Plan for the proposed “The Fields at Battle Creek” development project located within the City of Battle Creek at 15105 S. Helmer Road.

**411 A Resolution authorizing Jose Segovia to purchase 2 months of generic service credit pursuant to the provisions of the Municipal Employees Retirement System (MERS).**

The City's MERS pension system allows members to purchase service credit, and Mr. Segovia made a request in May 2026 to purchase 2 months of generic service credit. MERS is a defined benefit pension plan that covers all of the City's non-uniformed employees. Approval of the governing body is required. The entire actuarial cost of the service credit purchase must be paid in a lump sum to MERS and is the responsibility of the employee, Jose Segovia.

This Resolution seeks authorization for Jose Segovia to purchase 2 months of generic service credit pursuant to the provisions of the Municipal Employees Retirement System (MERS). **Approval is Recommended.**

**412 A Resolution authorizing the City Manager to (continue to) employ retiree Doug Bagwell for an interim period, not to exceed past 6/30/2027 under 296.09(c).**

Pursuant to Employment Provision 296.09(c), as amended in March 2026, "No person shall be employed by the City or paid with City funds, who has retired under the provisions of...the Policemen and Firemen Retirement System. The City Manager may make exceptions to this provision for a period not to exceed six (6) months, when they feel the interests of the City would be served thereby. The City Commission may, by Resolution, make further exceptions to this provision for periods longer than six (6) months."

If approved, this Resolution would authorize the City Manager to (continue to) employ retiree Doug Bagwell for an interim period, not to exceed past 6/30/2027 under 296.09(c).

It is estimated that the need for temporary/interim reemployment is only required until such time that the Battle Creek Police Department completes its search for a new Police Chief and the subsequent search for a Deputy Police Chief. The requested time frame of not-to-exceed past 6/30/2027 will allow for flexibility while the city searches for permanent replacements for these key positions. **Approval is Recommended.**

**413**

**A Resolution authorizing Water and Sewer System Rates for all customers for FY2026, 2027, 2028, 2029, and 2030.**

The Battle Creek Codified Ordinances states that the rates and charges established by the City for water and sewer services are to be set forth in a schedule which is to be enacted by the City Commission from time to time by Resolution. This Resolution fulfills that requirement by establishing rates for FY2026, FY2027, FY2028, FY2029, and FY2030.

Water and sewer rates were last adjusted on May 18th, 2021 for the timeframe of July 1st, 2021 to June 30th, 2026 by the City Commission per Resolution No. 137.

In conjunction with the Intergovernmental Wastewater Treatment Service Agreement with the contributing jurisdictions and existing water agreements, the City of Battle Creek Department of Public Works consulted with Stantec Consulting Inc. to perform a thorough rate study to determine the rates for the next five years.

This Resolution, if approved, will establish the water and sewer rates for the period beginning July 1, 2026 to June 30, 2031 for City of Battle Creek and September 1, 2026 to June 30, 2031 for Contributing Jurisdictions Charter Township of Bedford, Charter Township of Emmett, Township of Leroy, City of Springfield, Township of Pennfield, and City of Marshall per the Intergovernmental Wastewater Services Agreement. Existing rates will be extended for Contributing Jurisdictions until August 31, 2026. **Approval is Recommended.**

**414**

**A Resolution seeking Authorization for Issuance of 2026 Refunding Bonds.**

If approved, this Resolution would authorize the issuance of 2026 refunding bonds on two distinct bond issues. The first was initially refunded in 2016 (General Obligation Limited Tax (GOLT) Refunding Bonds, Series 2016). These bonds were used to make a number of improvements to City-owned facilities. The second was issued in 2016 as well and are Series 2016C Bonds that were issued for the construction of the Police Department. The City's Municipal Financial Advisor, PFM, analyzes the City's outstanding bond issues on a regular basis to look for refunding opportunities that would result in a savings to the City.

This Resolution, if approved, would authorize the issuance of refunding bonds in an amount not to exceed \$18 million, but the final size of the bonds will be determined at the time of sale. If approved by the City Commission, it is expected that the bonds could

be sold in mid-August or later, with a closing 2–3 weeks later. The prior bonds could be paid off on the first call date of December 1, 2026.

There is no plan to extend the maturity of the bonds beyond what has previously been approved by the Commission. **Approval is Recommended.**

**415**      **A Resolution seeking approval for the Fiscal Year 2025-2026 year-end budget amendments for the City's General Fund (Fund 101), Major Street Fund (Fund 202), and Michigan Justice Training Fund (Fund 266).**

State statute provides that a local unit shall not incur expenditures in excess of the amount appropriated. This year-end budget amendment is an attempt to comply and is primarily based upon department levels with estimated expenditures in excess of their amended budgets, although several departmental expenditure budgets are reduced based on estimates.

This Resolution also adjusts budgeted revenues in the General Fund based on estimated revenues as discussed at the May 7, 2026 Budget Workshop. Many of these revenue adjustments are necessary due to the conservative nature of the original adopted budget.

This Resolution, if approved, authorizes the use of fund balance in the General Fund of \$1,144,451 for the year ending June 30, 2026. **Approval is Recommended.**

**416**      **A Resolution approving a Brownfield Plan for the proposed The Fields at Battle Creek development.**

Developer GLC Multi BC, LLC, with support from Brownfield consultant Michigan Growth Advisors, has proposed an Act 381 Brownfield Plan for the redevelopment of one parcel totaling approximately 13.12 acres located within the City of Battle Creek at 15105 S. Helmer Road.

The proposed development includes the construction of 240 multifamily residential units across multiple buildings, including associated amenities such as a clubhouse, pool, and open space. The development will include 48 income-restricted units (20% of total units) at 100% AMI, anticipated to remain income-restricted for a period of 20 years.

The total capital investment is estimated to be approximately \$48.9 million, with construction anticipated to begin in Fall 2026 and occur over an approximately 2-year buildout period.

This Resolution approves a Brownfield Plan for the proposed The Fields at Battle Creek development. **Approval is Recommended.**

**417**      **A Resolution seeking authorization for the City Manager to enter into a Purchase Agreement and all other documents necessary to purchase a vacant portion of parcel number 52-3560-00-013-0, commonly known as 165 N. Washington Street, from Bronson Battle Creek Hospital for \$150,000.00.**

Section 12.1 of the Charter of the City of Battle Creek authorizes the City to purchase real property for valid public purposes and the City believes it is in its best interest to do so in this instance.

Acquisition of this 1.76 acre vacant portion of a larger parcel is sought for future public purpose of a fire station and is in the best interest of the City.

If approved, this Resolution authorizes the City Manager to enter into a Purchase Agreement and all other documents necessary to purchase a vacant portion of parcel number 52-3560-00-013-0, commonly known as 165 N. Washington Street, from Bronson Battle Creek Hospital for \$150,000.00. **Approval is Recommended.**

**418**

**A Resolution authorizing the City Manager to execute a Comprehensive Transition Agreement between the City of Battle Creek and the Transportation Authority of Calhoun County.**

The City currently operates Battle Creek Transit ("BCT"), a public transportation system serving the Battle Creek area. The Transportation Authority of Calhoun County ("TACC") is a Michigan regional transportation authority created under Act 196 of 1986 to assume and expand public transportation services in Calhoun County. On September 7, 2023, the Calhoun County Board of Commissioners voted to establish TACC as the countywide public transportation authority.

The City and TACC entered into a TACC–City Support Services Agreement, effective October 1, 2025, pursuant to which the City has been providing administrative, managerial, operational, and other support services related to the Transit System, until July 1, 2026.

The Comprehensive Transition Agreement negotiated between the City and TACC is substantially complete, except for the contents of the various exhibits referenced in the proposed agreement.

This Resolution, if approved, would transition the Transit System from the City to the TACC, including the transfer of assets used in connection with the Transit System, the assignment of certain contracts and rights, the lease and transfer of certain Real Property, and the transition of operations beginning on July 1, 2026. At that time, the TACC will become solely responsible for its operations and expenses, and the City shall be relieved of various costs, liabilities, and operational commitments, as set forth in the proposed agreement. **Approval is Recommended.**

**419**

**A Resolution seeking to set a Closed Session regarding a Labor Matter for June 16, 2026.**

If approved, this Resolution would permit a Closed Session of the City Commission in Conference Room 302A immediately following the Commission Comments section of the Regular Meeting on Tuesday, June 16, 2026, as authorized by MCL 15.268(e) for strategy and negotiation sessions connected with the negotiation of a collective bargaining

agreement as requested by the City; and that Amanda Zimmerlin, City Manager, is hereby appointed as the designated secretary to record and prepare appropriate Minutes of this Closed Session. **Approval is Recommended.**

**RESPONSE TIME PERFORMANCE  
CITY OF BATTLE CREEK  
May 2026**

	Jan-26	Feb-26	Mar-26	Apr-26	May-26
PRIORITY 1 CALLS RESPONSES	86.5% 631	91.1% 542	92.7% 615	90.2% 640	93.7% 670
PRIORITY 3 CALLS RESPONSES	85.4% 431	92.1% 378	93.0% 440	91.0% 413	96.1% 461
WARD 1 RESPONSES	92.6% 108	89.5% 105	95.5% 111	92.6% 122	93.4% 122
WARD 2 RESPONSES	93.0% 214	96.4% 192	93.0% 201	96.4% 192	93.6% 235
WARD 3 RESPONSES	89.0% 118	88.4% 86	93.6% 108	92.3% 133	92.7% 123
WARD 4 RESPONSES	92.8% 83	90.7% 54	88.9% 72	94.4% 71	97.8% 92
WARD 5 RESPONSES	80.6% 108	85.7% 105	88.6% 123	88.5% 122	91.8% 98

RESPONSE TYPES  
CITY OF BATTLE CREEK

	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Priority 1 ALS Responses	619	541	608	631	654
Priority 1 BLS Responses	12	1	7	9	16
Priority 3 ALS Responses	402	369	429	404	451
Priority 3 BLS Responses	29	9	11	9	10
<b>WARD 1</b>					
ALS Responses	181	166	212	195	217
BLS Responses	8	4	6	4	5
<b>WARD 2</b>					
ALS Responses	342	312	342	305	368
BLS Responses	11	2	5	4	7
<b>WARD 3</b>					
ALS Responses	186	159	177	232	209
BLS Responses	11	2	1	4	2
<b>WARD 4</b>					
ALS Responses	136	103	125	117	146
BLS Responses	4	0	3	1	3
<b>WARD 5</b>					
ALS Responses	176	170	181	186	165
BLS Responses	7	2	3	5	9

# Proclamation

**WHEREAS,** Juneteenth had its origin on June 19, 1865, when Union soldiers led by Major General Gordon Granger landed in Galveston, Texas, to enforce President Lincoln's Emancipation Proclamation and declare freedom for all slaves. Each year thereafter, former Texas slaves and their descendents joined in a celebration of freedom on June 19, and the day became known as "Juneteenth"; and

**WHEREAS,** across our nation, Americans continue to celebrate Juneteenth, a day to reflect on the sufferings of slavery and to remember the joyful declaration of freedom. It is a time of rejoicing with family and friends and a time for planning the future; and

**WHEREAS,** in Battle Creek, Michigan, this celebration is known as "Juneteenth Family Day." It is a coming together of the "Juneteenth" event originated in 2003 by the Battle Creek branch of the NAACP and the Southwestern Michigan Urban League's long standing "Family Day" event to create a family focused celebration of freedom for all communities in the greater Battle Creek area; and

**WHEREAS,** it is our hope that by remaining sensitized to the conditions, lessons, and experiences of others we can make significant and lasting improvements in our society;

**NOW, THEREFORE,** I, Mark A. Behnke, Mayor of the City of Battle Creek, Michigan, and in concurrence with the State of Michigan, do hereby proclaim the 3<sup>rd</sup> Saturday in June, which is June 20, 2026, as:

## **"JUNETEENTH FAMILY DAY"**

in the Greater Battle Creek area and encourage all neighbors to increase awareness about the history of this significant event and participate with appropriate celebrations.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Logo of the City of Battle Creek, Michigan, to be affixed this 16<sup>th</sup> day of June 2026.

A handwritten signature in black ink that reads "Mark A. Behnke". The signature is written in a cursive style and is positioned above a horizontal line.

Mark A. Behnke, Mayor



**Resolution No: 408**  
City Commission Meeting 6/16/2026

408 - A Resolution appointing six members, Courtney Iobe and Terry Youmans from Community Action; Donny Williams; David Censke; Mary Simmons; and Markeia Simmons to the Post Addition Neighborhood Planning Council #1.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Helen Guzzo, Community Development Supervisor

**Department:** Community Development

**Summary**

**RESOLUTION NO. 408**

**Resolved by the Commission of the City of Battle Creek:**

That Courtney Iobe and Terry Youmans from Community Action; Donny Williams; David Censke; Mary Simmons; and Markeia Simmons are appointed to the Post Addition Neighborhood Planning Council #1 with terms ending December 4, 2028.

**Budgetary Considerations**

**History, Background and Discussion**

**Positions**

NPC #1 voted at its May 2026 meeting to nominate the six new members to its membership.

**Attachments**

1. NPC #1 Membership List 6.9.2026      NPC #1 Membership List 6.9.2026.pdf

**NPC 1 - Post Franklin Neighborhood Planning Council**

<b>Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Term Expires</b>
LaMar Mingle	222 Cliff St.	Battle Creek	MI	49014	12/4/2026
Mary Fields	89 Lathrop St.	Battle Creek	MI	49014	12/4/2026
Yvonne Powell - Vice Chair	341 Main St.	Battle Creek	MI	49014	12/4/2026
Pat Shellenberger	39 Horton St	Battle Creek	MI	49014	12/4/2027
Cynthia Fritz - Secretary	451 Main St	Battle Creek	MI	49014	12/4/2028
Fay Washington	48 Hannah St	Battle Creek	MI	49014	12/4/2028
James Moreno- Chair	451 Main St	Battle Creek	MI	49014	12/4/2028
Courtney lobe - Community Action	175 Main Street	Battle Creek	MI	49014	12/4/2028
Terry Youmans - Community Action	175 Main Street	Battle Creek	MI	49014	12/4/2028
Donny Williams	243 Main Street	Battle Creek	MI	49014	12/4/2028
David Censke	54 Inn	Battle Creek	MI	49014	12/4/2028
Mary Simmons	362 Main Street	Battle Creek	MI	49014	12/4/2028
Markeia Simmons	362 Main Street	Battle Creek	MI	49014	12/4/2028

Updated 6/9/2026



## **Resolution No: 409 City Commission Meeting 6/16/2026**

409 - A Resolution seeking authorization for the City Manager to execute and sign Contract 216627CON with the Michigan Department of Transportation for resurfacing along Riverside Dr and along Limit St.

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### Battle Creek City Commission **Action Summary**

**Staff Member:** Stephen Skalski, DPW Director

**Department:** Department of Public Works (DPW)

#### **Summary**

#### **RESOLUTION NO. 409**

#### **Resolved by the Commission of the City of Battle Creek:**

That the City Manager is authorized to execute and sign Contract 216627CON with the Michigan Department of Transportation for resurfacing along Riverside Dr and along Limit St.

#### **Budgetary Considerations**

This project has an estimated cost of \$586,115, cost participation is as follows:

Federal Funds: \$479,735

City cost: \$106,380

\$106,380 - GL 402.901.4021.801310 MAJ ST-ST REHAB-CONTRACTS-MOTORIZED

#### **History, Background and Discussion**

The work will consist of hot mix asphalt cold milling and resurfacing along Riverside Drive from Columbia Road to Dickman Avenue and along Limit Street from Parkway Avenue to Goodale Road, including concrete sidewalk, curb and gutter, curb ramps, structure covers and permanent pavement markings; and all together with necessary related work.

ACT 51 of 1951 requires local political subdivisions meeting population thresholds (based on

census data) to participate in projects when located within their jurisdiction. The Act also includes additional payments through a multiplier to aid in these requirements.

### **Positions**

### **Attachments**

1. 216627\_26-5175 216627\_26-5175.pdf

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [www.Michigan.gov/MDOT-ADA](http://www.Michigan.gov/MDOT-ADA).

STP

DA

Control Section	STUL 13000
Job Number	216627CON
Project	26A0522
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	26-5175

#### PART 1

THIS CONTRACT, consisting of PART 1 and PART 2 (Standard Agreement Provisions), is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF BATTLE CREEK, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in Battle Creek, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "1", dated May 6, 2026, attached hereto and made a part hereof:

Hot mix asphalt cold milling and resurfacing along Riverside Drive from Columbia Road to Dickman Avenue and along Limit Street from Parkway Avenue to Goodale Road, including concrete sidewalk, curb and gutter, curb ramps, structure covers and permanent pavement markings; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART 1 and PART 2 refers to the United States Department of Transportation, Federal Highway Administration; and

09/06/90 STP.FOR 5/6/26

WHEREAS, the PROJECT, or portions of the PROJECT, at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

## SURFACE TRANSPORTATION PROGRAM

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.
2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except for construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The Michigan Department of Environment, Great Lakes, and Energy, hereinafter referred to as "EGLE", has informed the DEPARTMENT that it adopted new administrative rules (R 325.10101, et. seq.) which prohibit any governmental agency from connecting and/or reconnecting lead and/or galvanized service lines to existing and/or new water main. Questions regarding these administrative rules should be directed to EGLE. The cost associated with replacement of any lead and/or galvanized service lines, including but not limited to contractor claims, will be the sole responsibility of the REQUESTING PARTY.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT including advertising and awarding the construction contract for the PROJECT or 09/06/90 STP.FOR 5/6/26

portions of the PROJECT. Such administration shall be in accordance with PART 2, Section 2 of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:
  - A. Design or cause to be designed the plans for the PROJECT.
  - B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
  - C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Flex Funds in combination with Federal Surface Transportation Small MPO Funds shall be applied to the eligible items of the PROJECT COST at the established Federal participation ratio equal to 81.85 percent with Federal Surface Transportation Flex Funds limited to \$61,553 and used first. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

09/06/90 STP.FOR 5/6/26

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART 2 that are applicable to a Federally funded project.

In the event of any discrepancies between PART 1 and PART 2 of this contract, the provisions of PART 1 shall prevail.

Build America, Buy America Requirements (2 CFR Part 184 and 2 CFR 200.322) and Buy America Requirements (23 CFR 635.410) shall apply to the PROJECT and will be adhered to, as applicable, by the parties hereto.

9. The REQUESTING PARTY certifies that it is not aware if and has no reason to believe that the property on which the work is to be performed under this agreement is a facility, as defined by the Michigan Natural Resources and Environmental Protection Act [(NREPA), PA 451, 1994, as amended 2012]; MCL 324.20101(1)(s). The REQUESTING PARTY also certifies that it is not a liable party pursuant to either Part 201 or Part 213 of NREPA, MCL 324.20126 et seq. and MCL 324.21323a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will acquire property for the use of either a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release of any hazardous materials at or on the property. The REQUESTING PARTY is not a person who is liable for response activity costs, pursuant to MCL 324.20101 (vv) and (ww).

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to EGLE, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall

09/06/90 STP.FOR 5/6/26

consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the EGLE and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

Upon completion of the PROJECT, the REQUESTING PARTY shall accept the facilities constructed as built to specifications within the contract documents. It is understood that the REQUESTING PARTY shall own the facilities and shall operate and maintain the facilities in accordance with all applicable Federal and State laws and regulations, including, but not limited to, Title II of the Americans with Disabilities Act (ADA), 42 USC 12131 et seq., and its associated regulations and standards, and DEPARTMENT Road and Bridge Standard Plans and the Standard Specifications for Construction.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

09/06/90 STP.FOR 5/6/26

17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.
- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF BATTLE CREEK

By  
Title

By  
Title

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

By  
for Department Director MDOT



09/06/90 STP.FOR 5/6/26

EXHIBIT 1

May 6, 2026

CONTROL SECTION	STUL 13000
JOB NUMBER	216627CON
PROJECT	26A0522

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$586,115
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COST PARTICIPATION

Less Federal Funds	\$479,735
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BALANCE (REQUESTING PARTY'S SHARE)	\$106,380
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NO DEPOSIT

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [www.Michigan.gov/MDOT-ADA](http://www.Michigan.gov/MDOT-ADA).

09/06/90 STP.FOR 5/6/26

PART 2

STANDARD AGREEMENT PROVISIONS

SECTION 1 COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION 2 PROJECT ADMINISTRATION AND SUPERVISION

SECTION 3 ACCOUNTING AND BILLING

SECTION 4 MAINTENANCE AND OPERATION

SECTION 5 SPECIAL PROGRAM AND PROJECT CONDITIONS

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [Michigan.gov/MDOT-ADA](http://Michigan.gov/MDOT-ADA).

SECTION 1  
COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
  
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements set forth in the sections of Title 2, Title 23, Title 29 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
  - 1. Engineering
    - a. 23 CFR 172: Procurement, Management, and Administration of Engineering and Design Related Service Contracts
    - b. 23 CFR 635 Subpart A: Contract Procedures
    - c. 29 CFR 97: Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
  
  - 2. Construction
    - a. 2 CFR 184: Buy America Preferences for Infrastructure Projects
    - b. 2 CFR 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
    - c. 23 CFR 140 Subpart E: Administrative Settlement Costs-Contract Claims
    - d. 23 CFR 635 Subpart A: Contract Procedures
    - e. 23 CFR 635 Subpart B: Force Account Construction
    - f. 23 CFR 645 Subpart A: Utility Relocations, Adjustments and Reimbursement
    - g. 23 CFR 645 Subpart B: Accommodation of Utilities
    - h. 23 CFR 655 Subpart F: Traffic Control Devices on Federal-Aid and Other Streets and Highways
    - i. 29 CFR 97 Subpart C: Post Award Requirements
  
  - 3. Modification or Construction of Railroad Facilities
    - a. 23 CFR 140 Subpart I: Reimbursement for Railroad Work

10-06-25

b. 23 CFR 646 Subpart B: Railroad-Highway Projects

- C. The political subdivisions party to this contract on those Federally funded projects which exceed a total cost of One Hundred Thousand Dollars (\$100,000.00) stipulate the following with respect to their specific jurisdictions:
1. That any facility to be utilized in performance under or to benefit from this contract, unless such contract is exempt under the Clean Air Act, as amended (42 USC 7401 *et seq.*, as amended including Public Law 101-549), and under the Clean Water Act, as amended (33 USC 1251 *et seq.*, as amended, including Public Law 100-4), Executive Order 11738, and regulations in implementation thereof, is not listed on the date of the contract award, on the U.S. Environmental Protection Agency (EPA) Enforcement and Compliance History Online Database or Watch List.
  2. That they each agree to comply with all of the requirements of the Clean Air Act and the Clean Water Act and all regulations and guidelines issued thereunder.
  3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT and the U.S. EPA, Assistance Administrator for Enforcement, of the receipt of any communication from the Director, Office of Federal Activities, EPA, indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA Enforcement and Compliance History Online Database or Watch List.
  4. That they each agree to include or cause to be included the requirements of the preceding three (3) paragraphs, in every nonexempt contract.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION 2  
PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate. Therefore, if such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing to cancel the PROJECT, within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit, if applicable, less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall, as may be required, secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.
- F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for

reimbursement shall be in accordance with clearly defined cost criteria such as 48 CFR Part 31, 23 CFR Part 140, 2 CFR 200, as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than Two Hundred Fifty Thousand Dollars (\$250,000.00) for preliminary engineering and/or construction engineering inspection and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" 23 CFR 172, which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, The Office of Rail of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.
- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of Public Act 299 of 1980, Section 339.2001, as well as in accordance with the provisions of policies of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those

10-06-25

instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.

- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION 3  
ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall:

- a. Respond in writing to the Bureau responsible or the DEPARTMENT indicating whether or not it concurs with the audit report.
- b. Clearly explain the nature and basis for any disagreement as to a disallowed item of expense.
- c. Submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE".

The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no

opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended.

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

Agencies expending a total of One Million Dollar (\$1,000,000.00) or more in FEDERAL funds from one or more funding sources in their fiscal year must have a single audit conducted for that year. The One Million Dollar (\$1,000,000.00) threshold represents all federal funding sources. This is in accordance with the Single Audit Act of 1984, as amended, and 2 CFR Part 200 Subpart F, as amended.

Agencies expending less than One Million Dollars (\$1,000,000.00) in FEDERAL funds must submit a letter to the DEPARTMENT advising that a single audit was not required. The letter will indicate the applicable fiscal year, the amount of FEDERAL funds spent, the name(s) of the MDOT federal programs, and the Code of Federal Domestic Assistance (CFDA) grant number(s). This information must be submitted to:

Michigan Department of Transportation  
Financial Operations Division Budget,  
Outreach and Program Support Section  
P. O. Box 30050  
Lansing, MI 48909

Agencies must complete their single audits electronically through the Federal Audit Clearinghouse website [www.fac.gov](http://www.fac.gov).

Agencies must also comply with applicable STATE laws and regulations relative to audit requirements.

Agencies will not charge audit costs to MDOT's federal programs that are not in accordance with the aforementioned 2 CFR Part 200 requirements.

All agencies are subject to the federally-required monitoring activities, which may include limited scope reviews and other on-site monitoring.

The DEPARTMENT or its representative may inspect, copy, scan, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the requirements described in this section for all subcontracted work.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FHWA Guidelines.
3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHWA Guidelines and the procedures of the DEPARTMENT.
  - a. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than One Thousand Dollars (\$1,000.00) shall be submitted to the DEPARTMENT unless it is a final or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number \_\_\_\_\_", or "Final Billing".
  - b. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.

4. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the Michigan Transportation Fund (MTF) and any applicable working capital deposit required by the REQUESTING PARTY. Receipt of progress payments from the REQUESTING PARTY of Federal Funds, State Local Bridge Funds, and Transportation Economic Development Funds will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than One Thousand Dollars (\$1,000.00) will be made unless it is a final billing or combined with other REQUESTING PARTY projects. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit as applicable.
2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefore as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified herein. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days of notification, the DEPARTMENT, is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
2. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.
3. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in 2 CFR Part 200 requirements.
4. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION 4  
MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic Control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to 23 CFR 645 Part B: Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.

10-06-25

- C. On projects involving the mobility of bicyclists, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such facilities constructed as the PROJECT except those for maintenance purposes or mobility for persons with disabilities.
  
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION 5  
SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information, as may be required, under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- C. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 252-253 as amended, being Title 42 U.S.C. Sections 1981 and 2000d-2000d42 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- D. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR Part 26, including, but not limited to, those requirements set forth in Appendix C.

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [Michigan.gov/MDOT-ADA](http://Michigan.gov/MDOT-ADA).

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Michigan Department  
of Transportation  
3971 (02/2026)

## **APPENDIX A**

### **PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract, the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised February 2026

## APPENDIX B

### TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
- **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the nondiscrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

- withholding payments to the contractor under the contract until the contractor complies; and/or
- cancelling, terminating, or suspending a contract, in whole or in part.
- Incorporation of Provisions: The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant 64 thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [www.Michigan.gov/MDOT-ADA](http://www.Michigan.gov/MDOT-ADA).

Revised September 2025

## APPENDIX C

### TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

#### Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:
  - The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
  
- Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:
  - The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at [www.Michigan.gov/MDOT-ADA](http://www.Michigan.gov/MDOT-ADA).



**Resolution No: 410**  
City Commission Meeting 6/16/2026

410 - A Resolution requesting authorization for the City Manager to accept a proposal from Midwest Employers Casualty Company to provide Excess Workers' Compensation Insurance services for the period of 7/1/2026 through 6/30/2027 at an estimated cost of \$95,962.00.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Michelle Hull, Human Resources Director

**Department:** Human Resources

**Summary**

**RESOLUTION NO. 410**

**Resolved by the Commission of the City of Battle Creek:**

That the City Manager is authorized to accept a proposal from Midwest Employers Casualty Company to provide Excess Workers' Compensation Insurance services for the period of 7/1/2026 through 6/30/2027 at an estimated cost of \$95,962.00.

**Budgetary Considerations**

There is a minimal rate increase of .0049 per \$100 of payroll (from .2481 to .2432), with all coverage remaining the same. Renewal insurance is a budgeted expense and will be allocated to department budgets and charged to account 677.271.9500.801010.

**History, Background and Discussion**

Midwest Employers Casualty Company (MECC) is our current carrier for Excess Workers' Compensation Insurance.

**Positions**

**Attachments**



**Resolution No: 411**  
City Commission Meeting 6/16/2026

411- A Resolution authorizing Jose Segovia to purchase 2 months of generic service credit pursuant to the provisions of the Municipal Employees Retirement System (MERS).

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Michelle Hull, Human Resources Director  
**Department:** Human Resources

**Summary**

**RESOLUTION NO. 411**

**Resolved by the Commission of the City of Battle Creek:**

That Jose Segovia is authorized to purchase 2 months of generic service credit pursuant to the provisions of the Municipal Employees Retirement System (MERS).

**Budgetary Considerations**

There are none.

**History, Background and Discussion**

The City's MERS pension system allows members to purchase service credit, and Mr. Segovia made a request in May 2026 to purchase 2 months of generic service credit. MERS is a defined benefit pension plan that covers all of the City's non-uniformed employees. Approval of the governing body is required. The entire actuarial cost of the service credit purchase must be paid in a lump sum to MERS and is the responsibility of the employee, Jose Segovia. His cost is \$5,705.00.

**Positions**

The Human Resources Director supports this Resolution.

**Attachments**

1. RASDE Additional Service Credit Purchase RASDE Additional Service Credit Purchase  
136133 1302 20260526 023802 92576\_Jose136133 1302 20260526 023802 92576\_Jose  
Segovia\_Redacted Segovia\_Redacted.pdf



## Application for Additional Service Credit Purchase

### Section 1: Service Credit Purchase Cost Estimate

With the approval of the employer and the local governing body, participants can purchase additional service credit to help meet an early retirement eligibility provision or to increase their pension benefit. Unlike MERS-to-MERS or Act 88 time, purchased service credit generally cannot be used to reach vesting.

**This estimate is only valid for two months after June 1, 2026, the effective date of this calculation.**

The cost to purchase service credit for each individual is based on many factors. Below is the information that MERS used to prepare this estimate. Please review the following information for accuracy. If any is incorrect, this estimate may not be correct.

#### Participant Information

**Jose G. Segovia**

Date of Birth:

██████ months

FAC as of calculation date: \$93,486.67

#### Employer Information

**Battle Creek, City of**

1302 / 11

#### Benefit Multiplier

2.50% Multiplier (Capped at 80% of FAC)

Benefit F55 (With 25 Years of Service)

Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

Benefit FAC-3 (3 Year Final Average Compensation)

10 Year Vesting

Defined Benefit Normal Retirement Age - 60

#### Service Credit

Earned service credit as of calculation date: 24 years, 9 months

Vesting Only Service:

Other Governmental Service used for

Eligibility (MERS or Act 88):

Type of Credited Service to be Purchased: Generic

Amount of additional service requested: 0 years, 2 months

#### Benefit Impact

	Earliest Eligibility Retirement Date	Retirement Age	Projected FAC	X	Service Credit	X	Benefit Multiplier	=	Annual Benefit
<b>Before Proposed Purchase</b>	9/1/2026	56 years 6 months	\$94,180.06		25 years 0 months		2.50%		\$58,862.52
<b>After Proposed Purchase</b>	7/1/2026	56 years 4 months	\$93,717.23		25 years 0 months		2.50%		\$58,573.32

**Amount Due for this Service Credit Purchase if Paid on or before August 1, 2026: \$5,705.00**

The total cost is due in full at the time of purchase and may be paid by either the participant or employer. You may be eligible to transfer assets from other accounts to make a payment for the purchase, such as: 457 Deferred Compensation Plans; 401 plans; 403(b) plans; and some IRAs (traditional and SIMPLE). To initiate this transfer complete the form *Certification of Qualified Fund Rollover to MERS* (form number F-38). Send signed, approved Application for Additional Service Credit to MERS prior to sending any payment.

## **Section 2: Calculation Assumptions**

### **1. Projected Earliest Eligible Retirement Date**

This date is calculated using the participant's date of birth, the amount of service credit reported by the employer, and other service credit that we have on record (such as MERS-to-MERS or Act 88 time). If any of this data is incomplete or inaccurate this can affect the cost estimate. If the participant chooses to retire on a different date, it may increase/decrease the actual cost.

### **2. Projected Final Average Compensation (FAC)**

Future increases in the FAC are assumed to be a 3.00% annual increase. This calculation is dependent on the wages reported by the employer to MERS. If the actual increases end up being different than the assumption, it may increase/decrease the actual cost.

### **3. Projected Service Credit**

It is assumed the participant will continue to work until the earliest date for unreduced retirement benefits unless a specific termination date is shown. Any deviation from the earliest eligibility date may increase/decrease the actual cost.

### **4. Benefit Multiplier**

The current benefit plan provisions are used to calculate the cost of purchasing service credit. If the participant transfers into a different division and is eligible for a benefit plan with different provisions, then the cost may differ from the initial calculation. Likewise costs may differ if the municipality adopts different benefits in the future for any participant that has purchased service credit. These changes will be reflected in the actuarial valuation required to adopt any benefit increase.

### **5. Investment Assumption**

The current investment return assumption for service credit purchase is 5.93%.

### **6. Mortality Rate**

Assumptions are made on the life expectancies of the participant and their surviving spouse, using tables generated by actuarial professionals.

## **Section 3: Certification and Authorization**

### **PARTICIPANT CERTIFICATION**

I certify the above information is correct and accurate. If this is a purchase of qualifying "other governmental" service, I certify the service has not and will not be recognized for the purposes of obtaining or increasing a pension under another defined benefit retirement plan.

\_\_\_\_\_  
Participant Signature

\_\_\_\_\_  
Date

### **GOVERNING BODY RESOLUTION**

By Resolution of its Governing Body, at its meeting on \_\_\_\_\_, as provided by the MERS Plan Document, and in accordance with the employer's policy, the employer hereby authorizes the participant named above to make a service credit purchase from MERS as described above. The employer understands this is an estimated cost, calculated using actuarial assumptions approved by the Retirement Board and the information provided by the employer and participant, including the termination date, which information the employer represents to MERS as accurate. Any difference between the assumptions and actuarial experience, including termination date, will affect the true cost of the additional service to the employer. The calculation assumptions are outlined above and the employer understands and agrees it is accountable and solely responsible for any difference between estimated and actual costs. The employer agrees to hold MERS harmless for any increased unfunded liability or other liability, damages or costs resulting from the purchase of this service credit.

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

### **MERS Use Only**

Payment Received:	Participant Payment:
Service Credit:	ER Payment:
Signed:	



**Resolution No: 412**  
City Commission Meeting 6/16/2026

412 - A Resolution authorizing the City Manager to (continue to) employ retiree Doug Bagwell for an interim period, not to exceed past 6/30/2027 under 296.09(c).

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Michelle Hull, Human Resources Director  
**Department:** Human Resources

**Summary**

**RESOLUTION NO. 412**

**Resolved by the Commission of the City of Battle Creek:**

That the City Manager is authorized to (continue to) employ retiree Doug Bagwell for an interim period, not to exceed past 6/30/2027 under 296.09(c).

**Budgetary Considerations**

The continued offer of employment is for \$62.00 per hour, plus a 3% COLA on 7/1/26; for all hours worked and will not include fringe benefits due to status as a P&F Pension Retiree.

**History, Background and Discussion**

Pursuant to Employment Provision 296.09(c), as amended in March 2026, "No person shall be employed by the City or paid with City funds, who has retired under the provisions of...the Policemen and Firemen Retirement System. The City Manager may make exceptions to this provision for a period not to exceed six (6) months, when they feel the interests of the City would be served thereby. The City Commission may, by Resolution, make further exceptions to this provision for periods longer than six (6) months."

It is estimated that the need for temporary/interim reemployment is only required until such time that the Battle Creek Police Department completes its search for a new Police Chief and the subsequent search for a Deputy Police Chief. The requested time frame of not-to-exceed past 6/30/2027 will allow for flexibility while the city searches for permanent replacements for these key positions.

**Positions**

**Attachments**



**Resolution No: 413**  
City Commission Meeting 6/16/2026

413 - A Resolution authorizing Water and Sewer System Rates for all customers for FY2026, 2027, 2028, 2029, and 2030.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Stephen Skalski, DPW Director

**Department:** Department of Public Works (DPW)

**Summary**

**RESOLUTION NO. 413**

**Resolved by the Commission of the City of Battle Creek:**

That water and sewer rates presented in Exhibit 1 are authorized for calculating customer charges for service. The rates are based on an analysis of the water and sewer systems conducted by the City's consultant, Stantec Consulting Services, and apply to the City of Battle Creek, City of Springfield, Bedford Township, Emmett Township, Leroy Township, Pennfield Township, and the City of Marshall; and

Upon approval, the revised rates will be added to the Fee, Bond and Insurance Schedule, with the prior FY2025 rates to remain valid until the new rates go into effect as listed.

The Battle Creek Codified Ordinances states that the rates and charges established by the City for water and sewer services are to be set forth in a schedule which is to be enacted by the City Commission from time to time by Resolution. This Resolution fulfills that requirement by establishing rates for FY2026, FY2027, FY2028, FY2029, and FY2030.

**Budgetary Considerations**

It is anticipated that annual water and sewer revenues and expenditures will be approximately \$44 Million over the next five years. Revenues will be used to fund necessary operational and maintenance functions as well as capital improvements. Funds are also used to maintain an adequate fund balance for emergencies and uphold the City's high bond rating.

**History, Background and Discussion**

Water and sewer rates were last adjusted on May 18th, 2021 for the timeframe of July 1st, 2021 to June 30th, 2026 by the City Commission per Resolution No. 137.

In conjunction with the Intergovernmental Wastewater Treatment Service Agreement with the contributing jurisdictions and existing water agreements, the City of Battle Creek Department of Public Works consulted with Stantec Consulting Inc. to perform a thorough rate study to determine the rates for the next five years.

Some of the major impacts and assumptions taken into consideration are listed below:

- \*A slight decrease in usage.

- \*The impact of the startup of the Blue Oval Battery Plant and adding the City of Marshall as a bulk water customer.

- \*Capital improvement to address aging infrastructure, operational improvements and compliance with federal or state regulation. The recommended rates provide adequate funds necessary to perform approximately \$43 million of improvements to the water system and approximately \$42 million of improvements to the sewer system and treatment plant over the next five years.

- \*In completion of the \$85 million of capital improvements, no additional debt is anticipated over the next five years.

- \*A fund reserve goal of 3-months operating expenses will be maintained during the next five years.

- \*A projected annual expense increase for Salaries & Wages, Health Insurance, Retirement, Repair & Maintenance, Utilities, Operations, Allocations, and IT Charges.

The proposed water rates consist of the following:

- \*Readiness-to-Serve Charge

- \*Commodity Charge

- \*Fire Sprinkler Charge

- \*Water Capacity Charge

These charges cover the cost associated with water production, treatment, distribution, metering, capacity, and capital improvements to the system. The City's water system services portions of the neighboring jurisdictions. The rates for these jurisdictions are calculated based on the existing contracts between each entity.

Below is a summary of those agreements:

- \*Bedford Township Rate - The system is owned by the City of Battle Creek, therefore the rates are the same.

- \*Emmett Township Rate - 1.17 times the City of Battle Creek rates per contract.

- \*Leroy Township Rate - 1.5 times the City of Battle Creek rates per contract.

- \*Pennfield Township Rate - Water production, administration, and interest per contract.

- \*City of Springfield - City of Battle Creek rate for a 10 inch Readiness-to-Serve meter and the commodity fees per contract.

\*City of Marshall - Commodity charge, ready to serve Charge, and capacity charge per contract.

The proposed sewer rates consist of the following:

- \*Readiness-to Serve Charge
- \*Commodity Charge
- \*Monitoring Charges
- \*Extra Strength Charges
- \*Sewer Capacity Fees

These charges cover costs associated with sewer collection, treatment, industrial sampling, industrial extra strength, metering, capacity and capital improvements to the system.

The revenue collected through the water and sewer rate structure must be adequate to cover operational expenses, capital improvement costs, debt service for bonded projects, costs associated with changing federal and state regulations while maintaining a healthy fund balance in order to respond to unforeseen emergency conditions.

Included in the report is a table of typical monthly bills for City of Battle Creek Customers for a wide range of users for Fiscal Year 2027. For the remaining four years of the rate cycle, customers would see a 1.5% increase for water and 2.75% increase for sewer rates.

Comments received from Bedford Township, Emmett Township, Leroy Township, and Pennfield Township via their counsel are attached here. Pursuant to the various agreements under which the City of Battle Creek provides water and/or sewer service to the City of Springfield, Bedford Township, Emmett Township, Leroy Township, Pennfield Township, and the City of Marshall, implementation of water and sewer rates for many of the Contributing Jurisdictions cannot go into effect until 60 days after the rates are approved by the City Commission.

### **Positions**

With these complexities in mind, it is recommended that the attached water and sewer rates are set for the period beginning July 1, 2026 to June 30, 2031 for City of Battle Creek and September 1, 2026 to June 30, 2031 for Contributing Jurisdictions that are included in Exhibit 1 and Exhibit B of the Intergovernmental Wastewater Services Agreement. Existing rates will be extended for Contributing Jurisdictions until August 31, 2026.

### **Attachments**

1 FY	2026	RateFY	2026	Rate
. Study_City_Comm_Presentation_20260616		Study_City_Comm_Presentation_20260616.pdf		
2 fy26_battle_creek_utility_rate_study_final_re		fy26_battle_creek_utility_rate_study_final_repor		
. port_050426		t_050426.pdf		
3 Letter to the City - June 3		Letter to the City - June 3.pdf		
.				
4 May 1 2026 City Letter (1)		May 1 2026 City Letter (1).pdf		

.  
5 Exhibit B

Exhibit B.pdf

.  
6 Water and Sewer Rate Sheet Exhibit 1

Water and Sewer Rate Sheet Exhibit 1.pdf

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# **FY 2026 Rate Study**

**City of Battle Creek, MI  
City Commission Workshop  
June 16, 2026**

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## Agenda

1. Background
2. Approach
3. Financial Plan Overview
4. Recommended Changes



# Rate Study Background

- Intergovernmental Wastewater Treatment Services Contract between City of Battle Creek and:
  - Emmett
  - Bedford
  - Leroy
  - Springfield
  - Pennfield
- Some customers within each jurisdiction are also served by the City as water customers
- As part of the agreements, rates may be adjusted every five years
- Prior cost allocation and rate study was performed in FY 2021 and a FY 2022 - 2026 rate plan was developed
- Proposed rate increases in current study are based on an updated revenue sufficiency analysis



# Financial Plan Overview

- City/Stantec developed a 5-year plan of projected rate increases to fund water/sewer:
  - Operating & maintenance expenses
  - Debt service expenses
  - Capital costs
- The projected rate plan allows the utility to meet fund balance and debt service coverage targets, while smoothing needed rate increases and managing project risks

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Overall Water Revenue Increase	1.50%	1.50%	1.50%	1.50%	1.50%
Overall Sewer Revenue Increase	2.75%	2.75%	2.75%	2.75%	2.75%



# Water Financial Plan Assumptions

**FY 2025**

Trial Balances

**4.0%**

Projected Avg. Annual O&M Cost  
Increases

**FY 2026**

Adopted Budget

**\$45.0M 5-Year CIP**

Lead service line replacement, wellfield  
upgrades, water mains

**3.3%**

CIP Cost Escalation

**\$1.2M**

Annual New Debt Service from DWSRF  
Loan



# Blue Oval Assumptions

- Exact timing of water delivery at projected volumes is uncertain at the time of this Study
- The rate plan assumes minimum flows of 11.41 MG/yr starting in FY 2026
- This flow will be charged at the inside City rate of \$1.64
- Future studies will determine wholesale rate with full cost of service once more historical consumption can be recorded with the plant fully in-service

Fiscal Year Ending June 30	Projected Annual Volume (MG)	Minimum Annual Volume (MG)
2025	36.5	4.56
2026	91.25	11.41
2027	91.25	11.41
2028	182.5	22.81
2029	182.5	22.81
2030	182.5	22.81
2031	182.5	22.81
2032	182.5	22.81
2033	182.5	22.81
2034	182.5	22.81
2035	182.5	22.81
2036	182.5	22.81
2037	182.5	22.81
2038	182.5	22.81
2039	182.5	22.81
2040	182.5	22.81
2041	182.5	22.81
2042	182.5	22.81
2043	182.5	22.81
2044	182.5	22.81
2045	182.5	22.81
2046	182.5	22.81
2047	182.5	22.81
2048	182.5	22.81
2049	182.5	22.81
2050	182.5	22.81
2051	182.5	22.81
2052	182.5	22.81
2053	182.5	22.81
2054	182.5	22.81

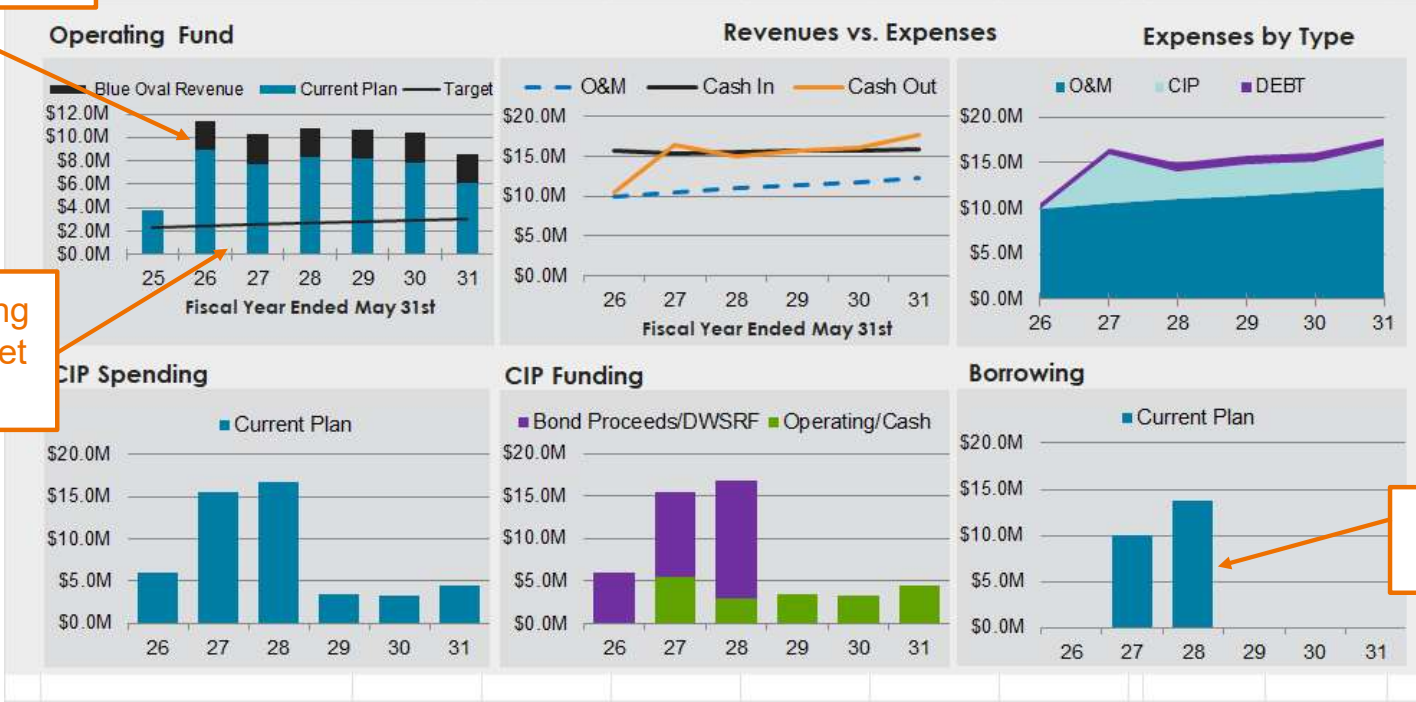
Source: COBC – Marshall Water Service Contract – Executed 03072025.pdf



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2031
Water Rate Plan	0.00%	1.50%	1.50%	1.50%	1.50%	1.50%	7.78%
Senior-Lien DSC	9.71	8.99	8.36	7.98	7.48	6.85	
Combined All-in DSC	6.99	6.79	5.39	5.29	5.13	4.96	
Average Inside City Bill	\$24.88	\$25.23	\$25.58	\$25.99	\$26.41	\$26.83	
\$ Change		\$0.35	\$0.35	\$0.41	\$0.42	\$0.42	

Portion of Blue Oval Revenues saved for future expenses

Level rate increases for cost inflation



Maintains operating fund balance target each year

Spend-down secured SRF funding



# Sewer Financial Plan Assumptions

**FY 2025**

Trial Balances

**90%**

Personnel & Fixed O&M Execution

**FY 2026**

Adopted Budget

**4.0%**

Avg. Annual O&M Cost Increases

**3.3%**

CIP Cost Escalation

**\$38.3M (Cash Funded)**

5-Yr. CIP (Solids Handling, Riverside Forcemain Improvements, Lift Station Improvements)

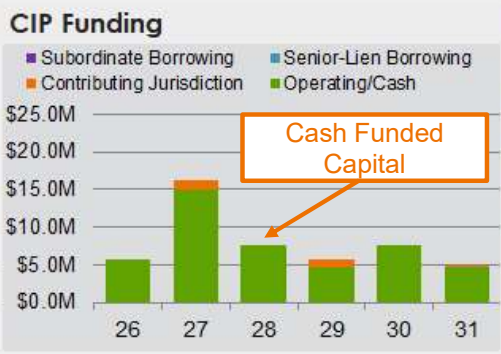
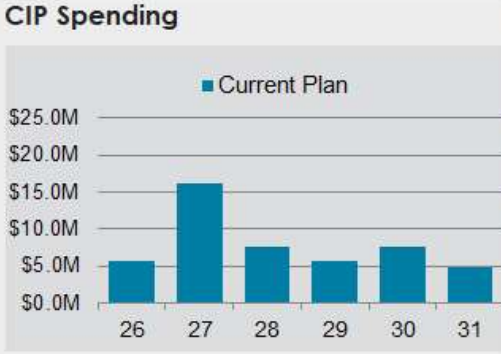
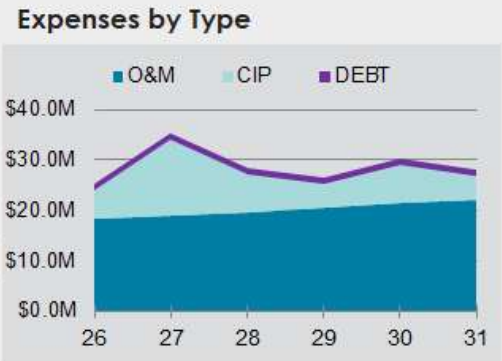
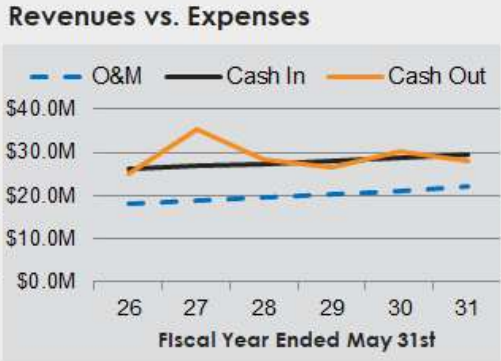
Level plan of rate increases from FY27-31

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2031
Sewer Rate Plan	4.25%	2.75%	2.75%	2.75%	2.75%	2.75%	14.58%
Combined DSC	6.99	6.79	5.39	5.29	5.13	4.96	
Average Inside City Bill	\$43.47	\$44.64	\$45.88	\$47.14	\$48.41	\$49.76	
\$ Change		\$1.17	\$1.24	\$1.26	\$1.27	\$1.35	

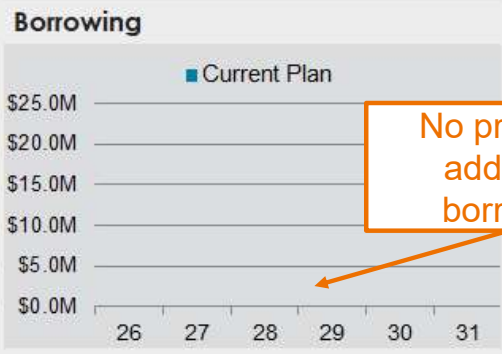
Meets minimum debt service coverage requirements

Monthly Change

Maintains 3-month operating reserve



Cash Funded Capital



No projected additional borrowing



# Bill Impact

- A typical residential customer can expect a \$1.52/month combined impact to their water/sewer bill

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Water	\$24.88	\$25.23	\$25.58	\$25.99	\$26.41	\$26.83
Sewer	\$43.47	\$44.64	\$45.88	\$47.14	\$48.41	\$49.76
Total <sup>1</sup>	\$68.35	\$69.87	\$71.46	\$73.13	\$74.82	\$76.59
\$ Change		<b>\$1.52</b>	<b>\$1.59</b>	<b>\$1.67</b>	<b>\$1.69</b>	<b>\$1.77</b>
% Change		2.2%	2.3%	2.3%	2.3%	2.4%

<sup>1</sup> Assumes average usage of 6 CCF (~4.5Kgals)



# Considerations

Additional revenues from Blue Oval result in minimal increase needed today

Awaiting actual plant flows

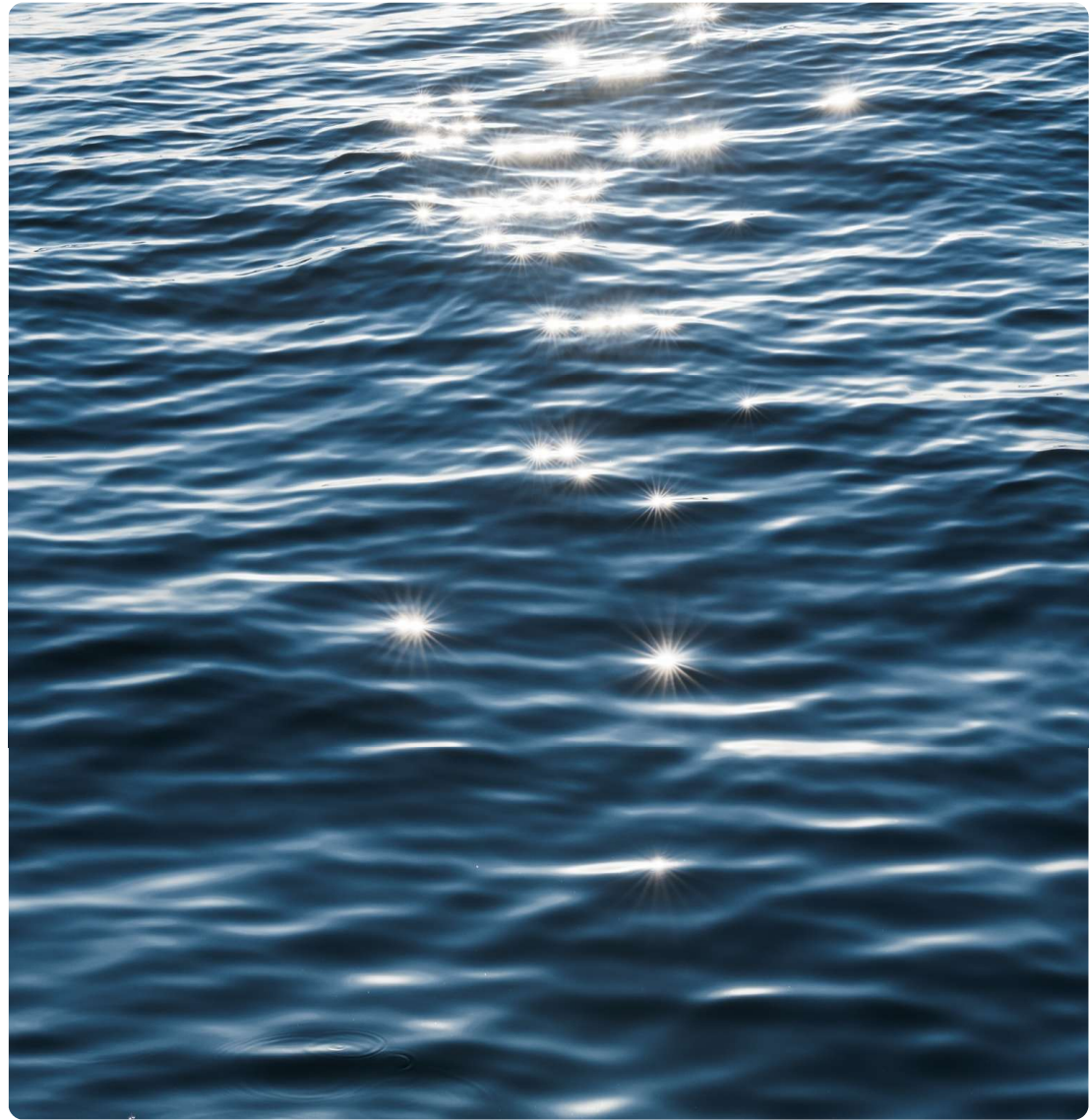
Pending development of wholesale water rate for Marshall/Blue Oval

Conduct cost-of-service analysis

Future WTP expansion needed in years 6-10+

**Thank you**

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## City of Battle Creek, MI

# FY 2026 Water & Sewer Revenue Sufficiency Analysis Final Report

May 4, 2026





May 4, 2026

Mr. Stephen Skalski  
Public Works Director  
City of Battle Creek  
10 N. Division Street  
Battle Creek, MI 49014

Re: FY 2026 Water & Sewer  
Revenue Sufficiency Analysis

Dear Mr. Skalski,

Stantec Consulting Services Inc. is pleased to present this Final Report of the FY 2026 Water & Sewer Revenue Sufficiency Analysis that we have performed for the City of Battle Creek.

If you have any questions, please do not hesitate to call me at (913) 905-3414 or email me at [tracy.jarrett@stantec.com](mailto:tracy.jarrett@stantec.com). We very much appreciate the opportunity to be of service to the City and look forward to working with you again soon.

Sincerely,

Tracy M. Jarrett  
Manager  
(913) 905-3414  
[tracy.jarrett@stantec.com](mailto:tracy.jarrett@stantec.com)

Enclosure

# TABLE OF CONTENTS

<b>1. Introduction.....</b>	<b>2</b>
1.1 Background .....	2
1.2 Objectives .....	3
<b>2. Revenue Sufficiency Analysis .....</b>	<b>4</b>
2.1 Description .....	4
2.2 Source Data .....	5
2.3 Assumptions.....	6
2.4 Results .....	8
<b>3. Conclusions &amp; Recommendations.....</b>	<b>12</b>
<b>Appendix A: Water Financial Plan Supporting Schedules .....</b>	<b>15</b>
<b>Appendix B: Sewer Financial Plan Supporting Schedules.....</b>	<b>16</b>

# 1. INTRODUCTION

On behalf of the City of Battle Creek, MI (City), Stantec Consulting Services Inc. (Stantec) has conducted the FY 2026 Water & Sewer Revenue Sufficiency Analysis (RSA). This draft report presents the objectives, procedures, and key assumptions of the RSA, as well as our findings and recommendations.

## 1.1 BACKGROUND

Stantec was selected by the City of Battle Creek to conduct the Study and develop water and sewer utility rates for the City and the surrounding communities that it serves. The most recent rate study was performed in 2021, establishing rates for the five-year period FY 2022 – FY 2026.

<b>Effective Date:</b>	<b>Fiscal Year:</b>	<b>Adopted User Charge</b>	
		<b>Water</b>	<b>Sewer</b>
July 1, 2021	FY 2022	4.25%	4.25%
July 1, 2022	FY 2023	4.25%	4.25%
July 1, 2023	FY 2024	4.25%	4.25%
July 1, 2024	FY 2025	4.25%	4.25%
July 1, 2025	FY 2026	4.25%	4.25%

Per the City's agreements with its outside city customers, a rate study is to be conducted every five years to develop the next five-year plan of rates. This Study establishes both water and sewer rate plans for the five-year period FY 2027 – FY 2031.

The City provides water and sewer service to approximately 18,000 water accounts and 20,000 sewer accounts within the City of Battle Creek and in the following connected jurisdictions (CJ): City of Springfield, City of Marshall, and the Townships of Bedford, Emmett, Leroy, and Pennfield. The costs of providing water and sewer service to the City and certain aspects of the service to customers outside the City are managed through two enterprise funds separate from other City operations and these funds are fully funded through water and sewer rates, fees, and charges.

The scope of the Study included a revenue sufficiency analysis, in which the overall plan of annual rate increases presented in this report will allow the Utility to meet all of its financial requirements for FY 2027 – FY 2031. Multiple interactive work sessions and discussions were held with City staff and Stantec to reach consensus on the recommendations for the water and sewer rate plans described herein. The results of the Study include a recommended five-year plan of utility rates and charges for the Battle Creek City Commission to place into effect beginning July 1, 2026.

## 1.2 OBJECTIVES

**Revenue Sufficiency Analysis** – Conduct a revenue sufficiency analysis for both the water and sewer enterprise funds by developing and populating multi-year forecasting models to determine the level of annual revenue required to satisfy each system’s projected annual operating, debt service, and capital cost requirements as well as reach and maintain adequate reserve levels.

## 2. REVENUE SUFFICIENCY ANALYSIS

Stantec has developed a ten-year financial plan for the Utility that identifies the level of annual water and sewer rate adjustments required over a near-term five-year planning period (FY 2027 – FY 2031) and long-term projection period (FY 2032 – FY 2036) to allow the Utility to meet all near and long-term financial requirements. The following subsections present the source data, assumptions, results, conclusions, and recommendations of the financial plan developed for the Utility during the Study, while Appendices A and B include detailed supporting schedules for the financial management plans identified herein for the Water Fund and Sewer Fund, respectively.

### 2.1 DESCRIPTION

The RSA was performed using both historical and projected information. City staff provided the historical financial information that was used to establish the system’s beginning FY 2026 fund balances as of July 1st, 2025.

System revenues consist of retail and contributing jurisdictions rate revenue, other operating revenues from miscellaneous service charges, interest earnings, and impact fee revenue. Rate revenue in FY 2026 is estimated based on FY 2025 actual revenues, adjusted for assumed annual growth and the rate increase applied in FY 2026. Beginning in FY 2027, projected annual rate revenues reflect prior year revenues, adjusted thereafter based upon the approved schedule of usage charge adjustments and schedules of assumed customer and demand growth. All other operating revenues reflect the FY 2026 Budget. An additional revenue source regarding reimbursement from the Qualified Energy Conservation (QEC) Bonds was included within the Sewer operating fund. Assumed to be approximately 64% of initial interest payments of the 2016B Water & Wastewater QEC Bonds<sup>1</sup>. Interest earnings were calculated annually based upon projected average fund balances and assumed annual interest earnings rates. Impact fee revenues calculated based upon the projected fees<sup>2</sup> and schedules of assumed annual customer growth and payment schedules.

System revenue requirements consist of operating expenses, minor capital outlays, and debt service. Operating expenses include personnel services costs and operating and maintenance costs. All revenue requirements in FY 2026 reflect the FY 2026 Budget, while FY 2027 and beyond are projected based on

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<sup>1</sup> Initially 70%, however, due to spending cuts made by the IRS (“Sequestration”), reimbursements are projected to be reduced from 2021 – 2030.

<sup>2</sup> Water and sewer capacity charges are projected to be escalated at a rate of 3.30% per year, as discussed with City Staff.

the FY 2026 Budget plus applicable cost escalation factors reviewed with Staff. All operating expenses, including minor capital outlay were projected each year thereafter based upon the FY 2026 Budget and assumed future cost escalation factors. It is important to note that in each year of the forecast, spending execution rates of 90% were assumed for all personnel and operations and maintenance related operating expenses and 100% was assumed for all minor capital outlay budgeted/projected expenses for the sewer fund. As for the water fund, a 98% execution rate was applied to all personnel related operating and maintenance costs, and 100% was assumed for fixed, variable, and minor capital outlay-related expenses throughout the projection period.

Annual capital requirements were provided by City staff and adjusted to account for future cost escalation. It is important to note that for each year of the forecast, spending execution rates of 100% were assumed from FY 2026 – FY 2035 for all budgeted capital requirements.

## 2.2 SOURCE DATA

This sub-section lists the key source data relied upon in conducting the RSA:

### Beginning Fund Balances

FY 2026 beginning fund balances were derived from the audited year-end FY 2025 Trial Balance as of June 30, 2025, and reconciled to the statement of net position within the City's Annual Comprehensive Financial Report (ACFR), dated June 30, 2025. Available fund balances include cash and cash equivalents, holdings in prior bond issuances, and other net working capital items. Estimated beginning balances are approximately \$14.6M for the water fund, and \$17.3M for the wastewater fund.

### Revenues

FY 2026 water and sewer rate revenues were derived from FY 2025 actual receipts, projected thereafter based upon assumed annual growth and assumed rate revenue adjustments. Unless otherwise stated, all other revenues were derived from the FY 2026 budget.

Interest earnings are calculated annually based upon projected average fund balances and an assumed interest rate of 1.76%<sup>3</sup> in each year of the projection period. All miscellaneous revenues are based upon the FY 2026 Budget. Revenues from sewer new connections and sewer late charges were reduced to reflect a 5-year average, per direction from City staff.

In FY 2026 and FY 2027 the City anticipates selling water to the City of Marshall for a large industrial user at the new Blue Oval facility. This Study assumes contracted minimum annual volumes of 11.41 million

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<sup>3</sup> Interest rate was estimated by dividing FY 2025 interest income by the ending FY 2025 fund balance to approximate an effective annual yield. This interest rate was used in both Water and Sewer RSA Financial Models for the 10-year projection period.

gallons will be sold at the inside City rate of \$1.64 per thousand gallons<sup>4</sup>. This results in approximately \$2.5M of incremental revenue for the City. Actual flows used by Blue Oval may differ materially from the contracted minimum and associated impacts should be considered in future rate increases and analyses.

### **Operating Expenses**

The FY 2026 operating expenditure requirements reflect the FY 2026 Final Budget and include personnel, operating and maintenance, and minor capital outlay expenses. Total operating expenses for FY 2026 are approximately \$10M for the Water fund and approximately \$18M for the Wastewater fund.

### **Debt Service**

Annual principal and interest requirements are per the City's outstanding Series 2016A and 2016B (QECB) Water & Wastewater Bond, Series 2023 Water & Wastewater Bond, and 2025 Drinking Water State Revolving Fund (DWSRF) loan. No additional debt is projected over the next five years based on the capital improvement plan provided by City Staff.

### **Capital Improvement Program**

Annual CIP requirements were provided by City staff through FY 2036. \$3.9M of unspecified future capital was added in each year from FY 2033 – FY 2036 to reflect additional project spending. The RSA includes total CIP spending (including inflation, execution, and projects earmarked to be funded by contributing jurisdictions) through FY 2036 of approximately \$77.8 million for the Water Fund and \$92.5 million for the Sewer Fund. Notably, the City anticipates significant upgrades to the Water Treatment Plant will be needed in the next decade. These costs estimates are yet to be determined and are not included as a part of the water rate projection. A detailed list of the annual capital projects and costs included in the Study can be seen on Schedule 6 of Appendices A and B for the Water Fund and Sewer Fund, respectively.

## **2.3 ASSUMPTIONS**

The following key assumptions were relied upon for the purposes of this RSA:

### **Cost Escalation**

Annual cost escalation factors for the various types of operating and maintenance expenses were developed based upon discussions with City staff, a review of historical trends, and our industry experience. Expenditures are projected from the FY 2026 Budget based upon assumed annual cost escalation factors for individual expense categories. Composite cost escalation is approximately 4% per year for both funds. The specific escalation factors assumed for the various categories of expenses can be found on Schedule 5 of Appendices A and B for the Water Fund and Sewer Fund, respectively.

### **System Growth**

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<sup>4</sup> COBC – Marshall Water Service Contract – Executed 03072025

New connection and demand/sales growth projections were developed in consultation with City staff based upon historical trends and future expectations. Projected annual water and sewer system growth rates, as well as incremental new connections, are presented on Schedule 1 of Appendices A and B.

### **Interest Earnings**

Interest earnings are calculated annually based upon projected average fund balances and an assumed interest rate of 1.76%<sup>5</sup> in each year of the projection period.

### **Borrowing Assumptions**

For the period FY 2027 – 2036, it is projected that no additional borrowing will be required for the Water or Sewer Fund<sup>6</sup>.

### **Debt Service Coverage**

As a policy decision, utilities often measure revenue sufficiency and set rates that allow for revenue recovery to meet a certain debt service coverage factor so that debt service payments can be made in the event that future projections of revenue and expenses do not occur as predicted (this could be due to weather conditions, unanticipated capital requirements or operating cost increases, natural disasters, etc.). As such, the financial management plan presented herein reflects a target debt service coverage factor, or ratio of net income to annual debt service, of 1.25 during the projection period.

These coverage requirements are minimum requirements. To the extent the system is unable to meet either of these requirements, it could be found in technical default resulting in the system having its credit rating downgraded, which would affect the interest rate and terms of future financing initiatives. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher coverage level to promote compliance with these covenants in the event future projections of revenue and expenses do not occur as predicted.

Per recently published guidance from Fitch Ratings, the municipal utility ratings agency, utility systems with *Midrange* financial profiles maintain debt service coverage greater than 1.50 times net revenue and those with *Stronger* financial profiles maintain debt service coverage greater than 2.00 times net revenue. Per the financial management plan presented herein, excluding impact fee revenue, the combined Water

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<sup>5</sup> Interest rate was estimated by dividing FY 2025 interest income by the ending FY 2025 fund balance to approximate an effective annual yield. This interest rate was used in both Water and Sewer RSA Financial Models for the 10-year projection period.

<sup>6</sup> The projection of no additional borrowing is limited to the currently adopted capital improvement plan for both funds.

and Sewer debt service coverage is projected to exceed 5.00 times net revenue during each year of the forecast.

### Minimum Reserve Policy

Reserve balances for utility systems are funds set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. These balances are maintained to meet short-term cash flow requirements, and at the same time, minimize the risk associated with meeting the financial obligations and continued operational and capital needs under adverse conditions. The level of reserves maintained by a utility is an important component and consideration of developing a utility system multi-year financial management plan.

Many utilities, rating agencies, and the investment community as a whole place a significant emphasis on having sufficient reserves available for potentially adverse conditions. The rationale related to the maintenance of adequate reserves is twofold. First, it helps to assure a utility that it will have adequate funds available to meet its financial obligations during unusual periods (i.e. when revenues are unusually low and/or expenditures are unusually high). Second, it provides funds that can be used for emergency repairs or replacements to the system that can occur because of natural disasters or unanticipated system failures.

The financial management plan presented in this report assumes the City will maintain a minimum Operating Fund balance or reserve equal to three months of annual operating expenses, including personnel service costs and operating and maintenance costs. This level of reserves is consistent with our experience with other healthy financial utility systems. Projected fund balances above the minimum required levels shown below in Figures 2-3 and 2-4 will allow the City to strengthen reserve levels to support anticipated major capital improvement projects and reduce the potential need for future rate adjustments.

## 2.4 RESULTS

Under the assumptions of the Study as outlined in this report and supporting schedules, current water and sewer rate levels are not sufficient to provide future revenues for the Utility to cover the expected financial requirements of the Water and Sewer Funds through FY 2036.

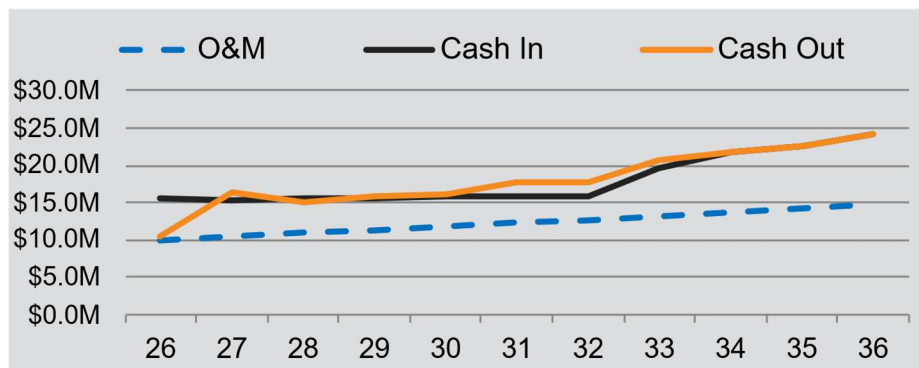
Appendices A and B include detailed schedules presenting all components of the financial management plans developed for the Water and Sewer Funds, respectively. The five-year rate adjustment plan for each fund is presented in the following table.

**Table 2-1: Proposed FY 2027 -2031 Water & Sewer Rate Revenue Adjustment Plans**

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Rate Increase Adoption Date	July 1, 2026	July 1, 2027	July 1, 2028	July 1, 2029	July 1, 2030
Water Rate Revenue Increase	1.50%	1.50%	1.50%	1.50%	1.50%
Sewer Rate Revenue Increase	2.75%	2.75%	2.75%	2.75%	2.75%

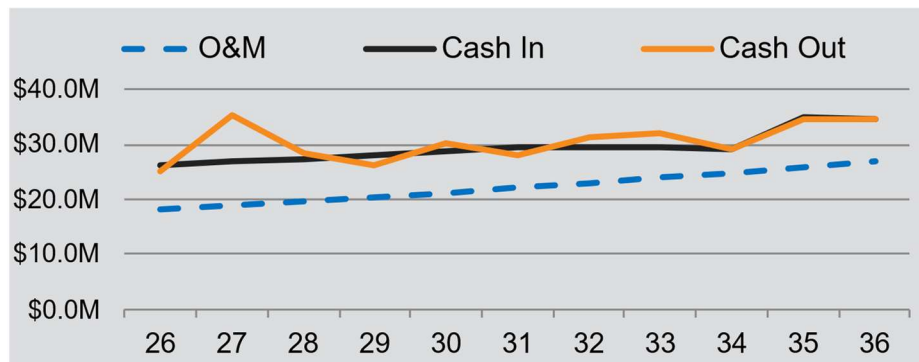
Based upon the assumptions and base data described herein, a rate plan to hold rates flat for one more year was determined to be not sufficient to fund the identified requirements, as Operating Fund balances are forecasted to drop below the required three-month minimum requirement in the outer years. Additionally, the Water fund is especially sensitive to assumptions related to water sold and revenues collected from Blue Oval through the City of Marshall. If these revenues were not to occur, projected rate needs would be in excess of 6% per year. In this way, assuming minimum contractual flows from Blue Oval mitigates the need for rate increases today, and a 1.5% increase is a hedge against project risks as well as balances annual cash flows as demonstrated in Figure 2-1.

Figure 2-1: Projected Water Cash Flows<sup>7</sup>



Similarly to water, the projected plan of wastewater rate adjustments results in near breakeven cash flows over the first five years of the projection period. Fund balances are anticipated to be spent down in FY 2032 and beyond as cash outflows exceed revenues from operations.

Figure 2-2: Projected Sewer Cash Flows<sup>7</sup>



<sup>7</sup> Represent ending balances as of Fiscal Year Ended June 30<sup>th</sup>.

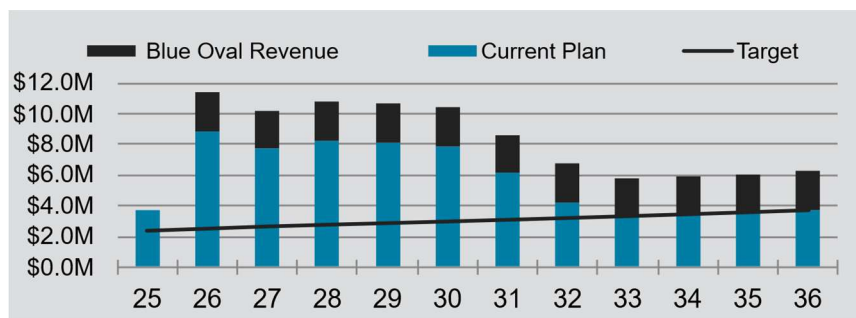
To address long-term cash flow concerns, adequately hedge against project risks, and cash finance future capital, while reducing the need for future rate increases it was determined that a 5-year combined average overall water and sewer utility rate increase of 2.30% is needed. Table 2-2 below shows the monthly bill impacts of a typical 5/8" residential customer, assuming an average use of 6 CCF<sup>8</sup>.

**Table 2-2: Residential 5/8" Water & Sewer Monthly Bill Impacts**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Water</b>	\$24.88	\$25.23	\$25.58	\$25.99	\$26.41	\$26.83
<b>Sewer</b>	\$43.47	\$44.64	\$45.88	\$47.14	\$48.41	\$49.76
<b>Total <sup>1</sup></b>	\$68.35	\$69.87	\$71.46	\$73.13	\$74.82	\$76.59
<b>\$ Change</b>		<b>\$1.52</b>	<b>\$1.59</b>	<b>\$1.67</b>	<b>\$1.69</b>	<b>\$1.77</b>
<b>% Change</b>		2.2%	2.3%	2.3%	2.3%	2.4%

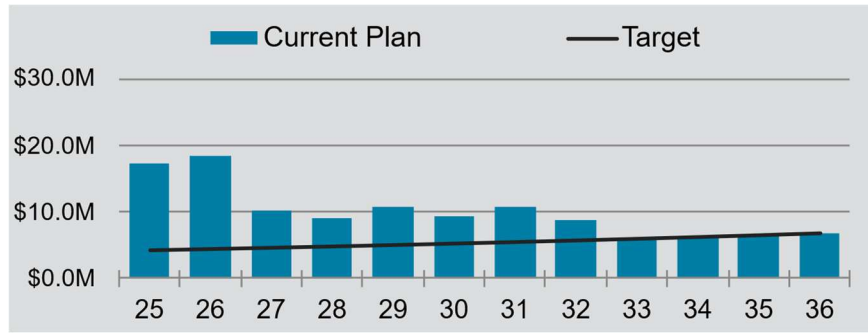
Figure 2-3 and *Figure 2-4* present the projected ending cash balances for the water and sewer fund respectively. In Figure 2-3, a portion of revenues from the Blue Oval project is demarcated from other working capital available. This serves to demonstrate both the future use of these cash balances to fund additional water treatment plant upgrades, as well as present at the current rate plan the City would collect to it's minimum target revenues from existing rate payers and the spending down the current fund balance over time.

*Figure 2-3: Projected Ending Water Fund Balances<sup>7</sup>*



<sup>8</sup> Approximately 4.5 Kgals.

Figure 2-4: Projected Ending Sewer Fund Balances<sup>7</sup>



### 3. CONCLUSIONS & RECOMMENDATIONS

Based upon the results of the Study as presented herein, we have reached the following conclusions and recommendations:

- Based upon the assumptions and base data described herein, a rate plan to hold rates flat for one more year was determined to be not sufficient to fund the identified requirements of the water and sewer utility system in FY 2027, as Operating Fund balances are forecasted to drop below the required three-month minimum requirement. Additionally, diagnostic scenarios were conducted within the water and sewer financial models to evaluate projected fund balance levels under a 0% rate increase assumption throughout the projection period. Figures 3-1 and 3-2 below show the projected ending fund balances of both water and sewer funds.

Figure 3-1: Projected Ending Water Fund Balances, no rate adjustments<sup>7</sup>

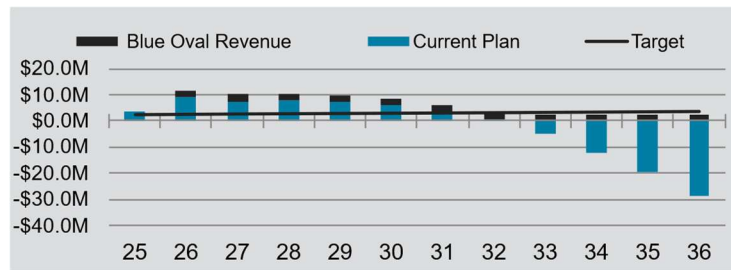
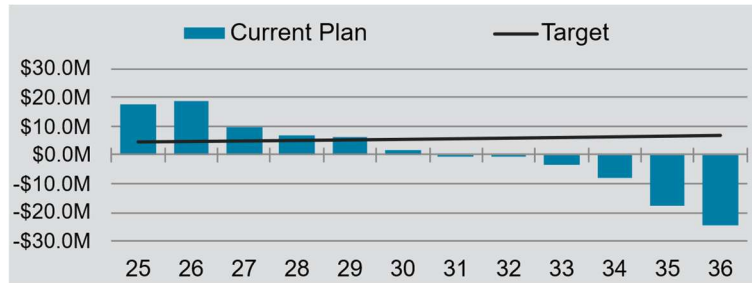


Figure 3-2: Projected Ending Sewer Fund Balances, no rate adjustments<sup>7</sup>



- To address future capital needs and growth in operating costs, maintain fund balance reserve targets, and avoid future rate increase spikes it was determined that a 5-year combined average overall water and sewer utility rate increase of 2.30% per year is needed in FY 2027 through FY 2031.
- The financial management plan presented herein anticipates \$24M in existing secured DWSRF funding for various capital projects for the Water Fund and no additional borrowing

for the Sewer Fund. Actual borrowing requirements are a direct result of actual capital spending each year and this projection only serves to provide an indication of potential borrowing needs.

- The City should monitor actual water sales to the Blue Oval project for the City of Marshall. Revenues from this customer are anticipated to be significant and the timing and magnitude of these sales are material to the rate plan.
- The City is working to establish preliminary design elements and cost estimates to upgrade the City Water Treatment Plant, partially to expand service for new wholesale customers.
- Once Blue Oval system demands, flows, and future capital needs are established over the next few months and years, a rate study update including a wholesale cost-of-service should be performed to determine a wholesale rate for this customer and other jurisdictions as appropriate.
- The City should update this RSA on an annual basis to evaluate the adequacy of revenues and planned water and sewer rate adjustments. Doing so will allow for the incorporation of updated revenue and expense information as well as changes in economic conditions, regulatory requirements, and other factors so that any necessary adjustments can be made to the plan of rate increases presented herein. Annual reviews provide the City opportunity to forego or adjust rates as necessary to reflect actual spend in O&M and CIP while minimizing rate impacts to customers should future events occur differently than projected at the time of this Study.

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*Additionally, the purpose of this document is to summarize Stantec’s analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliances on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the City of Battle Creek, MI should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.*

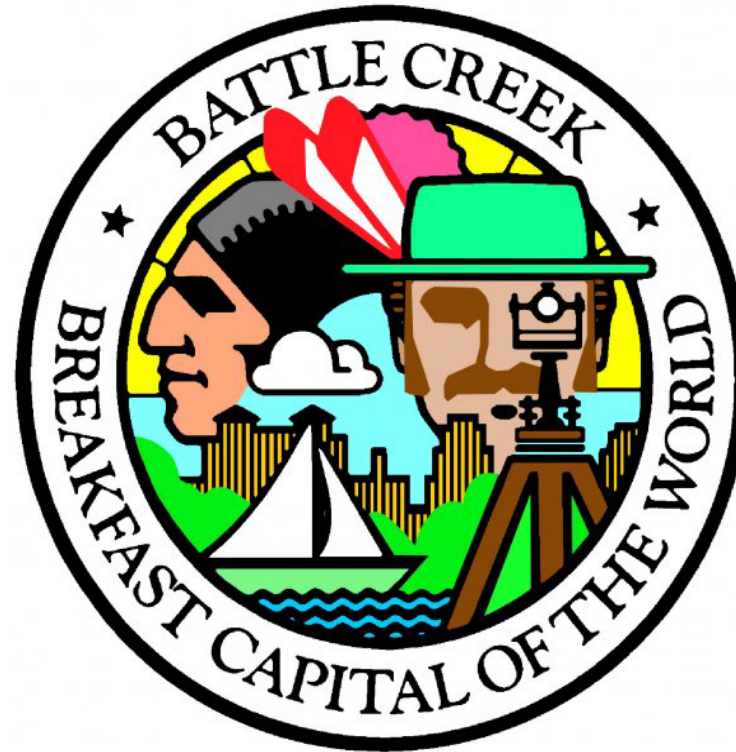
## **APPENDIX A: WATER FINANCIAL PLAN SUPPORTING SCHEDULES**

- Schedule 1 Assumptions
- Schedule 2 FY 2026 Beginning Balances as of 07/01/2025
- Schedule 3 Capital Improvement Plan
- Schedule 4 Projection of Cash Inflows
- Schedule 5 Projection of Cash Outflows
- Schedule 6 Cost Escalation Factors
- Schedule 7 Financial Management Plan – Control Panel
- Schedule 8 Pro Forma
- Schedule 9 CIP Funding
- Schedule 10 Funding Summary by Fund

## Battle Creek, MI - Water

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FY 2026 Revenue Sufficiency Analysis  
Preliminary Assumptions & Results Workbook



## Assumptions

## Schedule 1

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>Rate Increase Adoption Date</b>	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030	7/1/2031	7/1/2032	7/1/2033	7/1/2034	7/1/2035
<b>Annual Growth</b>											
<b>Water</b>											
Ending # of Accounts	17,925	17,925	17,925	17,925	17,925	17,925	17,925	17,925	17,925	17,925	17,925
Usage (CCF) (Excl. Wholesale)	2,781,361	2,769,989	2,758,673	2,747,413	2,736,210	2,725,063	2,713,972	2,702,936	2,691,955	2,681,029	2,670,158
% Change in Usage	N/A	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%
% Paying Capital Charges	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Capital Spending</b>											
Annual Capital Budget (Future Year Dollars)	\$ 6,002,986	\$ 15,517,524	\$ 16,717,732	\$ 3,457,902	\$ 3,283,760	\$ 4,484,687	\$ 3,227,057	\$ 5,686,536	\$ 6,275,846	\$ 6,482,949	\$ 6,696,886
Annual Percent Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Capacity Charges</b>											
Water Capacity Charges	\$610.00	\$610.00	\$630.13	\$650.92	\$672.40	\$694.59	\$717.52	\$741.19	\$765.65	\$790.92	\$817.02
<b>Average Annual Interest Earnings Rate</b>											
On Fund Balances	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
<b>Operating Budget Reserve</b>											
Target (Number of Months of Reserve)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Operating Budget Execution Percentage</b>											
Personal Services	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%
Variable Operations and Maintenance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operations and Maintenance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Capital Outlay	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

**FY 2026 Beginning Balances as of 7/1/2025**

**Schedule 2**

	Revenue Fund	Bond Proceeds
<b>Current Unrestricted Assets</b>		
Cash and Cash Equivalents	\$ 2,765,026	\$ -
Investments	-	10,904,393
Special Assessments	543,807	-
Due from other govts.	198,184	-
Inventories	1,090,745	-
<b>Total Assets</b>	<b>\$ 5,911,344</b>	<b>\$ 10,904,393</b>
<b>Current Liabilities</b>		
Accts Payable & Accrued Liabilities	\$ (709,500)	\$ -
Retentions, deposits, & other liabilities	(134,439)	-
Accrued Interest Payable	(34,391)	-
Unearned Revenue	(20,914)	-
Compensated absences, current portion	(190,842)	-
<b>Calculated Fund Balance (Assets - Liabilities)</b>	<b>\$ 4,821,258</b>	<b>\$ 10,904,393</b>
Plus/(Less): Inventory	(1,090,745)	-
<b>Available Fund Balance</b>	<b>\$ 3,730,513</b>	<b>\$ 10,904,393</b>

Projection of Cash Inflows

Schedule 3

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032 <sup>1</sup>	FY 2033	FY 2034	FY 2035	FY 2036
1 % Change in Usage Revenue	N/A	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%	-0.41%
2 Assumed Water Rate Increase	N/A	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%	31.93%	13.70%	4.23%	8.65%
3 Base Rate Revenue	\$ 5,750,000	\$ 5,836,250	\$ 5,923,794	\$ 6,012,651	\$ 6,102,840	\$ 6,194,383	\$ 6,194,383	\$ 8,172,490	\$ 9,292,489	\$ 9,686,010	\$ 10,523,660
4 Usage Rate Revenue	5,750,000	5,812,386	5,875,471	5,939,263	6,003,770	6,069,001	6,044,299	7,942,051	8,993,784	9,336,606	10,102,907
<b>5 Total Water Rate Revenue</b>	<b>\$ 11,500,000</b>	<b>\$ 11,648,636</b>	<b>\$ 11,799,264</b>	<b>\$ 11,951,913</b>	<b>\$ 12,106,610</b>	<b>\$ 12,263,384</b>	<b>\$ 12,238,682</b>	<b>\$ 16,114,541</b>	<b>\$ 18,286,273</b>	<b>\$ 19,022,616</b>	<b>\$ 20,626,567</b>
6 Charges for Service - Water Fire Sprinkler	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100	\$ 313,100
7 Charges for Service - Water Application for Water Service	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
8 Charges for Service - Streets Street Cut Permits	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
9 Misc Other Rev Bad Debt Recovery	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300
10 Misc Other Rev Miscellaneous Revenue	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900
11 Misc Other Rev NSF Check Fee	14,200	14,200	14,200	14,200	14,200	14,200	14,200	14,200	14,200	14,200	14,200
12 Misc Other Rev Sale of Scrap	30,100	30,100	30,100	30,100	30,100	30,100	30,100	30,100	30,100	30,100	30,100
13 Misc Other Rev Late Charges	167,800	167,800	167,800	167,800	167,800	167,800	167,800	167,800	167,800	167,800	167,800
14 Blue Oval	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216	2,521,216
<b>15 Total Other Operating Revenue</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>	<b>\$ 3,197,616</b>
16 Intergovernmental-Fed Grants Federal Grant	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
17 Rents Rents & Other	230,600	230,600	230,600	230,600	230,600	230,600	230,600	230,600	230,600	230,600	230,600
<b>18 Total Non-Operating Revenue</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>	<b>\$ 265,600</b>
19 Investment Income 2023 Water Revenue Bonds	437,800	-	-	-	-	-	-	-	-	-	-
20 Interest Income	249,710	232,126	226,684	230,244	226,689	208,811	176,956	152,455	145,317	147,605	149,982
<b>21 Total Interest Income</b>	<b>\$ 687,510</b>	<b>\$ 232,126</b>	<b>\$ 226,684</b>	<b>\$ 230,244</b>	<b>\$ 226,689</b>	<b>\$ 208,811</b>	<b>\$ 176,956</b>	<b>\$ 152,455</b>	<b>\$ 145,317</b>	<b>\$ 147,605</b>	<b>\$ 149,982</b>
<b>22 Total Cash Inflows</b>	<b>\$ 15,650,727</b>	<b>\$ 15,343,979</b>	<b>\$ 15,489,164</b>	<b>\$ 15,645,373</b>	<b>\$ 15,796,515</b>	<b>\$ 15,935,411</b>	<b>\$ 15,878,854</b>	<b>\$ 19,730,212</b>	<b>\$ 21,894,807</b>	<b>\$ 22,633,437</b>	<b>\$ 24,239,765</b>

<sup>1</sup> FY 2032 - FY 2036 rate adjustments are presented to balance finance plan over 10 year projection period. Actual results will be determined for this period during a future study.

Projection of Cash Outflows

Schedule 4

Account Code	Expense Line Item	Account Number	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036		
<b>Personal Services</b>															
1	PS	11-00	Worked Time Regular Salaries	703.010	\$ 3,151,526	\$ 3,287,042	\$ 3,428,384	\$ 3,575,805	\$ 3,729,565	\$ 3,889,936	\$ 4,057,203	\$ 4,231,663	\$ 4,413,624	\$ 4,603,410	\$ 4,801,357
2	PS		Worked Time Temporary	703.020	1,106	1,154	1,203	1,255	1,309	1,365	1,424	1,485	1,549	1,616	1,685
3	PS		Worked Time Overtime	703.030	441,224	460,197	479,985	500,624	522,151	544,604	568,022	592,447	617,922	644,493	672,206
4	PS		Worked Time Compensatory Pay	703.070	168,454	175,698	183,253	191,132	199,351	207,923	216,864	226,189	235,915	246,059	256,640
5	PS		Other P/R Related Pmts Longevity	710.010	250	261	272	284	296	309	322	336	350	365	381
6	PS		Other P/R Related Pmts Cellphone Stipend	710.030	20,411	21,289	22,204	23,159	24,155	25,193	26,277	27,407	28,585	29,814	31,096
7	PS		Other P/R Related Pmts Education Allowance	710.090	2,370	2,472	2,578	2,689	2,805	2,925	3,051	3,182	3,319	3,462	3,611
8	PS		Other P/R Related Pmts Clothing Allowance	710.100	1,200	1,252	1,305	1,362	1,420	1,481	1,545	1,611	1,681	1,753	1,828
9	PS		Other P/R Related Pmts Termination Payoff	710.190	112,646	117,490	122,542	127,811	133,307	139,039	145,018	151,254	157,758	164,541	171,616
10	PS		Wage Allocations Wage Allocation-Water Billing	712.020	(266,895)	(278,371)	(290,341)	(302,826)	(315,848)	(329,429)	(343,595)	(358,369)	(373,779)	(389,852)	(406,615)
11	PS		Wage Allocations Wage Allocation-Water Meter Sho	712.030	(153,490)	(160,090)	(166,974)	(174,154)	(181,642)	(189,453)	(197,600)	(206,096)	(214,958)	(224,202)	(233,842)
12	PS		FICA Social Security/Medicare	716.010	250,630	261,407	272,648	284,371	296,599	309,353	322,655	336,530	351,000	366,093	381,835
13	PS		Insurance Hospitalization	718.010	668,118	701,524	736,600	773,430	812,102	852,707	895,342	940,109	987,115	1,036,470	1,088,294
14	PS		Insurance Life Insurance	718.020	14,947	15,694	16,479	17,303	18,168	19,077	20,030	21,032	22,084	23,188	24,347
15	PS		Insurance Dental Insurance	718.030	52,649	55,281	58,046	60,948	63,995	67,195	70,555	74,082	77,787	81,676	85,760
16	PS		Retirement Municipal Employ Retirement Sys	720.010	1,153,965	1,188,584	1,224,241	1,260,969	1,298,798	1,337,762	1,377,895	1,419,231	1,461,808	1,505,663	1,550,832
17	PS		Retirement City Paid ICMA	720.070	111,479	114,823	118,268	121,816	125,471	129,235	133,112	137,105	141,218	145,455	149,818
18	PS		Retirement City Paid ICMA-MSA	720.080	3,300	3,399	3,501	3,606	3,714	3,826	3,940	4,059	4,180	4,306	4,435
19	PS		Other Benefits Unemployment	722.010	3,187	3,324	3,467	3,616	3,772	3,934	4,103	4,279	4,463	4,655	4,855
20	PS		Other Benefits Workers Comp-Due to Self Ins	722.020	59,440	61,996	64,662	67,442	70,342	73,367	76,522	79,812	83,244	86,824	90,557
21	PS		Fringe Allocations Fringe Allocation-Water Billing	725.020	(254,496)	(265,439)	(276,853)	(288,758)	(301,174)	(314,125)	(327,632)	(341,721)	(356,415)	(371,740)	(387,725)
22	PS		Fringe Allocations Fringe Allocation-Water Meter Sh	725.030	(99,879)	(104,174)	(108,653)	(113,325)	(118,198)	(123,281)	(128,582)	(134,111)	(139,878)	(145,892)	(152,166)
23	PS		Additional FTEs			209,415	279,220	289,635	300,438	311,645	323,269	335,327	347,835	360,809	374,267
<b>Operations &amp; Maintenance</b>															
24	OMF	12-00	Matl & Supplies Office Supplies	727.010	\$ 2,800	\$ 2,904	\$ 3,013	\$ 3,125	\$ 3,242	\$ 3,363	\$ 3,488	\$ 3,618	\$ 3,753	\$ 3,893	\$ 4,038
25	OMF		Matl & Supplies Computer Peripherals	727.020	2,000	2,075	2,152	2,232	2,316	2,402	2,491	2,584	2,681	2,781	2,885
26	OMF		Matl & Supplies Printing and Copying	727.030	109,000	113,066	117,283	121,658	126,196	130,903	135,785	140,850	146,104	151,553	157,206
27	OMF		Matl & Supplies Postage	727.040	248,550	257,821	267,438	277,413	287,761	298,494	309,628	321,177	333,157	345,584	358,474
28	OMF		Matl & Supplies Chemicals	727.100	350,000	363,055	376,597	390,644	405,215	420,330	436,008	452,271	469,141	486,640	504,791
29	OMF		Matl & Supplies Gas/Motor Fuels -Internal	727.210	102,618	106,446	110,416	114,535	118,807	123,238	127,835	132,603	137,549	142,680	148,002
30	OMF		Matl & Supplies Oxygen-Acetylene	727.210	1,000	1,037	1,076	1,116	1,158	1,201	1,246	1,292	1,340	1,390	1,442
31	OMF		Matl & Supplies Test Supplies	727.260	35,000	36,306	37,660	39,064	40,522	42,033	43,601	45,227	46,914	48,664	50,479
32	OMF		Matl & Supplies Tools	727.270	48,000	49,790	51,648	53,574	55,572	57,645	59,795	62,026	64,339	66,739	69,229
33	OMF		Matl & Supplies Uniform Purchase	727.280	5,000	5,187	5,380	5,581	5,789	6,005	6,229	6,461	6,702	6,952	7,211
34	OMF		Matl & Supplies Safety Equipment	727.290	9,250	9,595	9,953	10,324	10,709	11,109	11,523	11,953	12,399	12,861	13,341
35	OMF		Matl & Supplies Building Maintenance Supplies	801.030	12,000	12,448	12,912	13,394	13,893	14,411	14,949	15,506	16,085	16,685	17,307
36	OMF		Matl & Supplies Equipment Maint Supplies	801.060	17,500	18,153	18,830	19,532	20,261	21,016	21,800	22,614	23,457	24,332	25,240
37	OMF		Matl & Supplies Paint	801.295	1,300	1,348	1,399	1,451	1,505	1,561	1,619	1,680	1,743	1,808	1,875
38	OMF		Matl & Supplies Repair Parts	727.350	31,000	32,156	33,356	34,600	35,890	37,229	38,618	40,058	41,552	43,102	44,710
39	OMF		Matl & Supplies Construction Supplies	727.380	455,000	471,972	489,576	507,837	526,780	546,428	566,810	587,952	609,883	632,631	656,229
40	OMF		Matl & Supplies Horticulture	727.390	1,500	1,556	1,614	1,674	1,737	1,801	1,869	1,938	2,011	2,086	2,163
41	OMF		Matl & Supplies Supplies	727.480	10,950	11,358	11,782	12,222	12,677	13,150	13,641	14,150	14,677	15,225	15,793
42	OMF		Matl & Supplies Computer Software	820.070	43,000	44,604	46,268	47,993	49,784	51,640	53,567	55,565	57,637	59,787	62,017
43	OMF		Matl & Supplies Supplies Alloc-Water Billing	727.640	(183,540)	(190,386)	(197,487)	(204,854)	(212,495)	(220,421)	(228,643)	(237,171)	(246,017)	(255,194)	(264,713)
44	OMF		Matl & Supplies Supplies Allocation-Meter Shop	727.650	(22,792)	(23,642)	(24,524)	(25,439)	(26,388)	(27,372)	(28,393)	(29,452)	(30,550)	(31,690)	(32,872)
45	OMF		Prof & Oth Svcs Environmental Testing	801.110	25,000	25,933	26,900	27,903	28,944	30,024	31,143	32,305	33,510	34,760	36,057
46	OMF		Prof & Oth Svcs Training	801.350	21,000	21,783	22,596	23,439	24,313	25,220	26,160	27,136	28,148	29,198	30,287
47	OMF		Prof & Oth Svcs Travel	801.360	20,000	20,746	21,520	22,323	23,155	24,019	24,915	25,844	26,808	27,808	28,845
48	OMF		Prof & Oth Svcs Permits-Fees-Licenses	801.400	17,500	18,153	18,830	19,532	20,261	21,016	21,800	22,614	23,457	24,332	25,240
49	OMF		Prof & Oth Svcs Extinguisher Recharge	801.420	250	259	269	279	289	300	311	323	335	348	361
50	OMF		Prof & Oth Svcs Radio Maintenance	801.430	200	207	215	223	232	240	249	258	268	278	288
51	OMF		Communications Cellular Telephone	850.050	3,500	3,631	3,766	3,906	4,052	4,203	4,360	4,523	4,691	4,866	5,048
52	OMF		Communications Wireless Card	850.060	18,900	19,605	20,336	21,095	21,882	22,698	23,544	24,423	25,334	26,279	27,259
53	OMF		Maintenance Building	931.050	26,000	26,970	27,976	29,019	30,102	31,224	32,389	33,597	34,850	36,150	37,499
54	OMF		Maintenance Accident Repair	931.070	47,500	49,272	51,110	53,016	54,993	57,045	59,172	61,380	63,669	66,044	68,507
55	OMF		Maintenance Equipment	931.080	47,000	48,753	50,572	52,458	54,415	56,444	58,550	60,734	62,999	65,349	67,786
56	OMF		Maintenance Office Equipment	931.090	500	519	538	558	579	600	623	646	670	695	721
57	OMF		Rentals General	940.010	300	311	323	335	347	360	374	388	402	417	433
58	OMF		Rentals Building - Internal	940.040	484,000	502,053	520,780	540,205	560,355	581,256	602,937	625,426	648,755	672,953	698,054
59	OMF		Rentals Outside Equipment	940.050	6,000	6,224	6,466	6,697	6,947	7,206	7,474	7,753	8,042	8,342	8,654
60	OMF		Rentals Vehicle - Internal	940.060	924,014	958,480	994,231	1,031,316	1,069,784	1,109,687	1,151,078	1,194,013	1,238,550	1,284,748	1,332,669

Projection of Cash Outflows

Schedule 4

Account Code	Expense Line Item	Account Number	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	
61	OMF	Miscellaneous Memberships & Dues	955.050	11,700	12,136	12,589	13,059	13,546	14,051	14,575	15,119	15,683	16,268	16,874
62	OMF	Miscellaneous Bad Debt	955.260	151,200	156,840	162,690	168,758	175,053	181,582	188,355	195,381	202,669	210,228	218,070
63	OMF	Allocations Other Svc Alloc-Water Billing	962.130	(85,077)	(87,629)	(90,258)	(92,966)	(95,755)	(98,628)	(101,586)	(104,634)	(107,773)	(111,006)	(114,336)
64	OMF	Allocations Other Svc Alloc-Water Meter Shop	962.140	(152,958)	(157,547)	(162,273)	(167,141)	(172,156)	(177,320)	(182,640)	(188,119)	(193,763)	(199,575)	(205,563)
65	OMF	Allocations Insurance & Bonds Property	962.200	63,526	65,432	67,395	69,417	71,499	73,644	75,853	78,129	80,473	82,887	85,374
66	OMF	Allocations Insurance & Bonds Liability	962.210	92,294	95,063	97,915	100,852	103,878	106,994	110,204	113,510	116,915	120,423	124,035
67	OMF	Allocations Employee Benefits	962.220	30,820	31,745	32,697	33,678	34,688	35,729	36,801	37,905	39,042	40,213	41,420
68	OMF	Allocations Legal Services	962.230	31,810	32,764	33,747	34,760	35,802	36,877	37,983	39,122	40,296	41,505	42,750
69	OMF	Allocations Administrative Services	962.240	416,166	428,651	441,511	454,756	468,398	482,450	496,924	511,832	527,187	543,002	559,292
70	OMF	Allocations Mail & Courier Services	962.250	9,667	9,957	10,256	10,563	10,880	11,207	11,543	11,889	12,246	12,613	12,992
71	OMF	Allocations Data Services	962.260	121,349	124,989	128,739	132,601	136,579	140,677	144,897	149,244	153,721	158,333	163,083
72	OMF	Allocations Communication Services	962.270	21,966	22,625	23,304	24,003	24,723	25,465	26,229	27,015	27,826	28,661	29,520
73	OMF	Allocations GIS Services	962.300	119,311	122,890	126,577	130,374	134,286	138,314	142,464	146,737	151,140	155,674	160,344
74	OMF	Allocations 311 Call Center	962.310	168,805	173,869	179,085	184,458	189,992	195,691	201,562	207,609	213,837	220,252	226,860
75	OMF	Allocations Print Shop Services	962.320	279	287	296	305	314	323	333	343	353	364	375
76	OMV	Printing & Publishing Print-Publish-Broadcast	962.240	31,200	32,364	33,571	34,823	36,122	37,469	38,867	40,317	41,821	43,380	44,999
77	OMV	Utilities Refuse	962.260	3,000	3,101	3,206	3,314	3,425	3,541	3,660	3,783	3,911	4,043	4,179
78	OMV	Utilities Electricity	962.270	576,500	595,928	616,011	636,770	658,230	680,412	703,342	727,044	751,546	776,873	803,053
79	OMV	Utilities Gas	962.300	26,000	26,876	27,782	28,718	29,686	30,686	31,721	32,790	33,895	35,037	36,218
80	OMV	Utilities Water and Sewer	962.310	19,000	19,640	20,302	20,986	21,694	22,425	23,180	23,962	24,769	25,604	26,467
81		<b>Minor Capital Outlay</b>												
82	CO	Facilities Bldg Adds & Improv <\$10G	971.540	\$ 5,000	\$ 5,187	\$ 5,380	\$ 5,581	\$ 5,789	\$ 6,005	\$ 6,229	\$ 6,461	\$ 6,702	\$ 6,952	\$ 7,211
83	CO	General Equipment Office Equip & Furniture	972.010	2,500	2,597	2,697	2,802	2,910	3,023	3,140	3,261	3,387	3,518	3,655
84	CO	General Equipment Equipment & Machinery	972.020	4,000	4,155	4,316	4,483	4,656	4,836	5,023	5,218	5,420	5,630	5,847
85	CO	General Equipment Off Eq & Furn <\$10G	972.510	2,500	2,597	2,697	2,802	2,910	3,023	3,140	3,261	3,387	3,518	3,655
86	CO	General Equipment Equip & Mach < \$10G	972.520	4,000	4,155	4,316	4,483	4,656	4,836	5,023	5,218	5,420	5,630	5,847
87	CO	Computer Technology Computer Equip <\$10G	973.510	3,500	3,635	3,776	3,922	4,074	4,232	4,396	4,566	4,742	4,926	5,116
88		<b>Total Other Operating Expenses</b>		<b>\$ 10,041,000</b>	<b>\$ 10,636,279</b>	<b>\$ 11,107,114</b>	<b>\$ 11,534,333</b>	<b>\$ 11,978,351</b>	<b>\$ 12,439,840</b>	<b>\$ 12,919,503</b>	<b>\$ 13,418,071</b>	<b>\$ 13,936,304</b>	<b>\$ 14,474,993</b>	<b>\$ 15,034,964</b>
89	PS	Personal Services		\$ 5,442,142	\$ 5,874,225	\$ 6,176,036	\$ 6,428,194	\$ 6,690,894	\$ 6,964,586	\$ 7,249,739	\$ 7,546,843	\$ 7,856,407	\$ 8,178,965	\$ 8,515,073
90	OMV	Variable Operations & Maintenance		655,700	677,909	700,871	724,612	749,156	774,533	800,770	827,896	855,941	884,937	914,915
91	OMF	Operations & Maintenance		3,921,658	4,061,819	4,207,024	4,357,456	4,513,305	4,674,767	4,842,044	5,015,348	5,194,897	5,380,918	5,573,645
92	CO	Capital Outlay		21,500	22,325	23,182	24,071	24,995	25,954	26,950	27,985	29,059	30,174	31,332
93		<b>Total Expenses</b>		<b>\$ 10,041,000</b>	<b>\$ 10,636,279</b>	<b>\$ 11,107,114</b>	<b>\$ 11,534,333</b>	<b>\$ 11,978,351</b>	<b>\$ 12,439,840</b>	<b>\$ 12,919,503</b>	<b>\$ 13,418,071</b>	<b>\$ 13,936,304</b>	<b>\$ 14,474,993</b>	<b>\$ 15,034,964</b>
94		<b>Expense Execution Factors</b>												
95		Personal Services		98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%
96		Operations & Maintenance		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
97		Capital Outlay		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Projection of Cash Outflows

Schedule 4

Account Code	Expense Line Item	Account Number	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
98	<b>Total Expenses at Execution</b>												
99	Personal Services		\$ 5,333,299	\$ 5,756,741	\$ 6,052,516	\$ 6,299,630	\$ 6,557,076	\$ 6,825,294	\$ 7,104,744	\$ 7,395,906	\$ 7,699,279	\$ 8,015,386	\$ 8,344,771
100	Variable Operations & Maintenance		655,700	677,909	700,871	724,612	749,156	774,533	800,770	827,896	855,941	884,937	914,915
101	Operations & Maintenance		3,921,658	4,061,819	4,207,024	4,357,456	4,513,305	4,674,767	4,842,044	5,015,348	5,194,897	5,380,918	5,573,645
102	Capital Outlay		21,500	22,325	23,182	24,071	24,995	25,954	26,950	27,985	29,059	30,174	31,332
103	<b>Total Expenses at Execution</b>		<b>\$ 9,932,157</b>	<b>\$ 10,518,794</b>	<b>\$ 10,983,593</b>	<b>\$ 11,405,770</b>	<b>\$ 11,844,533</b>	<b>\$ 12,300,548</b>	<b>\$ 12,774,508</b>	<b>\$ 13,267,134</b>	<b>\$ 13,779,175</b>	<b>\$ 14,311,414</b>	<b>\$ 14,864,663</b>
104	<b>Debt Service</b>												
105	Series 2023 Water and Wastewater Bond		\$ 545,944	\$ 538,944	\$ 541,944	\$ 534,444	\$ 531,944	\$ 534,194	\$ 530,944	\$ 522,444	\$ 518,944	\$ 510,194	\$ 1,346,444
107	Projected SRF Debt Service		-	-	394,200	394,200	394,200	394,200	1,196,100	1,194,750	1,193,100	1,196,100	1,193,750
108	<b>Total Debt Service</b>		<b>\$ 545,944</b>	<b>\$ 538,944</b>	<b>\$ 1,330,344</b>	<b>\$ 1,322,844</b>	<b>\$ 1,320,344</b>	<b>\$ 1,322,594</b>	<b>\$ 2,923,144</b>	<b>\$ 2,911,944</b>	<b>\$ 2,905,144</b>	<b>\$ 2,902,394</b>	<b>\$ 3,733,944</b>
109	<b>Total Cash Outflows</b>		<b>\$ 10,478,101</b>	<b>\$ 11,057,738</b>	<b>\$ 12,313,937</b>	<b>\$ 12,728,613</b>	<b>\$ 13,164,877</b>	<b>\$ 13,623,142</b>	<b>\$ 15,697,652</b>	<b>\$ 16,179,078</b>	<b>\$ 16,684,319</b>	<b>\$ 17,213,808</b>	<b>\$ 18,598,607</b>

## Cost Escalation Factors

## Schedule 5

Expense Categories	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
Health Insurance	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Retirement	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Repair & Maintenance	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Utilities	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%
Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Allocations	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
IT Charges	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Default Inflation Factor	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
<i>Weighted Average Increase in O&amp;M Expenses<sup>1</sup></i>	5.91%	4.42%	3.84%	3.85%	3.85%	3.85%	3.86%	3.86%	3.86%	3.87%

Capital Improvement Program (CIP), by Project and Workpackage Summary

Schedule 6A

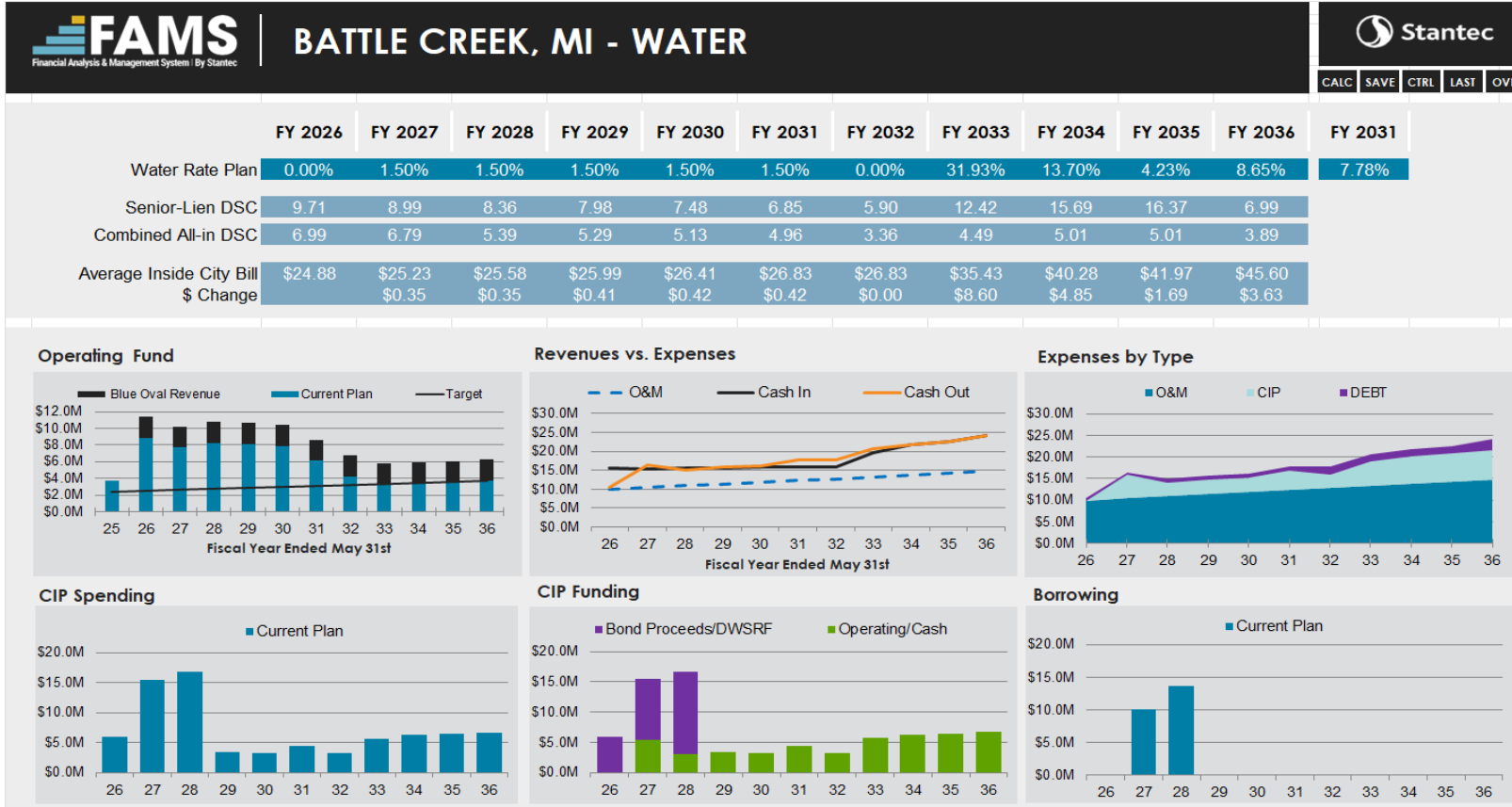
		Total Cost (FY 2026 - FY 2036)	
<b>Water Capital Projects</b>			
1	WTR	2026 Wellfield Improvements \$ 6,002,986	
2	WTR1	Booster pump replacement \$ 300,000	
3	WTR2	0.5 MG Emmett Insp. \$ 3,500	
4	WTR2	0.5 MG Emmett Wet Interior Repainting \$ 150,000	
5	WTR2	1.0 MG Fort Custer Elevated Improvements and 1.0 MG Urbandale Insp. \$ 547,000	
6	WTR2	1.0 MG Urbandale Elevated \$ 294,000	
7	WTR2	1.5 MG Beckley Reservoir Improvements \$ 216,000	
8	WTR2	1.5 MG Beckley Reservoir Improvements \$ 340,000	
9	WTR2	1.5 MG Beckley Warranty and 1.0 MG Fort Custer Maint. Insp. \$ 7,500	
10	WTR2	2.0 MG Gethings maintenance Insp. And warranty insp for 1.0 MG Urbandale \$ 7,500	
11	WTR2	2.5 Beckley insp and warranty insp for 5.0 Brigden \$ 9,000	
12	WTR2	2M Gallon Underground Reservoir inspection and engineering to bid \$ 50,000	
13	WTR2	2M Gallon Underground Reservoir repairs per Dixon Recommendations \$ 380,000	
14	WTR2	480V VFD for Brigden Booster Station \$ 200,000	
15	WTR2	5.0 MG Brigden Reservoir Wet Interior Coating \$ 690,000	
16	WTR2	Decommission Beckley and EPI Booster \$ 300,000	
17	WTR2	Maintenance Insp for 5.0 MG & 3.8 MG Brigden and Warranty Insp for 1.0 MG Fort Custer \$ 12,000	
18	WTR3	Meter Replacements - New technology roll out and standard meter replacement \$ 130,000	
19	WTR3	Meter Rplacements - New technology roll out and standard meter replacement \$ 560,000	
20	WTR4	Well pump replacement \$ 900,000	
21	WTR5	12" Transmission from Brigden PS to Fort Cust PS: down Eldred/Highland/Helmer \$ 4,810,000	
22	WTR5	12" Transmission on Capital from Rock Creek to Stafford \$ 500,000	
23	WTR5	16" Transmission line at Burnham with 6" distribution main and LSLR \$ 950,000	
24	WTR5	Christy Area 8" Water Main Addition - 2027 and 2028 project \$ 3,250,000	
25	WTR5	Iroquois and Surby Ave. 6" Upgrade \$ 1,041,000	
26	WTR5	Oaklawn 6" Upgrade \$ 441,000	
27	WTR5	Water Main 8" upgrade Foster \$ 500,650	
28	WTR5	Water Main 8" upgrade Orleans \$ 914,500	
29	WTR5	Water Main Rplc Prgm: Francis, Westway, Park, S. Ridgeway (CC to Eastway) and Edgehill Lincoln to Moorland \$ 1,518,000	
30	WTR5	Watermain Loan Replacement \$ 3,447,500	
31	WTR6	Lead Service Line replacements - locations TBD \$ 3,000,000	
32	WTR6	Phase 1 RIM Well Rpl, improvements, Post and LSLR \$ 1,715,938	
33	WTR6	Phase 1 Well Rpl loan cost \$ 4,895,586	
34	WTR6	RIM Plant Pipe Gallery to replace effluent chamber \$ 350,000	
35	WTR6	Well Head protection yearly program \$ 240,000	
36	WTR7	Fire Hydrant Replacements - Various locations as needed based on age and needs \$ 750,000	
37	WTR8	Rase Bedford Water Field and abandon Wells \$ 60,000	
38	WTR8	RIM Plant Roof \$ 429,000	
39	WTR8	Water System Security evaluation \$ 400,000	
40	WTR8	Well Abandonment Program \$ 200,000	
41	WTR8	Well Hse Roofs for #13, 14, 15, 17, 39, 40, 44, 45, 50, 51, 52 & 54 \$ 120,000	
42	WTR9	Lead Service Line replacements - locations TBD \$ 475,000	
43	Unassigned	12" Tranismission from Beckley to Hedges to I-94 to Watkins \$ 4,680,000	
44	Unassigned	Bailey Generator for Wells 115 & 117 and Lift Stations include ATS \$ 100,000	
45	Unassigned	Phase 2 LSLR \$ 1,690,604	
46	Unassigned	Phase 2 LSLR \$ 6,762,417	
47	Unassigned	VPS Roof Improvements, HL Pump epoxy floor and basement sewer pipe replacement \$ 850,000	
48	Unassigned	Water System Security - SCADA Upgrades & Network server replacement \$ 95,000	
49	Unassigned	Unspecified Future Capital \$ 15,000,000	
50	<b>Total CIP Budget (in current dollars)</b>		<b>\$ 70,285,680</b>

Capital Improvement Program (CIP)

Schedule 6B

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	Total Cost
<b>Water Capital Projects</b>												
1 Unspecified Future Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 15,000,000
2 Wellfield	6,002,986	-	-	-	-	-	-	-	-	-	-	\$ 6,002,986
3 WTR1	-	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	\$ 300,000
4 WTR2	-	-	-	7,500	9,000	340,000	-	-	-	-	-	\$ 356,500
5 WTR2	-	1,493,000	506,000	690,000	-	3,500	157,500	-	-	-	-	\$ 2,850,000
6 WTR3	-	100,000	100,000	100,000	130,000	130,000	130,000	-	-	-	-	\$ 690,000
7 WTR4	-	150,000	150,000	150,000	150,000	150,000	150,000	-	-	-	-	\$ 900,000
8 WTR5	-	3,447,500	-	-	-	-	-	-	-	-	-	\$ 3,447,500
9 WTR5	-	-	4,810,000	-	-	-	-	-	-	-	-	\$ 4,810,000
10 WTR5	-	1,955,600	500,650	-	-	-	-	-	-	-	-	\$ 2,456,150
11 WTR5	-	-	-	1,518,000	1,625,000	2,125,000	1,391,000	-	-	-	-	\$ 6,659,000
12 WTR6	-	1,715,938	-	-	-	-	-	-	-	-	-	\$ 1,715,938
13 WTR6	-	-	-	-	350,000	-	-	-	-	-	-	\$ 350,000
14 WTR6	-	4,895,586	-	-	-	-	-	-	-	-	-	\$ 4,895,586
15 WTR6	-	500,000	500,000	500,000	500,000	500,000	500,000	-	-	-	-	\$ 3,000,000
16 WTR6	-	40,000	40,000	40,000	40,000	40,000	40,000	-	-	-	-	\$ 240,000
17 WTR7	-	125,000	125,000	125,000	125,000	125,000	125,000	-	-	-	-	\$ 750,000
18 WTR8	-	-	949,000	-	-	-	-	-	-	-	-	\$ 949,000
19 WTR8	-	-	-	60,000	-	-	200,000	-	-	-	-	\$ 260,000
20 WTR9	-	-	-	-	-	475,000	-	-	-	-	-	\$ 475,000
21 No Project Code	-	-	-	-	-	-	-	4,680,000	-	-	-	\$ 4,680,000
22 No Project Code	-	-	8,453,021	-	-	-	-	-	-	-	-	\$ 8,453,021
23 No Project Code	-	1,045,000	-	-	-	-	-	-	-	-	-	\$ 1,045,000
<b>24 Total CIP Budget (in current dollars)</b>	<b>\$ 6,002,986</b>	<b>\$ 15,517,524</b>	<b>\$ 16,183,671</b>	<b>\$ 3,240,500</b>	<b>\$ 2,979,000</b>	<b>\$ 3,938,500</b>	<b>\$ 2,743,500</b>	<b>\$ 4,680,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 70,285,680</b>
25 Cumulative Projected Cost Escalation <sup>1</sup>	0.0%	0.0%	3.3%	6.7%	10.2%	13.9%	17.6%	21.5%	25.5%	29.7%	33.9%	
<b>26 Resulting CIP Funding Level</b>	<b>\$ 6,002,986</b>	<b>\$ 15,517,524</b>	<b>\$ 16,717,732</b>	<b>\$ 3,457,902</b>	<b>\$ 3,283,760</b>	<b>\$ 4,484,687</b>	<b>\$ 3,227,057</b>	<b>\$ 5,686,536</b>	<b>\$ 6,275,846</b>	<b>\$ 6,482,949</b>	<b>\$ 6,696,886</b>	<b>\$ 77,833,863</b>
27 Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
<b>28 Final CIP Funding Level</b>	<b>\$ 6,002,986</b>	<b>\$ 15,517,524</b>	<b>\$ 16,717,732</b>	<b>\$ 3,457,902</b>	<b>\$ 3,283,760</b>	<b>\$ 4,484,687</b>	<b>\$ 3,227,057</b>	<b>\$ 5,686,536</b>	<b>\$ 6,275,846</b>	<b>\$ 6,482,949</b>	<b>\$ 6,696,886</b>	<b>\$ 77,833,863</b>

<sup>1</sup>CIP Escalation factors are consistent with the Stantec Economic projections for estimated construction cost escalation



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>1 Operating Revenue</b>											
2 Water, Rate Revenue	\$ 11,500,000	\$ 11,500,000	\$ 11,648,636	\$ 11,799,264	\$ 11,951,913	\$ 12,106,610	\$ 12,263,384	\$ 12,238,682	\$ 16,114,541	\$ 18,286,273	\$ 19,022,616
3 Change in Revenue From Growth	-	(23,511)	(23,745)	(23,980)	(24,218)	(24,459)	(24,702)	(24,578)	(32,265)	(36,503)	(37,859)
4 Subtotal	\$ 11,500,000	\$ 11,476,489	\$ 11,624,891	\$ 11,775,284	\$ 11,927,695	\$ 12,082,151	\$ 12,238,682	\$ 12,214,104	\$ 16,082,277	\$ 18,249,770	\$ 18,984,758
5 Weighted Average Rate Increase	0.00%	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%	31.93%	13.70%	4.23%	8.65%
6 Additional Rate Revenue From Rate Increase	-	172,147	174,373	176,629	178,915	181,232	-	3,900,437	2,203,997	772,846	1,641,809
7 Total Rate Revenue	\$ 11,500,000	\$ 11,648,636	\$ 11,799,264	\$ 11,951,913	\$ 12,106,610	\$ 12,263,384	\$ 12,238,682	\$ 16,114,541	\$ 18,286,273	\$ 19,022,616	\$ 20,626,567
8 Plus: Other Operating Revenue	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616	3,197,616
9 <b>Equals: Total Operating Revenue</b>	<b>\$ 14,697,616</b>	<b>\$ 14,846,252</b>	<b>\$ 14,996,881</b>	<b>\$ 15,149,530</b>	<b>\$ 15,304,227</b>	<b>\$ 15,461,000</b>	<b>\$ 15,436,298</b>	<b>\$ 19,312,158</b>	<b>\$ 21,483,890</b>	<b>\$ 22,220,233</b>	<b>\$ 23,824,183</b>
<b>Less: Operating Expenses</b>											
10 Personal Services	\$ (5,333,299)	\$ (5,756,741)	\$ (6,052,516)	\$ (6,299,630)	\$ (6,557,076)	\$ (6,825,294)	\$ (7,104,744)	\$ (7,395,906)	\$ (7,699,279)	\$ (8,015,386)	\$ (8,344,771)
11 Variable Operations & Maintenance Costs	(655,700)	(677,909)	(700,871)	(724,612)	(749,156)	(774,533)	(800,770)	(827,896)	(855,941)	(884,937)	(914,915)
12 Operations & Maintenance Costs	(3,921,658)	(4,061,819)	(4,207,024)	(4,357,456)	(4,513,305)	(4,674,767)	(4,842,044)	(5,015,348)	(5,194,897)	(5,380,918)	(5,573,645)
13 <b>Equals: Net Operating Income</b>	<b>\$ 4,786,959</b>	<b>\$ 4,349,783</b>	<b>\$ 4,036,470</b>	<b>\$ 3,767,831</b>	<b>\$ 3,484,689</b>	<b>\$ 3,186,406</b>	<b>\$ 2,688,740</b>	<b>\$ 6,073,008</b>	<b>\$ 7,733,773</b>	<b>\$ 7,938,992</b>	<b>\$ 8,990,852</b>
<b>Plus: Non-Operating Income/(Expense)</b>											
14 Non-Operating Revenue	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600	\$ 265,600
15 Interest Income	687,510	232,126	226,684	230,244	226,689	208,811	176,956	152,455	145,317	147,605	149,982
16 <b>Equals: Net Income</b>	<b>\$ 5,740,069</b>	<b>\$ 4,847,509</b>	<b>\$ 4,528,753</b>	<b>\$ 4,263,675</b>	<b>\$ 3,976,978</b>	<b>\$ 3,660,817</b>	<b>\$ 3,131,296</b>	<b>\$ 6,491,063</b>	<b>\$ 8,144,690</b>	<b>\$ 8,352,197</b>	<b>\$ 9,406,434</b>
<b>Less: Revenues Excluded From Coverage Test</b>											
17 Other Excluded Revenues	(437,800)	-	-	-	-	-	-	-	-	-	-
18 <b>Equals: Net Income Available For Debt Service</b>	<b>\$ 5,302,269</b>	<b>\$ 4,847,509</b>	<b>\$ 4,528,753</b>	<b>\$ 4,263,675</b>	<b>\$ 3,976,978</b>	<b>\$ 3,660,817</b>	<b>\$ 3,131,296</b>	<b>\$ 6,491,063</b>	<b>\$ 8,144,690</b>	<b>\$ 8,352,197</b>	<b>\$ 9,406,434</b>
<b>Senior Lien Debt Service Coverage Test</b>											
19 Net Income Available for Senior-Lien Debt Service	\$ 5,302,269	\$ 4,847,509	\$ 4,528,753	\$ 4,263,675	\$ 3,976,978	\$ 3,660,817	\$ 3,131,296	\$ 6,491,063	\$ 8,144,690	\$ 8,352,197	\$ 9,406,434
20 Existing Senior-Lien Debt	545,944	538,944	541,944	534,444	531,944	534,194	530,944	522,444	518,944	510,194	1,346,444
21 <b>Total Annual Senior-Lien Debt Service</b>	<b>Req. \$ 545,944</b>	<b>\$ 538,944</b>	<b>\$ 541,944</b>	<b>\$ 534,444</b>	<b>\$ 531,944</b>	<b>\$ 534,194</b>	<b>\$ 530,944</b>	<b>\$ 522,444</b>	<b>\$ 518,944</b>	<b>\$ 510,194</b>	<b>\$ 1,346,444</b>
22 <i>Calculated Senior-Lien Debt Service Coverage</i>	<b>1.25</b>	<b>9.71</b>	<b>8.99</b>	<b>8.36</b>	<b>7.98</b>	<b>7.48</b>	<b>6.85</b>	<b>5.90</b>	<b>12.42</b>	<b>15.69</b>	<b>16.37</b>
<b>Subordinate Debt Service Coverage Test</b>											
23 Net Income Available for Subordinate Debt Service	\$ 4,756,326	\$ 4,308,566	\$ 3,986,810	\$ 3,729,231	\$ 3,445,034	\$ 3,126,623	\$ 2,600,352	\$ 5,968,619	\$ 7,625,746	\$ 7,842,003	\$ 8,059,990
Cumulative New Subordinate Debt Service (calculated)	-	-	-	-	-	-	-	-	-	-	-
25 <b>Total Annual Subordinate Debt Service</b>	<b>Req. \$ -</b>	<b>\$ -</b>	<b>\$ 394,200</b>	<b>\$ 394,200</b>	<b>\$ 394,200</b>	<b>\$ 394,200</b>	<b>\$ 1,196,100</b>	<b>\$ 1,194,750</b>	<b>\$ 1,193,100</b>	<b>\$ 1,196,100</b>	<b>\$ 1,193,750</b>
26 <i>Calculated Subordinate Debt Service Coverage</i>	<b>1.20</b>	<b>0.00</b>	<b>0.00</b>	<b>10.11</b>	<b>9.46</b>	<b>8.74</b>	<b>7.93</b>	<b>2.17</b>	<b>5.00</b>	<b>6.39</b>	<b>6.56</b>
<b>Total All-In Debt Service Coverage Test</b>											
27 Net Income Available for Subordinate Debt Service	\$ 5,302,269	\$ 4,847,509	\$ 4,528,753	\$ 4,263,675	\$ 3,976,978	\$ 3,660,817	\$ 3,131,296	\$ 6,491,063	\$ 8,144,690	\$ 8,352,197	\$ 9,406,434
28 Total Senior-Lien Debt Service	545,944	538,944	541,944	534,444	531,944	534,194	530,944	522,444	518,944	510,194	1,346,444
29 Total Subordinate Debt Service	-	-	394,200	394,200	394,200	394,200	1,196,100	1,194,750	1,193,100	1,196,100	1,193,750
30 <b>Total Annual Debt Service</b>	<b>\$ 545,944</b>	<b>\$ 538,944</b>	<b>\$ 936,144</b>	<b>\$ 928,644</b>	<b>\$ 926,144</b>	<b>\$ 928,394</b>	<b>\$ 1,727,044</b>	<b>\$ 1,717,194</b>	<b>\$ 1,712,044</b>	<b>\$ 1,706,294</b>	<b>\$ 2,540,194</b>
31 <i>Calculated All-In Debt Service Coverage</i>	<b>9.71</b>	<b>8.99</b>	<b>4.84</b>	<b>4.59</b>	<b>4.29</b>	<b>3.94</b>	<b>1.81</b>	<b>3.78</b>	<b>4.76</b>	<b>4.89</b>	<b>3.70</b>

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>Cash Flow Test</b>											
32 Net Income Available For Debt Service	\$ 5,302,269	\$ 4,847,509	\$ 4,528,753	\$ 4,263,675	\$ 3,976,978	\$ 3,660,817	\$ 3,131,296	\$ 6,491,063	\$ 8,144,690	\$ 8,352,197	\$ 9,406,434
33 Net Debt Service Payment	(545,944)	(538,944)	(936,144)	(928,644)	(926,144)	(928,394)	(1,727,044)	(1,717,194)	(1,712,044)	(1,706,294)	(2,540,194)
34 Capital Outlay	(21,500)	(22,325)	(23,182)	(24,071)	(24,995)	(25,954)	(26,950)	(27,985)	(29,059)	(30,174)	(31,332)
35 <b>Net Cash Flow</b>	<b>\$ 4,734,826</b>	<b>\$ 4,286,241</b>	<b>\$ 3,569,428</b>	<b>\$ 3,310,960</b>	<b>\$ 3,025,839</b>	<b>\$ 2,706,469</b>	<b>\$ 1,377,302</b>	<b>\$ 4,745,885</b>	<b>\$ 6,403,588</b>	<b>\$ 6,615,729</b>	<b>\$ 6,834,909</b>
<b>Unrestricted Reserve Fund Test</b>											
36 Balance At Beginning Of Fiscal Year	\$ 3,730,513	\$ 8,903,138	\$ 7,730,879	\$ 8,283,275	\$ 8,136,334	\$ 7,878,412	\$ 6,100,193	\$ 4,250,439	\$ 3,309,787	\$ 3,437,529	\$ 3,570,310
37 Cash Flow Surplus/(Deficit)	5,172,626	4,286,241	3,569,428	3,310,960	3,025,839	2,706,469	1,377,302	4,745,885	6,403,588	6,615,729	6,834,909
38 Projects Designated To Be Paid With Cash	-	(5,458,500)	(3,017,031)	(3,457,902)	(3,283,760)	(4,484,687)	(3,227,057)	(5,686,536)	(6,275,846)	(6,482,949)	(6,696,886)
39 <b>Balance At End Of Fiscal Year</b>	<b>\$ 8,903,138</b>	<b>\$ 7,730,879</b>	<b>\$ 8,283,275</b>	<b>\$ 8,136,334</b>	<b>\$ 7,878,412</b>	<b>\$ 6,100,193</b>	<b>\$ 4,250,439</b>	<b>\$ 3,309,787</b>	<b>\$ 3,437,529</b>	<b>\$ 3,570,310</b>	<b>\$ 3,708,333</b>
40 Minimum Working Capital Reserve Target	2,477,664	2,624,117	2,740,103	2,845,425	2,954,884	3,068,649	3,186,890	3,309,787	3,437,529	3,570,310	3,708,333
41 <b>Excess/(Deficiency) Of Working Capital To Target</b>	<b>\$ 6,425,474</b>	<b>\$ 5,106,762</b>	<b>\$ 5,543,173</b>	<b>\$ 5,290,909</b>	<b>\$ 4,923,527</b>	<b>\$ 3,031,545</b>	<b>\$ 1,063,549</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0)</b>

**Capital Project Funding Summary**

**Schedule 9**

Final Capital Projects Funding Sources	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Revenue Fund <sup>1</sup>	\$ -	\$ 5,458,500	\$ 3,017,031	\$ 3,457,902	\$ 3,283,760	\$ 4,484,687	\$ 3,227,057	\$ 5,686,536	\$ 6,275,846	\$ 6,482,949	\$ 6,696,886
SRF Debt Proceeds	-	10,059,024	13,700,700	-	-	-	-	-	-	-	-
<b>Total Projects Paid</b>	<b>\$ 6,002,986</b>	<b>\$ 15,517,524</b>	<b>\$ 16,717,732</b>	<b>\$ 3,457,902</b>	<b>\$ 3,283,760</b>	<b>\$ 4,484,687</b>	<b>\$ 3,227,057</b>	<b>\$ 5,686,536</b>	<b>\$ 6,275,846</b>	<b>\$ 6,482,949</b>	<b>\$ 6,696,886</b>

<sup>1</sup> Includes spending of remaining 2023 bond proceeds

**Funding Summary by Fund**

**Schedule 10**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>Revenue Fund</b>											
Balance At Beginning Of Fiscal Year	\$ 3,730,513	\$ 8,903,138	\$ 7,730,879	\$ 8,283,275	\$ 8,136,334	\$ 7,878,412	\$ 6,100,193	\$ 4,250,439	\$ 3,309,787	\$ 3,437,529	\$ 3,570,310
Net Cash Flow	5,172,626	4,286,241	3,569,428	3,310,960	3,025,839	2,706,469	1,377,302	4,745,885	6,403,588	6,615,729	6,834,909
Subtotal	\$ 8,903,138	\$ 13,189,379	\$ 11,300,307	\$ 11,594,235	\$ 10,776,366	\$ 10,584,880	\$ 7,477,495	\$ 3,309,787	\$ 3,437,529	\$ 3,570,310	\$ 3,708,333
Less: Restricted Funds	(2,477,664)	(2,624,117)	(2,740,103)	(2,845,425)	(2,954,884)	(3,068,649)	(3,186,890)	(3,309,787)	(3,437,529)	(3,570,310)	(3,708,333)
Total Amount Available For Projects	\$ 6,425,474	\$ 10,565,262	\$ 8,560,204	\$ 8,748,811	\$ 7,821,482	\$ 7,516,232	\$ 4,290,606	\$ -	\$ -	\$ -	\$ -
Amount Paid For Projects	-	(5,458,500)	(3,017,031)	(3,457,902)	(2,897,954)	(4,484,687)	(3,227,057)	-	-	-	-
Subtotal	\$ 6,425,474	\$ 5,106,762	\$ 5,543,173	\$ 5,290,909	\$ 4,923,527	\$ 3,031,545	\$ 1,063,549	\$ -	\$ -	\$ -	\$ -
Add Back: Restricted Funds	2,477,664	2,624,117	2,740,103	2,845,425	2,954,884	3,068,649	3,186,890	3,309,787	3,437,529	3,570,310	3,708,333
Plus: Interest Earnings	110,929	146,054	140,611	144,171	140,616	122,738	90,883	66,382	59,244	61,532	63,910
Less: Interest Allocated To Cash Flow	(110,929)	(146,054)	(140,611)	(144,171)	(140,616)	(122,738)	(90,883)	(66,382)	(59,244)	(61,532)	(63,910)
<b>Balance At End Of Fiscal Year</b>	<b>\$ 8,903,138</b>	<b>\$ 7,730,879</b>	<b>\$ 8,283,275</b>	<b>\$ 8,136,334</b>	<b>\$ 7,878,412</b>	<b>\$ 6,100,193</b>	<b>\$ 4,250,439</b>	<b>\$ 3,309,787</b>	<b>\$ 3,437,529</b>	<b>\$ 3,570,310</b>	<b>\$ 3,708,333</b>

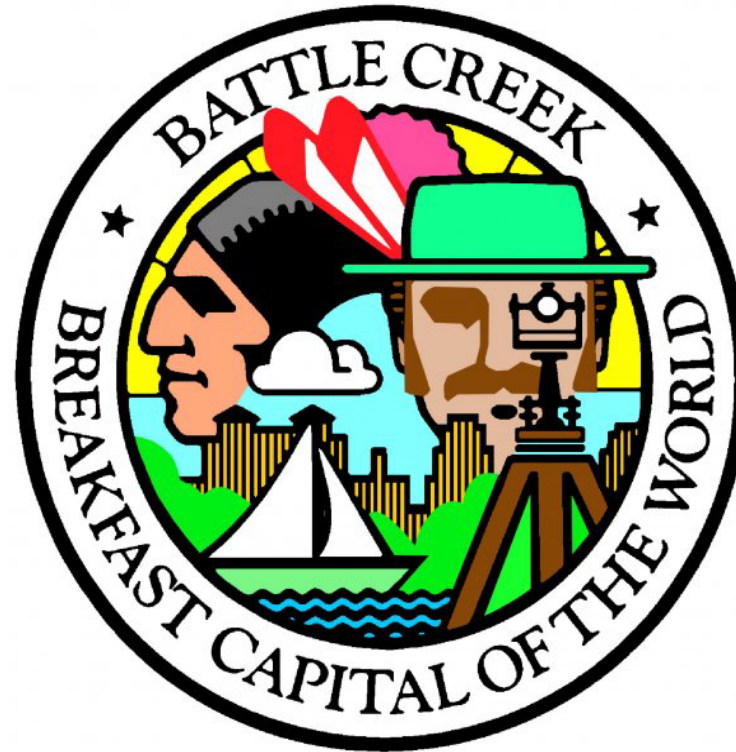
## **APPENDIX B: SEWER FINANCIAL PLAN SUPPORTING SCHEDULES**

- Schedule 1 Assumptions
- Schedule 2 FY 2026 Beginning Balances as of 07/01/2025
- Schedule 3 Capital Improvement Plan
- Schedule 4 Projection of Cash Inflows
- Schedule 5 Projection of Cash Outflows
- Schedule 6 Cost Escalation Factors
- Schedule 7 Financial Management Plan – Control Panel
- Schedule 8 Pro Forma
- Schedule 9 CIP Funding
- Schedule 10 Funding Summary by Fund

## Battle Creek, MI - Sewer

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FY 2026 Revenue Sufficiency Analysis  
Preliminary Assumptions & Results Workbook



**Assumptions**

**Schedule 1**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>Rate Increase Adoption Date</b>	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030	7/1/2031	7/1/2032	7/1/2033	7/1/2034	7/1/2035
<b>Annual Growth<sup>1</sup></b>											
<b>Sewer</b>											
Ending # of Accounts	19,899	19,918	19,937	19,956	19,976	19,995	20,014	20,033	20,053	20,072	20,091
% Change in Accounts	N/A	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Usage (CCF)	3,132,340	3,124,668	3,117,026	3,109,414	3,101,832	3,094,279	3,086,756	3,079,262	3,071,798	3,064,362	3,056,956
% Change in Usage	N/A	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%
<b>Capital Spending</b>											
Annual Capital Budget (Future Year Dollars)	\$ 5,625,000	\$ 16,245,631	\$ 7,498,547	\$ 5,746,808	\$ 7,661,005	\$ 4,765,371	\$ 7,198,683	\$ 8,986,346	\$ 9,282,896	\$ 9,589,231	\$ 9,905,676
Annual Percent Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Capacity Charges</b>											
Sewer Capacity Charges <sup>2</sup>	\$740.00	\$767.60	\$796.23	\$825.93	\$856.74	\$888.70	\$921.85	\$956.23	\$991.90	\$1,028.90	\$1,067.27
<b>Average Annual Interest Earnings Rate</b>											
On Fund Balances	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
<b>Operating Budget Reserve</b>											
Target (Number of Months of Reserve)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Operating Budget Execution Percentage<sup>3</sup></b>											
Personnel Services	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Operations and Maintenance	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Capital Outlay	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

<sup>1</sup> The analysis assumes an annual decrease in usage due to increased conservation efforts and the anticipation behavioral and technological efficiency gains over the forecast period.

<sup>2</sup> Capacity Charges are expected to increase by a default escalation factor per discussion with City Staff.

<sup>3</sup> Based on historical actual expenditures and conservations with Staff, personnel and operating and maintenance costs are assumed to be incurred at 90% of the budgeted amounts throughout the projection period.

**FY 2026 Beginning Balances as of 7/1/2025**

**Schedule 2**

Revenue Fund
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**Current Unrestricted Assets**

Cash and Cash Equivalents	\$	15,542,421
Utility A/R		1,780,910
Misc A/R		2,409,489
Allowance for A/R		(14,082)
Special Assessments		9,039
Inventory		1,574,291
<b>Total Assets</b>	<b>\$</b>	<b>21,302,068</b>

**Current Liabilities**

Accts Payable & Accrued Liabilities	\$	(1,108,404)
Unearned Revenue		(89,823)
Compensated absences, current portion		(222,921)
Current Portion of Bonds Payable <sup>1</sup>		-

**Calculated Fund Balance (Assets - Liabilities)** **\$ 18,920,150**

Plus/(Less): Inventory (1,574,291)

**Available Fund Balance** **\$ 17,345,859**

<sup>1</sup> Included in existing debt service.

**Projection of Cash Inflows**

**Schedule 3**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032 <sup>3</sup>	FY 2033	FY 2034	FY 2035	FY 2036
<b>1 Rate Revenue Growth Assumptions</b>											
<b>Sewer</b>											
2 % Change in Base Revenue	N/A	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
3 % Change in Usage Revenue	N/A	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%	-0.24%
<b>Assumed Rate Revenue Increases</b>											
4 Assumed Sewer Rate Increase	N/A	2.75%	2.75%	2.75%	2.75%	2.75%	0.00%	0.00%	0.11%	19.35%	0.00%
<b>Sewer Rate Revenue<sup>1</sup></b>											
5 Base Rate Revenue	\$ 6,225,156	\$ 6,402,500	\$ 6,584,897	\$ 6,772,491	\$ 6,965,431	\$ 7,163,868	\$ 7,170,763	\$ 7,177,666	\$ 7,192,193	\$ 8,591,996	\$ 8,600,270
6 Usage Rate Revenue	19,363,998	19,847,776	20,343,714	20,852,119	21,373,306	21,907,598	21,854,333	21,801,277	21,771,483	25,920,911	25,858,262
<b>7 Total Sewer Rate Revenue</b>	<b>\$ 25,589,153</b>	<b>\$ 26,250,276</b>	<b>\$ 26,928,611</b>	<b>\$ 27,624,610</b>	<b>\$ 28,338,736</b>	<b>\$ 29,071,466</b>	<b>\$ 29,025,096</b>	<b>\$ 28,978,943</b>	<b>\$ 28,963,676</b>	<b>\$ 34,512,906</b>	<b>\$ 34,458,532</b>
<b>Other Operating Revenue</b>											
8 Charges for Service - Sewer New Connections <sup>1</sup>	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000	\$ 67,000
9 Misc Other Rev Sale of Scrap	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
10 Misc Other Rev Late Charges <sup>1</sup>	127,000	127,000	127,000	127,000	127,000	127,000	127,000	127,000	127,000	127,000	127,000
11 Reimbursement from QEC Bonds <sup>2</sup>	133,691	123,544	112,999	102,050	90,959	79,171	67,249	54,201	41,009	27,531	13,909
<b>12 Total Other Operating Revenue</b>	<b>\$ 332,091</b>	<b>\$ 321,944</b>	<b>\$ 311,399</b>	<b>\$ 300,450</b>	<b>\$ 289,359</b>	<b>\$ 277,571</b>	<b>\$ 265,649</b>	<b>\$ 252,601</b>	<b>\$ 239,409</b>	<b>\$ 225,931</b>	<b>\$ 212,309</b>
<b>Interest Income</b>											
13 Unrestricted	\$ 315,113	\$ 251,069	\$ 168,044	\$ 174,008	\$ 176,893	\$ 177,765	\$ 173,260	\$ 130,366	\$ 107,239	\$ 111,654	\$ 116,278
<b>14 Total Interest Income</b>	<b>\$ 315,113</b>	<b>\$ 251,069</b>	<b>\$ 168,044</b>	<b>\$ 174,008</b>	<b>\$ 176,893</b>	<b>\$ 177,765</b>	<b>\$ 173,260</b>	<b>\$ 130,366</b>	<b>\$ 107,239</b>	<b>\$ 111,654</b>	<b>\$ 116,278</b>
<b>Capacity Charges</b>											
15 Sewer Capacity Charges	16,178	14,692	15,256	15,843	16,452	17,084	17,741	18,423	19,131	19,867	20,630
<b>16 Total Capacity Charges</b>	<b>\$ 16,178</b>	<b>\$ 14,692</b>	<b>\$ 15,256</b>	<b>\$ 15,843</b>	<b>\$ 16,452</b>	<b>\$ 17,084</b>	<b>\$ 17,741</b>	<b>\$ 18,423</b>	<b>\$ 19,131</b>	<b>\$ 19,867</b>	<b>\$ 20,630</b>
<b>17 Total Cash Inflows</b>	<b>\$ 26,252,535</b>	<b>\$ 26,837,980</b>	<b>\$ 27,423,310</b>	<b>\$ 28,114,910</b>	<b>\$ 28,821,441</b>	<b>\$ 29,543,885</b>	<b>\$ 29,481,747</b>	<b>\$ 29,380,333</b>	<b>\$ 29,329,456</b>	<b>\$ 34,870,358</b>	<b>\$ 34,807,749</b>

<sup>1</sup> Per discussion with City staff, sewer new connections and late charge revenues are budgeted based on the actual average revenues received over the most recent five-year period.

<sup>2</sup> This line item reflects the reimbursement associated with the Qualified Energy Conservation (QEC) bonds and is included to account for the interest payment reimbursements received by the City for the 2016B QEC bonds. Pursuant to federal budgetary spending cuts under IRS Sequestration, these reimbursements are subject to a reduction in each year of the forecast period.

<sup>3</sup> FY 2032 - FY 2036 rate adjustments are presented to balance finance plan over 10 year projection period. Actual results will be determined for this period during a future study.

Projection of Cash Outflows

Schedule 4

Expense Line Item	Account Number	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	
<b>Personal Services</b>													
1	Worked Time Regular Salaries	703.010	\$ 3,315,941	\$ 3,458,526	\$ 3,607,243	\$ 3,762,355	\$ 3,924,136	\$ 4,092,874	\$ 4,268,867	\$ 4,452,428	\$ 4,643,883	\$ 4,843,570	\$ 5,051,843
2	Worked Time Overtime	703.030	378,085	394,343	411,299	428,985	447,432	466,671	486,738	507,668	529,498	552,266	576,013
3	Worked Time Fabrication	703.040	10,000	10,430	10,878	11,346	11,834	12,343	12,874	13,427	14,005	14,607	15,235
4	Worked Time Compensatory Pay	703.070	108,212	112,865	117,718	122,780	128,060	133,566	139,310	145,300	151,548	158,064	164,861
5	Non-Worked Time Vacation	704.010	234,333	244,409	254,919	265,880	277,313	289,238	301,675	314,647	328,177	342,288	357,007
6	Non-Worked Time Holiday	704.020	152,999	159,578	166,440	173,597	181,061	188,847	196,967	205,437	214,271	223,484	233,094
7	Non-Worked Time Bereavement	704.040	3,052	3,183	3,320	3,463	3,612	3,767	3,929	4,098	4,274	4,458	4,650
8	Non-Worked Time Sick Pay	704.060	5,990	6,248	6,516	6,796	7,089	7,393	7,711	8,043	8,389	8,750	9,126
9	Non-Worked Time S&A Benefit	704.070	35,809	37,349	38,955	40,630	42,377	44,199	46,100	48,082	50,150	52,306	54,555
10	Non-Worked Time Jury/Witness/Military	704.080	461	481	501	523	546	569	593	619	646	673	702
11	Other P/R Related Pmts Longevity	710.010	10,990	11,463	11,955	12,470	13,006	13,565	14,148	14,757	15,391	16,053	16,743
12	Other P/R Related Pmts Cellphone Stipend	710.030	22,765	23,744	24,765	25,830	26,940	28,099	29,307	30,567	31,882	33,253	34,683
13	Other P/R Related Pmts Education Allowance	710.090	2,515	2,623	2,736	2,854	2,976	3,104	3,238	3,377	3,522	3,674	3,832
14	Other P/R Related Pmts Clothing Allowance	710.100	150	156	163	170	178	185	193	201	210	219	229
15	Other P/R Related Pmts Safety Shoes/Equipment	710.110	1,500	1,565	1,632	1,702	1,775	1,851	1,931	2,014	2,101	2,191	2,285
16	Other P/R Related Pmts Licenses	710.150	3,259	3,399	3,545	3,698	3,857	4,023	4,196	4,376	4,564	4,760	4,965
17	Other P/R Related Pmts Termination Payoff	710.190	40,583	42,328	44,148	46,047	48,027	50,092	52,246	54,492	56,835	59,279	61,828
18	Wage Allocations Wage Allocation-Water Billing	712.020	190,639	198,836	207,386	216,304	225,605	235,306	245,424	255,978	266,985	278,465	290,439
19	Wage Allocations Wage Allocation-Water Meter Shop	712.030	153,490	160,090	166,974	174,154	181,642	189,453	197,600	206,096	214,988	224,202	233,842
20	FICA Social Security/Medicare	716.010	322,621	336,494	350,963	366,054	381,795	398,212	415,335	433,194	451,822	471,250	491,514
21	Insurance Hospitalization	718.010	785,651	864,216	950,638	1,045,701	1,150,272	1,265,299	1,391,829	1,531,012	1,684,113	1,852,524	2,037,776
22	Insurance Life Insurance	718.020	18,226	20,049	22,053	24,259	26,685	29,353	32,288	35,517	39,069	42,976	47,274
23	Insurance Dental Insurance	718.030	61,198	67,318	74,050	81,455	89,600	98,560	108,416	119,258	131,183	144,302	158,732
24	Retirement Municipal Employ Retirement Sys	720.010	2,036,518	2,097,614	2,160,542	2,225,358	2,292,119	2,360,883	2,431,709	2,504,660	2,579,800	2,657,194	2,736,910
25	Retirement City Paid ICMA	720.070	136,842	140,947	145,176	149,531	154,017	158,637	163,397	168,298	173,347	178,548	183,904
26	Retirement City Paid ICMA-MSA	720.080	3,160	3,255	3,352	3,453	3,557	3,663	3,773	3,886	4,003	4,123	4,247
27	Other Benefits Unemployment	722.010	4,394	4,583	4,780	4,986	5,200	5,424	5,657	5,900	6,154	6,418	6,694
28	Other Benefits Workers Comp-Due to Self Ins	722.020	114,020	118,923	124,037	129,370	134,933	140,735	146,787	153,099	159,682	166,548	173,710
29	Fringe Allocations Fringe Allocation-Water Billing	725.020	181,783	189,600	197,752	206,256	215,125	224,375	234,023	244,086	254,562	265,529	276,947
30	Fringe Allocations Fringe Allocation-Water Meter Sh	725.030	99,879	104,174	108,653	113,325	118,198	123,281	128,582	134,111	139,878	145,892	152,166
<b>Operations &amp; Maintenance</b>													
31	Matl & Supplies Office Supplies	727.010	14,500	15,041	15,602	16,184	16,787	17,414	18,063	18,737	19,436	20,161	20,913
32	Matl & Supplies Computer Peripherals	727.020	3,400	3,527	3,658	3,795	3,936	4,083	4,236	4,393	4,557	4,727	4,904
33	Matl & Supplies Printing and Copying	727.030	11,000	11,410	11,836	12,277	12,735	13,210	13,703	14,214	14,744	15,294	15,865
34	Matl & Supplies Postage	727.040	11,700	12,136	12,589	13,059	13,546	14,051	14,575	15,119	15,683	16,268	16,874
35	Matl & Supplies Chemicals	727.100	1,002,500	1,039,893	1,078,681	1,118,916	1,160,652	1,203,944	1,248,851	1,295,433	1,343,753	1,393,875	1,445,866
36	Matl & Supplies Gas-Oil-Motor Fuels	727.150	30,000	31,119	32,280	33,484	34,733	36,028	37,372	38,766	40,212	41,712	43,268
37	Matl & Supplies Gas/Motor Fuels -Internal	727.160	154,137	159,886	165,850	172,036	178,453	185,110	192,014	199,176	206,606	214,312	222,306
38	Matl & Supplies Welding Supplies	727.200	7,500	7,780	8,070	8,371	8,683	9,007	9,343	9,692	10,053	10,428	10,817
39	Matl & Supplies Oxygen-Acetylene	727.210	1,500	1,556	1,614	1,674	1,737	1,801	1,869	1,938	2,011	2,086	2,163
40	Matl & Supplies Test Supplies	727.260	110,000	114,103	118,359	122,774	127,353	132,104	137,031	142,142	147,444	152,944	158,649
41	Matl & Supplies Tools	727.270	32,000	33,194	34,432	35,716	37,048	38,430	39,864	41,350	42,893	44,483	46,152
42	Matl & Supplies Uniform Purchase	727.280	1,150	1,193	1,237	1,284	1,331	1,381	1,433	1,486	1,541	1,599	1,659
43	Matl & Supplies Safety Equipment	727.290	90,250	93,616	97,108	100,730	104,488	108,385	112,428	116,621	120,971	125,483	130,164
44	Matl & Supplies Building Maintenance Supplies	727.300	45,000	46,679	48,420	50,226	52,099	54,042	56,058	58,149	60,318	62,568	64,902
45	Matl & Supplies Equipment Maint Supplies	727.310	25,500	26,451	27,438	28,461	29,523	30,624	31,766	32,951	34,180	35,455	36,778
46	Matl & Supplies Paint	727.340	3,050	3,164	3,282	3,404	3,531	3,663	3,799	3,941	4,088	4,241	4,399
47	Matl & Supplies Repair Parts	727.350	560,000	580,888	602,555	625,030	648,344	672,527	697,613	723,634	750,625	778,623	807,666
48	Matl & Supplies Construction Supplies	727.380	55,000	57,052	59,180	61,387	63,677	66,052	68,516	71,071	73,722	76,472	79,324
49	Matl & Supplies Horticulture	727.390	500	519	538	558	579	600	623	646	670	695	721
50	Matl & Supplies Supplies	727.480	137,750	142,888	148,218	153,746	159,481	165,430	171,600	178,001	184,640	191,527	198,671
51	Matl & Supplies Computer Software	727.560	33,600	34,853	36,153	37,502	38,901	40,352	41,857	43,418	45,038	46,717	48,460
52	Matl & Supplies Books/Magazines	727.570	225	233	242	251	260	270	280	291	302	313	325
53	Matl & Supplies Supplies Alloc-Water Billing	727.640	131,100	136,990	141,062	146,324	151,782	157,443	163,316	169,408	175,727	182,281	189,080
54	Matl & Supplies Supplies Allocation-Meter Shop	727.650	22,792	23,642	24,524	25,439	26,388	27,372	28,393	29,452	30,550	31,680	32,872
55	Prof & Oth Svcs Professional Services <sup>1</sup>	801.010	356,663	369,966	383,766	398,080	412,929	428,331	444,308	460,880	478,071	495,903	514,400
56	Prof & Oth Svcs Service Contracts <sup>1</sup>	801.310	1,499,625	1,555,561	1,613,583	1,673,770	1,736,202	1,800,962	1,868,138	1,937,819	2,010,100	2,085,077	2,162,850
57	Prof & Oth Svcs Training	801.350	47,000	48,753	50,572	52,458	54,415	56,444	58,550	60,734	62,999	65,349	67,786
58	Prof & Oth Svcs Travel	801.360	19,600	20,331	21,089	21,876	22,692	23,538	24,416	25,327	26,272	27,252	28,268
59	Prof & Oth Svcs Permits-Fees-Licenses	801.400	58,600	60,786	63,053	65,405	67,845	70,375	73,000	75,723	78,548	81,477	84,516
60	Prof & Oth Svcs Pest Control	801.410	500	519	538	558	579	600	623	646	670	695	721
61	Prof & Oth Svcs Extinguisher Recharge	801.420	2,500	2,593	2,690	2,790	2,894	3,002	3,114	3,231	3,351	3,476	3,606
62	Prof & Oth Svcs Radio Maintenance	801.430	1,000	1,037	1,076	1,116	1,158	1,201	1,246	1,292	1,340	1,390	1,442
63	Prof & Oth Svcs T.R.A.I.N. - Talent Retention	801.440	250	259	269	279	289	300	311	323	335	348	361
64	Communications Cellular Telephone	850.050	6,200	6,431	6,671	6,920	7,178	7,446	7,724	8,012	8,310	8,620	8,942
65	Communications Wireless Card	850.060	13,600	14,107	14,633	15,179	15,745	16,333	16,942	17,574	18,229	18,909	19,615
66	Printing & Publishing Print-Publish-Broadcast	900.010	6,000	6,224	6,456	6,697	6,947	7,206	7,474	7,753	8,042	8,342	8,654
67	Utilities Refuse	920.020	1,200,000	1,240,440	1,282,243	1,325,454	1,370,122	1,416,295	1,464,024	1,513,362	1,564,362	1,617,081	1,671,577
68	Utilities Electricity	920.030	1,401,500	1,444,731	1,491,553	1,540,020	1,600,189	1,654,115	1,709,859	1,767,481	1,827,456	1,888,616	1,952,263
69	Utilities Gas	920.040	92,500	95,617	98,840	102,170	105,614	109,173	112,852	116,6			

Projection of Cash Outflows

Schedule 4

Expense Line Item	Account Number	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	
72	Maintenance Land Application	931.020	525,000	544,583	564,895	585,966	607,823	630,494	654,012	678,406	703,711	729,959	757,187
73	Maintenance Building	931.050	72,000	74,686	77,471	80,361	83,359	86,468	89,693	93,039	96,509	100,109	103,843
74	Maintenance Accident Repair	931.070	52,700	54,666	56,705	58,820	61,014	63,290	65,650	68,099	70,639	73,274	76,007
75	Maintenance Equipment	931.080	80,000	82,984	86,079	89,290	92,621	96,075	99,659	103,376	107,232	111,232	115,381
76	Maintenance Office Equipment	931.090	2,000	2,075	2,152	2,232	2,316	2,402	2,491	2,584	2,681	2,781	2,885
77	Maintenance Computer Equipment	931.100	4,000	4,149	4,304	4,465	4,631	4,804	4,983	5,169	5,362	5,562	5,769
78	Rentals General	940.010	5,200	5,394	5,595	5,804	6,020	6,245	6,478	6,719	6,970	7,230	7,500
79	Rentals Building - Internal	940.040	260,000	269,698	279,758	290,193	301,017	312,245	323,892	335,973	348,504	361,504	374,988
80	Rentals Outside Equipment	940.050	30,000	31,119	32,280	33,484	34,733	36,028	37,372	38,766	40,212	41,712	43,268
81	Rentals Vehicle - Internal	940.060	1,400,355	1,452,588	1,506,770	1,562,972	1,621,271	1,681,745	1,744,474	1,809,543	1,877,038	1,947,052	2,019,677
82	Miscellaneous Memberships & Dues	955.050	8,600	8,921	9,254	9,599	9,957	10,328	10,713	11,113	11,527	11,957	12,403
83	Miscellaneous Laundry and Uniform Rental	955.110	22,000	22,821	23,672	24,555	25,471	26,421	27,406	28,428	29,489	30,589	31,730
84	Miscellaneous Bad Debt	955.260	250,000	259,325	268,998	279,031	289,439	300,235	311,434	323,051	335,100	347,600	360,565
85	Allocations Other Svc Alloc-Water Billing	962.130	60,770	62,593	64,471	66,405	68,397	70,449	72,563	74,739	76,982	79,291	81,670
86	Allocations Other Svc Alloc-Water Meter Shop	962.140	152,958	157,547	162,273	167,141	172,156	177,320	182,640	188,119	193,763	199,575	205,563
87	Allocations Insurance & Bonds Property	962.200	80,350	82,761	85,243	87,801	90,435	93,148	95,942	98,820	101,785	104,839	107,984
88	Allocations Insurance & Bonds Liability	962.210	129,595	133,483	137,487	141,612	145,860	150,236	154,743	159,386	164,167	169,092	174,165
89	Allocations Employee Benefits	962.220	44,889	46,236	47,623	49,051	50,523	52,039	53,600	55,208	56,864	58,570	60,327
90	Allocations Legal Services	962.230	42,099	43,362	44,663	46,003	47,383	48,804	50,268	51,776	53,330	54,930	56,578
91	Allocations Administrative Services	962.240	876,107	902,390	929,462	957,346	986,066	1,015,648	1,046,118	1,077,501	1,109,826	1,143,121	1,177,415
92	Allocations Mail & Courier Services	962.250	30,506	31,421	32,364	33,335	34,335	35,365	36,426	37,519	38,644	39,803	40,988
93	Allocations Data Services	962.260	168,789	173,853	179,068	184,440	189,974	195,673	201,543	207,589	213,817	220,231	226,838
94	Allocations Communication Services	962.270	30,585	31,503	32,448	33,421	34,424	35,456	36,520	37,616	38,744	39,906	41,104
95	Allocations GIS Services	962.300	126,586	130,384	134,295	138,324	142,474	146,748	151,150	155,685	160,355	165,166	170,121
96	Allocations 311 Call Center	962.310	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,554	8,811	9,075
97	Allocations Print Shop Services	962.320	1,049	1,080	1,113	1,146	1,181	1,216	1,253	1,290	1,329	1,369	1,410
98	<b>Capital Outlay</b>												
99	Facilities Building Additions & Improvement	971.040	10,000	10,373	10,760	11,161	11,578	12,009	12,457	12,922	13,404	13,904	14,423
100	General Equipment Office Equip & Furniture	972.010	1,000	1,039	1,079	1,121	1,164	1,209	1,256	1,304	1,355	1,407	1,462
101	General Equipment Equipment & Machinery	972.020	47,500	49,338	51,248	53,231	55,291	57,431	59,653	61,962	64,360	66,851	69,438
102	General Equipment Off Eq & Furn <\$10G	972.510	13,500	14,022	14,565	15,129	15,714	16,322	16,954	17,610	18,292	19,000	19,735
103	General Equipment Equip & Mach < \$10G	972.520	29,500	30,642	31,827	33,059	34,339	35,668	37,048	38,482	39,971	41,518	43,124
104	Computer Technology Computer Equip <\$10G	973.510	31,500	32,719	33,985	35,301	36,667	38,086	39,560	41,091	42,681	44,332	46,048
105	<b>Total Operating Expenses</b>		\$ 20,273,648	\$ 21,076,449	\$ 21,914,755	\$ 22,790,451	\$ 23,705,550	\$ 24,662,202	\$ 25,662,701	\$ 26,709,503	\$ 27,805,237	\$ 28,952,717	\$ 30,154,961
106	<b>Total Expenses by Category</b>												
107	Personal Services		\$ 8,435,065	\$ 8,818,787	\$ 9,223,092	\$ 9,649,331	\$ 10,098,964	\$ 10,573,568	\$ 11,074,843	\$ 11,604,630	\$ 12,164,920	\$ 12,757,867	\$ 13,385,806
108	Operations & Maintenance		11,705,583	12,119,529	12,548,199	12,992,119	13,451,834	13,927,909	14,420,930	14,931,503	15,460,255	16,007,838	16,574,926
109	Capital Outlay		133,000	138,133	143,464	149,001	154,752	160,725	166,928	173,371	180,062	187,012	194,230
110	<b>Total Expenses</b>		\$ 20,273,648	\$ 21,076,449	\$ 21,914,755	\$ 22,790,451	\$ 23,705,550	\$ 24,662,202	\$ 25,662,701	\$ 26,709,503	\$ 27,805,237	\$ 28,952,717	\$ 30,154,961
111	<b>Expense Execution Factors</b>												
112	Personal Services		90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
113	Operations & Maintenance		90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
114	Capital Outlay		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
115	<b>Total Expenses at Execution</b>												
116	Personal Services		\$ 7,591,559	\$ 7,936,909	\$ 8,300,783	\$ 8,684,398	\$ 9,089,068	\$ 9,516,211	\$ 9,967,358	\$ 10,444,167	\$ 10,948,428	\$ 11,482,081	\$ 12,047,225
117	Operations & Maintenance		10,535,024	10,907,576	11,293,379	11,692,907	12,106,650	12,535,118	12,978,837	13,438,352	13,914,230	14,407,054	14,917,433
118	Capital Outlay		133,000	138,133	143,464	149,001	154,752	160,725	166,928	173,371	180,062	187,012	194,230
119	<b>Total Expenses at Execution</b>		\$ 18,259,583	\$ 18,982,618	\$ 19,737,626	\$ 20,526,306	\$ 21,350,471	\$ 22,212,054	\$ 23,113,123	\$ 24,055,890	\$ 25,042,719	\$ 26,076,147	\$ 27,158,888
120	<b>Debt Service</b>												
121	2016A W&WW Revenue - Principal		\$ 350,000	\$ 365,000	\$ 385,000	\$ 400,000	\$ 425,000	\$ 445,000	\$ 465,000	\$ 490,000	\$ 515,000	\$ 540,000	\$ 565,000
122	2016A W&WW Revenue - Interest		247,250	229,750	211,500	192,250	172,250	151,000	128,750	105,500	81,000	55,250	28,250
123	2016B W&WW Revenue (QECCB) - Principal		430,000	435,000	440,000	440,000	445,000	450,000	455,000	460,000	470,000	475,000	485,000
124	2016B W&WW Revenue (QECCB) - Interest		207,918	192,137	175,737	158,709	141,461	123,127	104,587	84,294	63,778	42,816	21,631
125	New Debt Service		-	-	-	-	-	-	-	112,551	524,289	714,256	951,209
126	<b>Total Debt Service</b>		\$ 1,235,168	\$ 1,221,887	\$ 1,212,237	\$ 1,190,959	\$ 1,183,711	\$ 1,169,127	\$ 1,153,337	\$ 1,252,345	\$ 1,624,067	\$ 1,827,322	\$ 2,051,900
127	<b>Total Cash Outflows</b>		\$ 19,494,750	\$ 20,204,504	\$ 20,949,863	\$ 21,717,265	\$ 22,534,182	\$ 23,381,181	\$ 24,266,460	\$ 25,308,235	\$ 26,696,786	\$ 27,903,469	\$ 29,209,979

<sup>1</sup> Per discussion with City staff, a portion of the professional services and service contract expenses includes capital-related costs. To avoid double counting with Schedule 6, which reflects capital costs from FY 2026, only 25% of the budgeted amount is included in this Schedule, with the remaining portion reflected in Schedule 6 for FY 2026.

## Cost Escalation Factors

## Schedule 5

Expense Categories	Inflation Factor	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
703 - Worked Time	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
704 - Non-Worked Time	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
710 - Other P/R Related Pmts	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
712 - Wage Allocations	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
716 - FICA	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
718 - Insurance	Health Insurance	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
720 - Retirement	Retirement	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
722 - Other Benefits	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
725 - Fringe Allocations	Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
727 - Matl & Supplies	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
801 - Prof & Oth Svcs	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
820 - Insurance and Bonds	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
850 - Communications	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
900 - Printing & Publishing	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
920 - Utilities	Utilities	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%
931 - Maintenance	Repair & Maintenance	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
940 - Rentals	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
955 - Miscellaneous	Operations	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
962 - Allocations	Allocations	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
972 - General Equipment	Capital Outlay	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
973 - Computer Technology	Capital Outlay	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
974 - Other Capital Outlay	Capital Outlay	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
999 - Trans Out	Allocations	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<i>Weighted Average Increase in O&amp;M Expenses</i> <sup>1</sup>		3.96%	3.98%	4.00%	4.02%	4.04%	4.06%	4.08%	4.10%	4.13%	4.15%
Default Inflation Factor		3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%

<sup>1</sup> The Weighted Average Increase in O&M Expenses is reflective of the cost escalation factors presented on this schedule and the cost execution factors on Schedule 1.

Capital Improvement Program (CIP)

Schedule 6

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	Total Cost
<b>Sewer Capital Projects</b>												
1 Add 16" Force Main Interconnect from B-116 to O-1	\$ -	\$ -	\$ -	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300,000
2 Bailey Generator for Wells 115 & 117 and Lift Stations include ATS	-	100,000	-	-	-	-	-	-	-	-	-	100,000
3 Biosolids Handling: E. Conditioning Pumps #1,2, & 3 for tanker loading: Incl Lime HVAC	-	250,000	-	-	-	-	-	-	-	-	-	250,000
4 Buckner 8" sewer lining	-	-	-	-	800,000	-	-	-	-	-	-	800,000
5 Byron Lining of Sanitary (or Storm Main) and add MHs to lined main	-	-	-	610,500	-	-	-	-	-	-	-	610,500
6 Collect Hayes storm sewer to new pond at 480 Hamblin Ave.	-	-	225,000	-	-	-	-	-	-	-	-	225,000
7 Design for Byron Lining of Sanitary (or Storm Main)	-	-	180,000	-	-	-	-	-	-	-	-	180,000
8 Disinfection: New facility construct	-	-	-	-	-	-	5,000,000	-	-	-	-	5,000,000
9 Disinfection: Study and Pilot	-	-	-	-	400,000	-	-	-	-	-	-	400,000
10 Emmett Twp Pump Station Consolidation of O-28, O-27, & O-64 incls FV Eng	-	4,250,000	-	-	-	-	-	-	-	-	-	4,250,000
11 Facilities Improvement: Distribution Switch Board 11 - SHB	-	-	299,000	-	-	-	-	-	-	-	-	299,000
12 Facilities Improvement: E. Blower 36" SS Pipe	-	-	-	-	-	-	-	-	-	25,000	-	25,000
13 Facilities Improvement: HVAC improvements @ Admin, SHB, Ops	3,200,000	-	-	-	-	-	-	-	-	-	-	3,200,000
14 Facilities Improvement: Pavement Treatment	75,000	65,000	-	-	-	-	-	-	-	-	-	140,000
15 Facilities Improvement: Raze abandoned Structures with S/W and Parking improvements	-	-	-	-	950,000	-	500,000	-	-	-	-	1,450,000
16 Facilities Improvement: Replacement of safety racking hatches and chamber valves	-	-	400,000	-	-	-	-	-	-	-	-	400,000
17 Facilities Improvement: W. Blower 36" SS Pipe	-	-	25,000	-	-	-	-	-	-	-	-	25,000
18 Interceptor Project - City/Townships	-	-	-	-	-	-	-	-	-	4,000,000	-	4,000,000
19 Interceptor Project - coat the 5 chambers at the Bedford/Jackson siphon and Mh 10221	-	-	-	-	-	330,000	-	-	-	-	-	330,000
20 Lasalle Street New San. Sewer	-	-	-	-	-	-	190,000	-	-	-	-	190,000
21 Lift Station Impr B-116 at Airport Rd and FM interconnect to O-1 - shelf Design	-	350,000	-	-	-	-	-	-	-	-	-	350,000
22 Lift Station Improvement B-59 at Kelly - include Design	-	-	-	3,500,000	-	-	-	-	-	-	-	3,500,000
23 Lift Station Improvement B-61 at Ashland - include Design	-	-	-	-	-	-	-	-	-	2,045,000	-	2,045,000
24 Lift Station Improvement B-69 at Oneita - include Design	-	-	-	-	-	-	-	-	1,637,000	-	-	1,637,000
25 Lift Station Improvement O-1 at 24th - Design	-	280,000	-	-	-	-	-	-	-	-	-	280,000
26 Lift Station Improvement O-1 at 24th Construction and CE	-	3,000,000	-	-	-	-	-	-	-	-	-	3,000,000
27 Lift Station Improvement S-60 at Jackson/20th - include Design	-	-	-	-	-	-	-	1,623,000	-	-	-	1,623,000
28 Lift Station Improvement S-62 @ Morgan/Bedford - include Design	-	-	-	-	-	-	-	-	-	-	1,754,000	1,754,000
29 Meter Replacements - New technology roll out and standard meter replacement	-	100,000	100,000	100,000	130,000	130,000	130,000	100,000	100,000	100,000	100,000	\$ 1,090,000
30 PLC and SCADA Improvements or other misc facility improvements	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	\$ 500,000
31 Primary Tanks: Plan for Pump 3a/3b Emergency Failure	-	-	-	-	10,000	-	-	-	-	-	-	10,000
32 Primary Tanks: Primary Scum Improvements	-	-	-	-	35,000	-	-	-	-	-	-	35,000
33 Primary Treatment: Groundwater control & sweepers and arms	-	-	180,000	-	-	-	-	-	-	-	-	180,000
34 Riverside Force Main Improvement include CE	-	1,725,000	-	-	-	-	-	-	-	-	-	1,725,000
35 Riverside Force Main Plan Development	250,000	-	-	-	-	-	-	-	-	-	-	250,000
36 Secondary Treatment: Clarifier #6 Repairs with Funding	-	-	4,000,000	-	-	-	-	-	-	-	-	4,000,000
37 Secondary Treatment: Energy Monitoring	-	-	-	-	-	750,000	-	-	-	-	-	750,000
38 Sewer Cleaning and Televising	-	272,631	300,000	525,000	525,000	525,000	-	-	-	-	-	2,147,631
39 Sewer Cleaning and Televising include software (e.g. Phonix or PipeLogic)	400,000	-	-	-	-	-	-	-	-	-	-	400,000
40 Sewer Cleaning of 30" or larger Interceptors	-	-	750,000	-	-	-	-	-	-	-	-	750,000
41 Sewer Full Lining Repairs per AMP	-	-	250,000	500,000	300,000	300,000	-	-	-	-	-	1,350,000
42 Sewer Replacement - 16" Force Main improvement at Capital - Study with Pig Launch and desig	-	-	-	-	350,000	-	-	-	-	-	-	350,000
43 Sewer Replacement - 16" Force Main improvement on Capital	-	-	-	-	-	2,000,000	-	-	-	-	-	2,000,000
44 Sewer Replacement - Force Main improvement at Country Club Terrace	-	-	-	-	-	-	150,000	-	-	-	-	150,000
45 Solid Waste Handling Project CWSRF	-	-	400,000	-	-	-	-	-	-	-	-	400,000
46 Solids Handling: Centrifuges	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	\$ 500,000
47 Solids Handling: Putzmeister	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	\$ 450,000
48 Solids Handling: South dome upgrades	-	1,800,000	-	-	-	-	-	-	-	-	-	1,800,000
49 Solids Handling: South dome upgrades - Engineering/study options	-	180,000	-	-	-	-	-	-	-	-	-	180,000
50 Wave Sq splash pad overflow san lateral to SMH at Jackson & McCamly	-	93,000	-	-	-	-	-	-	-	-	-	93,000
51 Riverside Force Main Lining	1,700,000	-	-	-	-	-	-	-	-	-	-	\$ 1,700,000
52 HVAC Improvements	-	3,630,000	-	-	-	-	-	-	-	-	-	\$ 3,630,000
53 Unspecified Future Capital	-	-	-	-	-	-	-	5,522,733	5,508,733	1,075,733	5,441,733	\$ 17,548,932
<b>54 Total CIP Budget (in current dollars)</b>	<b>\$ 5,625,000</b>	<b>\$ 16,245,631</b>	<b>\$ 7,259,000</b>	<b>\$ 5,385,500</b>	<b>\$ 6,950,000</b>	<b>\$ 4,185,000</b>	<b>\$ 6,120,000</b>	<b>\$ 7,395,733</b>	<b>\$ 7,395,733</b>	<b>\$ 7,395,733</b>	<b>\$ 7,395,733</b>	<b>\$ 81,353,064</b>
55 Cumulative Projected Cost Escalation <sup>1</sup>	0.0%	0.0%	3.3%	6.7%	10.2%	13.9%	17.6%	21.5%	25.5%	29.7%	33.9%	
<b>56 Resulting CIP Funding Level</b>	<b>\$ 5,625,000</b>	<b>\$ 16,245,631</b>	<b>\$ 7,498,547</b>	<b>\$ 5,746,808</b>	<b>\$ 7,661,005</b>	<b>\$ 4,765,371</b>	<b>\$ 7,198,683</b>	<b>\$ 8,986,346</b>	<b>\$ 9,282,896</b>	<b>\$ 9,589,231</b>	<b>\$ 9,905,676</b>	<b>\$ 92,505,195</b>
57 Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
<b>58 Final CIP Funding Level</b>	<b>\$ 5,625,000</b>	<b>\$ 16,245,631</b>	<b>\$ 7,498,547</b>	<b>\$ 5,746,808</b>	<b>\$ 7,661,005</b>	<b>\$ 4,765,371</b>	<b>\$ 7,198,683</b>	<b>\$ 8,986,346</b>	<b>\$ 9,282,896</b>	<b>\$ 9,589,231</b>	<b>\$ 9,905,676</b>	<b>\$ 92,505,195</b>

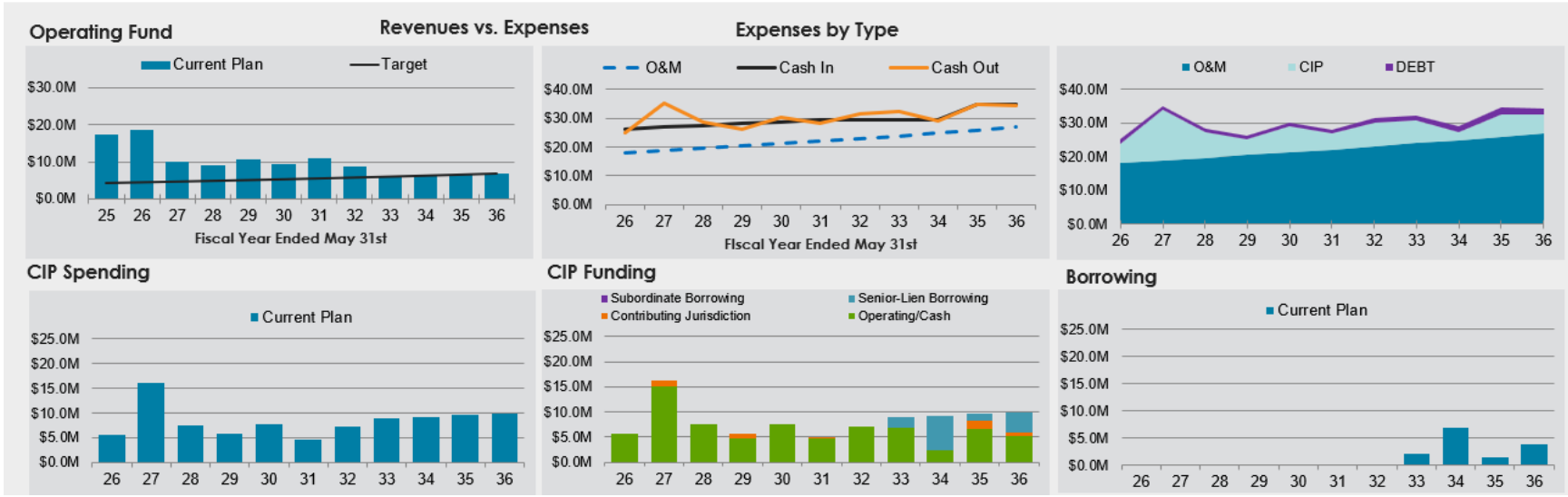
<sup>1</sup> CIP Escalation factors are consistent with the 10-year average change in the Engineering News Record Construction Cost Index beginning in FY 2028.

## BATTLE CREEK, MI - SEWER

Financial Analysis & Management System | By Stantec

CALC
SAVE
CTRL
LAST
OVR

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2031	FY 2036
Sewer Rate Plan	4.25%	2.75%	2.75%	2.75%	2.75%	2.75%	0.00%	0.00%	0.11%	19.35%	0.00%	14.58%	36.86%
Combined DSC	6.99	6.79	5.39	5.29	5.13	4.96	3.11	3.83	3.57	4.74	3.63		
Average Inside City Bill	\$43.47	\$44.64	\$45.88	\$47.14	\$48.41	\$49.76	\$49.76	\$49.76	\$49.84	\$59.45	\$59.45		
\$ Change		\$1.17	\$1.24	\$1.26	\$1.27	\$1.35	\$0.00	\$0.00	\$0.08	\$9.61	\$0.00		



Pro Forma

Schedule 8

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>1 Operating Revenue</b>											
2 Sewer Rate Revenue	\$ 25,589,153	\$ 25,589,153	\$ 26,250,276	\$ 26,928,611	\$ 27,624,610	\$ 28,338,736	\$ 29,071,466	\$ 29,025,096	\$ 28,978,943	\$ 28,963,676	\$ 34,512,906
3 Change in Revenue From Growth	-	(41,440)	(42,382)	(43,346)	(44,331)	(45,339)	(46,369)	(46,154)	(45,939)	(45,773)	(54,375)
4 Other Revenue Adjustments	-	-	-	-	-	-	-	-	-	-	-
5 Subtotal	\$ 25,589,153	\$ 25,547,714	\$ 26,207,894	\$ 26,885,265	\$ 27,580,279	\$ 28,293,397	\$ 29,025,096	\$ 28,978,943	\$ 28,933,004	\$ 28,917,903	\$ 34,458,532
6 Weighted Average Rate Increase	0.00%	2.75%	2.75%	2.75%	2.75%	2.75%	0.00%	0.00%	0.11%	19.35%	0.00%
7 Additional Rate Revenue From Rate Increase	-	702,562	720,717	739,345	758,458	778,068	-	-	30,672	5,595,004	-
8 Total Rate Revenue	\$ 25,589,153	\$ 26,250,276	\$ 26,928,611	\$ 27,624,610	\$ 28,338,736	\$ 29,071,466	\$ 29,025,096	\$ 28,978,943	\$ 28,963,676	\$ 34,512,906	\$ 34,458,532
9 Plus: Other Operating Revenue	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400	198,400
<b>10 Equals: Total Operating Revenue</b>	<b>\$ 25,787,553</b>	<b>\$ 26,448,676</b>	<b>\$ 27,127,011</b>	<b>\$ 27,823,010</b>	<b>\$ 28,537,136</b>	<b>\$ 29,269,866</b>	<b>\$ 29,223,496</b>	<b>\$ 29,177,343</b>	<b>\$ 29,162,076</b>	<b>\$ 34,711,306</b>	<b>\$ 34,656,932</b>
<b>11 Less: Operating Expenses</b>											
12 Personal Services	\$ (7,591,559)	\$ (7,936,909)	\$ (8,300,783)	\$ (8,684,398)	\$ (9,089,068)	\$ (9,516,211)	\$ (9,967,358)	\$ (10,444,167)	\$ (10,948,428)	\$ (11,482,081)	\$ (12,047,225)
13 Operations & Maintenance Costs	(10,535,024)	(10,907,576)	(11,293,379)	(11,692,907)	(12,106,650)	(12,535,118)	(12,978,837)	(13,438,352)	(13,914,230)	(14,407,054)	(14,917,433)
<b>14 Equals: Net Operating Income</b>	<b>\$ 7,660,970</b>	<b>\$ 7,604,191</b>	<b>\$ 7,532,849</b>	<b>\$ 7,445,705</b>	<b>\$ 7,341,418</b>	<b>\$ 7,218,537</b>	<b>\$ 6,277,301</b>	<b>\$ 5,294,823</b>	<b>\$ 4,299,419</b>	<b>\$ 8,822,172</b>	<b>\$ 7,692,273</b>
<b>15 Plus: Non-Operating Income/(Expense)</b>											
16 Interest Income	\$ 315,113	\$ 251,069	\$ 168,044	\$ 174,008	\$ 176,893	\$ 177,765	\$ 173,260	\$ 130,366	\$ 107,239	\$ 111,654	\$ 116,278
<b>17 Equals: Net Income</b>	<b>\$ 8,125,952</b>	<b>\$ 7,993,496</b>	<b>\$ 7,829,148</b>	<b>\$ 7,737,606</b>	<b>\$ 7,625,722</b>	<b>\$ 7,492,556</b>	<b>\$ 6,535,551</b>	<b>\$ 5,497,814</b>	<b>\$ 4,466,798</b>	<b>\$ 8,981,223</b>	<b>\$ 7,843,090</b>
<b>18 Senior Lien Debt Service Coverage Test</b>											
19 Net Income Available for Senior-Lien Debt Service	\$ 8,109,775	\$ 7,978,804	\$ 7,813,892	\$ 7,721,763	\$ 7,609,271	\$ 7,475,472	\$ 6,517,810	\$ 5,479,391	\$ 4,447,667	\$ 8,961,356	\$ 7,822,460
20 Existing Senior-Lien Debt	1,235,168	1,221,887	1,212,237	1,190,959	1,183,711	1,169,127	1,153,337	1,139,794	1,129,778	1,113,066	1,099,881
21 Cumulative New Senior Lien Debt Service (calculated)	-	-	-	-	-	-	-	112,551	524,289	714,256	951,209
<b>22 Total Annual Senior-Lien Debt Service</b>	<b>Req. \$ 1,235,168</b>	<b>\$ 1,221,887</b>	<b>\$ 1,212,237</b>	<b>\$ 1,190,959</b>	<b>\$ 1,183,711</b>	<b>\$ 1,169,127</b>	<b>\$ 1,153,337</b>	<b>\$ 1,252,345</b>	<b>\$ 1,654,067</b>	<b>\$ 1,827,322</b>	<b>\$ 2,051,090</b>
23 Calculated Senior-Lien Debt Service Coverage	1.25	6.57	6.53	6.45	6.48	6.43	6.39	5.65	4.38	2.69	4.90
<b>24 Total All-In Debt Service Coverage Test</b>											
25 Net Income Available for Subordinate Debt Service	\$ 8,109,775	\$ 7,978,804	\$ 7,813,892	\$ 7,721,763	\$ 7,609,271	\$ 7,475,472	\$ 6,517,810	\$ 5,479,391	\$ 4,447,667	\$ 8,961,356	\$ 7,822,460
26 Total Senior-Lien Debt Service	1,235,168	1,221,887	1,212,237	1,190,959	1,183,711	1,169,127	1,153,337	1,252,345	1,654,067	1,827,322	2,051,090
27 Total Subordinate Debt Service	-	-	-	-	-	-	-	-	-	-	-
<b>28 Total Annual Debt Service</b>	<b>\$ 1,235,168</b>	<b>\$ 1,221,887</b>	<b>\$ 1,212,237</b>	<b>\$ 1,190,959</b>	<b>\$ 1,183,711</b>	<b>\$ 1,169,127</b>	<b>\$ 1,153,337</b>	<b>\$ 1,252,345</b>	<b>\$ 1,654,067</b>	<b>\$ 1,827,322</b>	<b>\$ 2,051,090</b>
29 Calculated All-In Debt Service Coverage	6.57	6.53	6.45	6.48	6.43	6.39	5.65	4.38	2.69	4.90	3.81
<b>30 Cash Flow Test</b>											
31 Net Income Available For Debt Service	\$ 8,109,775	\$ 7,978,804	\$ 7,813,892	\$ 7,721,763	\$ 7,609,271	\$ 7,475,472	\$ 6,517,810	\$ 5,479,391	\$ 4,447,667	\$ 8,961,356	\$ 7,822,460
32 Less: Non-Operating Expenditures											
33 Net Debt Service Payment	(1,235,168)	(1,221,887)	(1,212,237)	(1,190,959)	(1,183,711)	(1,169,127)	(1,153,337)	(1,252,345)	(1,654,067)	(1,827,322)	(2,051,090)
34 Capital Outlay	(133,000)	(138,133)	(143,464)	(149,001)	(154,752)	(160,725)	(166,928)	(173,371)	(180,062)	(187,012)	(194,230)
<b>35 Net Cash Flow</b>	<b>\$ 6,741,607</b>	<b>\$ 6,618,784</b>	<b>\$ 6,458,191</b>	<b>\$ 6,381,802</b>	<b>\$ 6,270,807</b>	<b>\$ 6,145,620</b>	<b>\$ 5,197,545</b>	<b>\$ 4,053,676</b>	<b>\$ 2,613,539</b>	<b>\$ 6,947,022</b>	<b>\$ 5,577,140</b>
<b>36 Unrestricted Reserve Fund Test</b>											
37 Balance At Beginning Of Fiscal Year	\$ 17,345,859	\$ 18,462,467	\$ 10,068,120	\$ 9,027,763	\$ 10,745,853	\$ 9,355,655	\$ 10,844,876	\$ 8,843,738	\$ 5,970,630	\$ 6,215,664	\$ 6,472,284
38 Cash Flow Surplus/(Deficit)	6,741,607	6,618,784	6,458,191	6,381,802	6,270,807	6,145,620	5,197,545	4,053,676	2,613,539	6,947,022	5,577,140
39 Projects Designated To Be Paid With Cash	(5,625,000)	(15,013,131)	(7,498,547)	(4,663,712)	(7,661,005)	(4,656,400)	(7,198,683)	(6,926,784)	(2,368,504)	(6,690,403)	(5,308,259)
<b>40 Balance At End Of Fiscal Year</b>	<b>\$ 18,462,467</b>	<b>\$ 10,068,120</b>	<b>\$ 9,027,763</b>	<b>\$ 10,745,853</b>	<b>\$ 9,355,655</b>	<b>\$ 10,844,876</b>	<b>\$ 8,843,738</b>	<b>\$ 5,970,630</b>	<b>\$ 6,215,664</b>	<b>\$ 6,472,284</b>	<b>\$ 6,741,165</b>
41 Minimum Working Capital Reserve Target	4,531,646	4,711,121	4,898,540	5,094,326	5,298,930	5,512,832	5,736,549	5,970,630	6,215,664	6,472,284	6,741,165
<b>42 Excess/(Deficiency) Of Working Capital To Target</b>	<b>\$ 13,930,821</b>	<b>\$ 5,356,998</b>	<b>\$ 4,129,223</b>	<b>\$ 5,651,527</b>	<b>\$ 4,056,726</b>	<b>\$ 5,332,043</b>	<b>\$ 3,107,189</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Capital Project Funding Summary**

**Schedule 9**

<b>Final Capital Projects Funding Sources</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>	<b>FY 2034</b>	<b>FY 2035</b>	<b>FY 2036</b>
Contributing Jurisdiction Capital Funding	\$ -	\$ 1,232,500	\$ -	\$ 1,083,095	\$ -	\$ 108,972	\$ -	\$ -	\$ -	\$ 1,504,044	\$ 681,288
Revenue Fund	5,625,000	15,013,131	7,498,547	4,663,712	7,661,005	4,656,400	7,198,683	6,926,784	2,368,504	6,690,403	5,308,259
Senior-Lien Debt Proceeds	-	-	-	-	-	-	-	2,059,562	6,914,392	1,394,784	3,916,129
<b>Total Projects Paid</b>	<b>\$ 5,625,000</b>	<b>\$ 16,245,631</b>	<b>\$ 7,498,547</b>	<b>\$ 5,746,808</b>	<b>\$ 7,661,005</b>	<b>\$ 4,765,371</b>	<b>\$ 7,198,683</b>	<b>\$ 8,986,346</b>	<b>\$ 9,282,896</b>	<b>\$ 9,589,231</b>	<b>\$ 9,905,676</b>

**Funding Summary by Fund**

**Schedule 10**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
<b>Contributing Jurisdiction Capital Funding</b>											
Balance At Beginning Of Fiscal Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Revenues	-	1,232,500	-	1,083,095	-	108,972	-	-	-	1,504,044	681,288
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 1,232,500</b>	<b>\$ -</b>	<b>\$ 1,083,095</b>	<b>\$ -</b>	<b>\$ 108,972</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,504,044</b>	<b>\$ 681,288</b>
Total Amount Available For Projects	\$ -	1,232,500	\$ -	1,083,095	\$ -	108,972	\$ -	\$ -	\$ -	1,504,044	681,288
Amount Paid For Projects	-	(1,232,500)	-	(1,083,095)	-	(108,972)	-	-	-	(1,504,044)	(681,288)
<b>Balance At End Of Fiscal Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenue Fund</b>											
Balance At Beginning Of Fiscal Year	\$ 17,345,859	\$ 18,462,467	\$ 10,068,120	\$ 9,027,763	\$ 10,745,853	\$ 9,355,655	\$ 10,844,876	\$ 8,843,738	\$ 5,970,630	\$ 6,215,664	\$ 6,472,284
Net Cash Flow	6,741,607	6,618,784	6,458,191	6,381,802	6,270,807	6,145,620	5,197,545	4,053,676	2,613,539	6,947,022	5,577,140
Less: Cash-Funded Capital Projects	-	-	-	-	-	-	-	-	(2,368,504)	(6,690,403)	-
<b>Subtotal</b>	<b>\$ 24,087,467</b>	<b>\$ 25,081,251</b>	<b>\$ 16,526,310</b>	<b>\$ 15,409,566</b>	<b>\$ 17,016,661</b>	<b>\$ 15,501,275</b>	<b>\$ 16,042,421</b>	<b>\$ 12,897,414</b>	<b>\$ 6,215,664</b>	<b>\$ 6,472,284</b>	<b>\$ 12,049,424</b>
Less: Restricted Funds	(4,531,646)	(4,711,121)	(4,898,540)	(5,094,326)	(5,298,930)	(5,512,832)	(5,736,549)	(5,970,630)	(6,215,664)	(6,472,284)	(6,741,165)
<b>Subtotal</b>	<b>\$ 13,930,821</b>	<b>\$ 5,356,998</b>	<b>\$ 4,129,223</b>	<b>\$ 5,651,527</b>	<b>\$ 4,056,726</b>	<b>\$ 5,332,043</b>	<b>\$ 3,107,189</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Add Back: Restricted Funds	4,531,646	4,711,121	4,898,540	5,094,326	5,298,930	5,512,832	5,736,549	5,970,630	6,215,664	6,472,284	6,741,165
Plus: Interest Earnings	315,113	251,069	168,044	174,008	176,893	177,765	173,260	130,366	107,239	111,654	116,278
Less: Interest Allocated To Cash Flow	(315,113)	(251,069)	(168,044)	(174,008)	(176,893)	(177,765)	(173,260)	(130,366)	(107,239)	(111,654)	(116,278)
<b>Balance At End Of Fiscal Year</b>	<b>\$ 18,462,467</b>	<b>\$ 10,068,120</b>	<b>\$ 9,027,763</b>	<b>\$ 10,745,853</b>	<b>\$ 9,355,655</b>	<b>\$ 10,844,876</b>	<b>\$ 8,843,738</b>	<b>\$ 5,970,630</b>	<b>\$ 6,215,664</b>	<b>\$ 6,472,284</b>	<b>\$ 6,741,165</b>

**Senior Lien Borrowing Projections**

**Schedule 11**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Term (Years)	30	30	30	30	30	30	30	30	30	30	30
Interest Rate	3.50%	4.00%	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
<b>Sources of Funds</b>											
Par Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,251,014	\$ 7,557,137	\$ 1,524,440	\$ 4,280,163
<b>Uses of Funds</b>											
Proceeds <sup>1</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,059,562	\$ 6,914,392	\$ 1,394,784	\$ 3,916,129
Cost of Issuance								45,020	151,143	30,489	85,603
Debt Service Reserve								146,432	491,603	99,167	278,431
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,251,014	\$ 7,557,137	\$ 1,524,440	\$ 4,280,163
1 Year Interest	-	-	-	-	-	-	-	112,551	377,857	76,222	214,008
Annual Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,432	\$ 491,603	\$ 99,167	\$ 278,431
Total Debt Service	-	-	-	-	-	-	-	4,392,951	14,748,078	2,975,010	8,352,922
<b>Cumulative New Annual Senior Lien Debt Service<sup>2</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 112,551</b>	<b>\$ 524,289</b>	<b>\$ 714,256</b>	<b>\$ 951,209</b>

<sup>1</sup> Borrowing can be bundled by fiscal year.

<sup>2</sup> Reflects interest-only payment due in year of issuance.

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June 3, 2026

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Re: FY – 2026 Sewer Revenue Sufficiency Analysis and Request to Meet with City regarding Intergovernmental Services Contract Pursuant to Section 16 of the Contract

Mr. Kim and Ms. Zimmerlin,

Our office is in receipt of Mr. Kim's letter, dated, May 5, 2026, in response to our May 1, 2026,<sup>1</sup> correspondence regarding the 2026 Water and Sewer Sufficiency Analysis Report ("Report").<sup>2</sup> We stand by our objections contained in our correspondence but do appreciate additional time to provide further comment regarding the final Report. Our response is two-fold: first, we will address the issues with the Report; and second, we invoke Section 16 of the Contract regarding Dispute Resolution.

**A. Issues with the Report.**

Regarding the Report and the May 5 letter from Mr. Kim, we would note the following:

1. Mr. Kim's assertion that there was no objection to the process of selecting Stantec by any of the of the Townships. Rob Behnke provided the following comments to the TRC on February 11, 2026:

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<sup>1</sup> Attached hereto is the May 1, Townships 2026 correspondence.

<sup>2</sup> To confirm, our firm is responding on behalf of the Charter Township of Pennfield, the Charter Township of Emmett, the Charter Township of Bedford and Leroy Township.

Under the heading **2025 Rate Study**, the meeting minutes fail to mention the comments I made with regard to the proposed five (5) year rate study and that the City of Battle Creek was not following the provisions under the 2017 Intergovernmental Wastewater Service Agreement (Section 6 and Section 12) which outlines the involvement of the Technical Review Committee in: 1) creating a RFP/RFQ for the hiring of an independent rate consultant, and 2) making a recommendation to the City Commission on who to hire. *It was at this time in the meeting that Steve Skalski mentioned that he was not aware of those provisions in the 2017 Agreement and that he was sorry that they did not follow those provisions.*<sup>3</sup> [Emphasis added.]

Also, when you read what was written in the meeting minutes, it appears that the Technical Review Committee is *approving* Stantec as the rate study vendor when, in fact, *the Technical Review Committee has no such power* under the 2017 Agreement. That responsibility rests with the City Commission.

***NOTE: I would like to know if the agreement with Stantec to do this 5-year rate study has already been approved by the City Commission? If yes. When did this occur, and how much is Stantec charging for the study? Also, can a copy of the approved agreement be provided to the members of the Technical Review Committee?***

Mr. Behnke also sent the attached email that was omitted in Mr. Kim's response.

2. With respect to to Mr. Kim's statement regarding delegation by the City Commission to the City Manager with authority to execute contracts less than \$50,000: the Contract specifically requires the City Commission to act if the TRC does not take timely action (Section 6 of the Contract). The City's policy, however, does not alter a binding Contract and its terms. Under the plain reading of the Contract, the City Commission should have taken action to hire Stantec, *not the City Manager*.
3. Mr. Kim's correspondence did not respond to items 1-4 in our May 1, 2026 letter.
4. The Contract expires January 1, 2032. The Report, however, takes into consideration that sewer fund balances are anticipated to be spent down in the fiscal 2032 and beyond, as cash outflows exceed revenues from operations as justification for the increase of rates. We object to the rate increase being justified by looking at years *after* the Contract expires. The Report is a five (5) year analysis, and we will be under contract for that term. It is inappropriate to raise rates on our customers on timeframes that are outside

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<sup>3</sup> It is specious to for the City to take the position that we are estopped the Township allegedly consented to the RFP process when the City's own representative indicated that he wasn't even aware of the provisions in the Contract.

the term of the current Contract. Our customers are essentially paying for future capital improvements that they may never be the recipients of those benefits. It is more appropriate that the City use bonding for future projects outside the term of the Contract when those projects are slated for construction, or alternatively, consider rate increases in the following five-year rate study.

5. The Report background is incorrect where it shows the adopted user charges increased 4.25% each year for fiscal years 2022 – 2026. The rate increases for those years were actually much higher, resulting in a large sewer fund. It was indicated to some of the Township Officials that this would be reviewed in the current Report and the rates may be reduced because of the much higher increase. The Report background is therefore inaccurate and the much larger rate increases should have been taken into consideration in preparation of the current Report.
6. The Report does not evidence that it took into consideration the Contract terms when determining the cost of operating the system. We are unable to determine from the Report how forecasted costs are assigned proportionally as required under Section 5 of the Contract. The Contract requires that the City Commission consider the relevant factors contained in Section 5 when determining general user charges.
7. We still have many unanswered questions regarding projection of cash outflows on expense line items listed on page 37 of the Report. In our May 1, 2026, letter we requested a breakdown of the summary amounts, which went unanswered. For example, Line 81 of the Report, titled, “Rental Vehicles – Internal” is approximately \$1.4M in fiscal year 2026 and is increased each year thereafter. Also, for example, there are allocations of administrative expenses of \$876,107 for fiscal year 2026 with increases each year thereafter. These are substantial expenses that are unsubstantiated, especially in light of the numerous understandable expenses of the actual utility department itself on page 36 of the Report. Further, there is no indication that Stantec reviewed these underlying expenses to determine sufficiency or legitimacy.

**B. Request for meeting under Section 16 of the Contract.** While ignored in a prior letter, we again invoke Section 16 of the Contract requiring the parties to meet to begin the dispute resolution process. To the extent not satisfied, the above issues are in dispute along with the following:

1. The City has not fulfilled its obligations under Section 9, sub-paragraph (b)(i)(b).
2. The City has not fulfilled its obligations under Section 9, sub-paragraph (b)(ii).
3. The City has failed to separate water and sewer funds. Michigan law requires that utility rates are just and reasonable, based on the cost of service and not subsidizing other activities. By combining sewer and water funds we risk, among other things, cross-subsidization, rate challenges and noncompliance with cost-of-service principles. This issue is especially important because not all of the parties to the

Contract receive water services from the City.

4. It is our understanding that the City is intending to connect another outside user, Hickory Hills, in Newton Township, to the Wastewater Treatment System. We maintain that other outside users cannot be connected to our Sewage Collection System under the Contract without an unanimously agreement upon written amendment (Section 19 of the Contract). Further, no right under the Contract may be assigned without unanimous written consent (Section 24 of the Contract). The City cannot simply allow the use of the Sewage Collection System, including the Edgebrook pumpstation by an outside entity. This proposed sewer service would be using system assets of the Townships without their consent or monetary contribution.

We look forward to meeting with you to further discuss the issues raised within this letter. Please provide dates and times of your availability so we can schedule the meeting.

Sincerely,

BAUCKHAM, THALL, SEEBER,  
KAUFMAN & KOCHES, P.C.

*s/ Robert E. Thall & T. Seth Koches*  
Attorneys for the Townships

CC: Tracy Meyer, Supervisor, Charter Township of Emmett  
Kevin Leither, Supervisor, Charter Township of Pennfield  
Rande Johnson, Supervisor, Charter Township of Bedford  
Joyce Feraco, Clerk, Charter Township of Bedford  
Rob Behnke, Leroy Township  
City Commission, City of Battle Creek

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May 1, 2026

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Re: FY – 2026 Sewer Revenue Sufficiency Analysis

Mr. Kim and Ms. Zimmerlin,

My firm is the Township Attorney for the Charter Township of Pennfield, the Charter Township of Bedford, the Charter Township of Emmett; and, is representing Leroy Township in the limited capacity as special counsel for this matter (collectively referred to as, "Townships"). The Townships request to discuss the FY 2026 Sewer Revenue Sufficiency Analysis draft as submitted by Stantec to the City on April 1, 2026 ("Sewer Rate Study"). The Townships executed the same Intergovernmental Wastewater Treatment Services Contract ("Contract") with the City of Battle Creek ("City") in 2016. All parties are required to comply with the Contract terms.

Section 6 of the Contract provides, in part:

First, the City shall (a) provide written notice to the Technical Review Committee that the City intends to change the charges or rates; and (b) consistent with Section 12, ask the Technical Review Committee to develop an RFP/RFQ process lasting no longer than 120 days for the selection of an independent rate consultant to propose revised charges and rates.

Second, within one-hundred twenty (120) days of receiving the above notice from the City, the Technical Review Committee shall implement and complete the RFP/RFQ process to identify an independent rate consultant to propose to the City

Commission for engagement.

Third, if the Technical Review Committee completes its RFP/RFQ process within the 120 day period, the City Commission shall consider engaging the Committee's recommended rate consultant to perform a rate study before taking any further steps to consider any other potential rate consultant. If the Technical Review Committee does not complete its RFP/RFQ process within the 120 days, the City Commission may, at its option, pursue its own process to engage an independent rate consultant to perform a rate study.

Fifth, the City shall maintain a comment period open to Users and/or Contributing Jurisdictions for thirty (30) days after providing such copies of the consultant's final report to the Technical Review Committee.

The Sewer Rate Study was provided to the Townships and the City Manager indicated by email that the Townships had until May 2, 2026 to make comments. The cover page states "Final Report;" however, the letter that was authored and signed by Tracy M. Jarrett, Manager, Stantec, unequivocally states that the April 1, 2026 Sewer Rate Study is only a "Draft Report." The Townships take the position that the 30-day comment period has not begun to toll because Stantec's manager confirmed that the Sewer Rate Study was only a draft report and not the final report.

Notwithstanding the prior paragraph, it is our understanding that the Technical Review Committee ("TRC") was engaged in the RFP process. It is further our understanding that the TRC requested that the City send out RFPs. It appears however that someone from the City unilaterally hired Stantec as its consultant to complete a rate study, without collecting RFPs. The Townships cannot locate any City Commission meeting minutes that authorized any City Official or City employee to engage Stantec to complete the rate study, which is required by Section 6. Consequently, the Contract was not followed when the RFPs were not sent out and additionally violated when someone engaged Stantec without the authorization of the City Commission.

The Charter Township of Emmett engaged a rate consultant to review the draft Sewer Rate Study. The other Townships have concerns as well. Even with a final draft, a 30-day period to review rates and provide comment is insufficient and unrealistic. The Townships have a number of issues, including, but not limited to the following:

1. The interest rate of return is too low. The City is losing and has lost substantial sums of money if only getting 1.76% rate of return. Michigan Class can invest the funds at over 3.76% rate of return. This provides a substantial increase of revenue and can reduce the rate increase.
2. The sewer rate study looks past the five-year window and as such improperly concludes that sewer rates could not be held steady for the first year.

3. There is no analysis of the expenses for internal rentals and allocations to assure appropriateness of such amounts. For example, annual administrative allocations are extremely high at over \$900,000. The Townships request to see a breakdown of these amounts.
4. There is nothing in the draft Sewer Rate Study that indicates that Stantec reviewed the Intergovernmental Contract. This is a problem in determining rates. For example, we cannot be assured that the Townships are not being double-dipped on payment of rates and then their payment of capital expenses.

The Townships request that the current wastewater rates continue for one (1) year while the parties work through these and other issues. Section 16 of the Contract titled, "Arbitration / Resolution" requires disputing parties "to meet and confer to attempt to informally negotiate a resolution." Section 16 further provides that if a resolution is not reached, the parties shall engage in non-binding mediation before entering into arbitration. Please accept these comments and we look forward to a meeting to resolve our issues.

Sincerely,

BAUCKHAM, THALL, SEEBER,  
KAUFMAN & KOCHES, P.C.

*s/ Robert E. Thall & T. Seth Koches*  
Attorneys for the Townships

## Zoning

---

**From:** Zoning Administrator  
**Sent:** Wednesday, August 27, 2025 1:07 PM  
**To:** Tracy Myers; tasobeski@emmett.org; jwingard@fveng.com; clerk@bedfordchartertwpmi.gov; supervisor@bedfordchartertwpmi.gov; kleiter@pennfieldmi.gov; cberry@pennfieldmi.gov; cwilkey@springfieldmich.com; aedlefon@springfieldmich.com; Markbehnke@aol.com; SLsafia@battlecreekmi.go; Building Department; Stephen Skalski; Perry L. Hart; Kurt Tribbett; Rodney W. Clifton; Jones@bcunlimited.org; rvorraber@firekc.com; Supervisor  
**Cc:** SEMcGinnis@battlecreekmi.gov  
**Subject:** Section 6 & Section 12 of the 2017 Wastewater Agreement  
**Attachments:** Section 6.pdf; Section 12.pdf

Good afternoon.

I know that I am new to the Technical Review Committee, having joined in May 2025, but I do have a couple of questions that are specifically associated with **Section 12 (Technical Review Committee)** and **Section 6 (Changes in Charges or Rates)** of the 2017 Wastewater Agreement. I have attached each referenced section to this email.

1. Has the City of Battle Creek followed the process provided in **Section 6 (Changes in Charges or Rates)**, specifically for the setting of new charges or rates? As I review it, I'm not so sure. Again, I do not have copies of all the Technical Review Committee meeting minutes over the past year to know if the highlighted steps (1 through 6) are being followed.
2. Has the City of Battle Creek followed the outline under **Section 12(b) Committee Powers and Responsibilities**, which grants the Technical Review Committee several responsibilities (**see items under i., ii., iii., and iv.**)? Again, I do not have copies of all the Technical Review Committee meeting minutes where each of these responsibilities may have been presented by the City of Battle Creek.

Anyone's input would be helpful.

Thank you.

### **Rob Behnke**

Leroy Township Zoning Administrator  
Leroy Township Deputy Twp Supervisor  
8156 4 Mile Road  
East Leroy, MI 49051  
<https://leroytwp-calhounmi.gov>

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ERIN J. GESCHWENDT  
NICOLE E. ESSAD  
MATTHEW A. BUCK

JOHN H. BAUCKHAM  
1923 - 2015

HARRY F. SMITH  
1906 - 1972

May 1, 2026

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City Attorney, City of Battle Creek  
10 N. Division St.  
Battle Creek, Michigan 49014  
[wykim@battlecreekmi.gov](mailto:wykim@battlecreekmi.gov)

Amanda Zimmerlin  
City Manager, City of Battle Creek  
10 North Division Street, Room 26  
Battle Creek, Michigan 49014  
[aezimmerlin@battlecreekmi.gov](mailto:aezimmerlin@battlecreekmi.gov)

Re: FY – 2026 Sewer Revenue Sufficiency Analysis

Mr. Kim and Ms. Zimmerlin,

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Sincerely,

BAUCKHAM, THALL, SEEBER,  
KAUFMAN & KOCHES, P.C.

s/ Robert E. Thall & T. Seth Koches  
Attorneys for the Townships

## Exhibit B

<b>Proposed Rates by Fiscal Year</b>						
<b>General User Charges for Treatment and Sewer Collection with Basic and Supplemental Services for Contributing Jurisdiction Collection Systems</b>						
	<b>Effective</b>					
	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
<b>General User Charges</b>						
Commodity (per 100 cu. ft.)	\$ 3.78	\$ 3.88	\$ 3.99	\$ 4.10	\$ 4.21	\$ 4.33
Billing (per meter/month)	\$ 2.17	\$ 2.23	\$ 2.29	\$ 2.35	\$ 2.42	\$ 2.49
RTS (per equivalent meter/month)*	\$ 8.93	\$ 9.18	\$ 9.43	\$ 9.69	\$ 9.95	\$ 10.23
BOD (per pound over 300 mg/l)	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
SS (per pound over 300 mg/l)	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
Sampling (per sample)	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74
*Does not include billing charge.						
<b>Basic Services</b>	\$ 9.73	\$ 10.00	\$ 10.27	\$ 10.56	\$ 10.85	\$ 11.14
Exhibit B does not define or limit the Basic Services under the Contract. The Basic Services Charge sets forth the additional charge that a Contributing Jurisdiction will pay as a readiness to serve charge relating to Basic Services.						
<b>Supplemental Services</b>	Actual cost based on City of Battle Creek work order records.					
General User Charges, Basic Services and Supplemental Services do not include capital costs associated with the improvement and replacement of lift stations and local collector sewers. Contributing jurisdictions are responsible for capital costs associated with the improvement and replacement of lift stations and collector sewers within their jurisdictions.						

Exhibit 1

City of Battle Creek - Water						
	Effective					
Monthly Water Readiness to Serve Charge (per meter size)	Current	7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
5/8"	\$ 15.04	\$ 15.27	\$ 15.49	\$ 15.73	\$ 15.96	\$ 16.20
3/4"	\$ 21.36	\$ 21.68	\$ 22.01	\$ 22.34	\$ 22.67	\$ 23.01
1"	\$ 33.96	\$ 34.47	\$ 34.99	\$ 35.51	\$ 36.04	\$ 36.58
1.5"	\$ 65.51	\$ 66.49	\$ 67.49	\$ 68.50	\$ 69.53	\$ 70.57
2"	\$ 103.35	\$ 104.90	\$ 106.47	\$ 108.07	\$ 109.69	\$ 111.34
3"	\$ 191.65	\$ 194.52	\$ 197.44	\$ 200.40	\$ 203.41	\$ 206.46
4"	\$ 317.81	\$ 322.58	\$ 327.42	\$ 332.33	\$ 337.31	\$ 342.37
6"	\$ 633.16	\$ 642.66	\$ 652.30	\$ 662.08	\$ 672.01	\$ 682.09
8"	\$ 1,011.61	\$ 1,026.78	\$ 1,042.19	\$ 1,057.82	\$ 1,073.69	\$ 1,089.79
10"	\$ 1,453.13	\$ 1,474.93	\$ 1,497.05	\$ 1,519.51	\$ 1,542.30	\$ 1,565.43
Effective						
Water Commodity Charge (per CCF)	Current	7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Uniform Rate	\$ 1.64	\$ 1.66	\$ 1.69	\$ 1.71	\$ 1.74	\$ 1.77
Effective						
Monthly Fire Sprinkler Charge (per meter size)	Current	7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
2"	\$ 11.77	\$ 11.95	\$ 12.13	\$ 12.31	\$ 12.49	\$ 12.68
3"	\$ 22.08	\$ 22.41	\$ 22.75	\$ 23.09	\$ 23.43	\$ 23.79
4"	\$ 36.80	\$ 37.35	\$ 37.91	\$ 38.48	\$ 39.06	\$ 39.64
6"	\$ 73.61	\$ 74.71	\$ 75.83	\$ 76.97	\$ 78.13	\$ 79.30
8"	\$ 117.78	\$ 119.55	\$ 121.34	\$ 123.16	\$ 125.01	\$ 126.88
10"	\$ 169.29	\$ 171.83	\$ 174.41	\$ 177.02	\$ 179.68	\$ 182.37
12"	\$ 243.78	\$ 247.44	\$ 251.15	\$ 254.92	\$ 258.74	\$ 262.62
Effective						
Water Capacity Charge	Current	Effective 7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
5/8"	\$ 610.00	\$ 610.00	\$ 630.13	\$ 650.92	\$ 672.40	\$ 694.59
3/4"	\$ 915.01	\$ 915.00	\$ 945.20	\$ 976.38	\$ 1,008.60	\$ 1,041.89
1"	\$ 1,525.01	\$ 1,525.00	\$ 1,575.33	\$ 1,627.30	\$ 1,681.00	\$ 1,736.48
1.5"	\$ 3,050.00	\$ 3,050.00	\$ 3,150.65	\$ 3,254.60	\$ 3,362.00	\$ 3,472.95
2"	\$ 4,880.01	\$ 4,880.00	\$ 5,041.04	\$ 5,207.36	\$ 5,379.20	\$ 5,556.72
3"	\$ 9,150.01	\$ 9,150.00	\$ 9,451.95	\$ 9,763.80	\$ 10,086.00	\$ 10,418.85
4"	\$ 15,250.03	\$ 15,250.00	\$ 15,753.25	\$ 16,273.00	\$ 16,810.00	\$ 17,364.75
6"	\$ 30,500.06	\$ 30,500.00	\$ 31,506.50	\$ 32,546.00	\$ 33,620.00	\$ 34,729.50
8"	\$ 48,800.08	\$ 48,800.00	\$ 50,410.40	\$ 52,073.60	\$ 53,792.00	\$ 55,567.20
10"	\$ 70,150.13	\$ 70,150.00	\$ 72,464.95	\$ 74,855.80	\$ 77,326.00	\$ 79,877.85

Exhibit 1

<b>City of Battle Creek - Sewer</b>						
	<b>Effective</b>					
<b>Monthly Sewer Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>7/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 18.45	\$ 18.96	\$ 19.48	\$ 20.01	\$ 20.56	\$ 21.13
3/4"	\$ 26.60	\$ 27.33	\$ 28.08	\$ 28.86	\$ 29.65	\$ 30.46
1"	\$ 42.88	\$ 44.06	\$ 45.27	\$ 46.52	\$ 47.79	\$ 49.11
1.5"	\$ 83.60	\$ 85.90	\$ 88.26	\$ 90.69	\$ 93.18	\$ 95.74
2"	\$ 132.44	\$ 136.08	\$ 139.82	\$ 143.67	\$ 147.62	\$ 151.68
3"	\$ 246.42	\$ 253.20	\$ 260.16	\$ 267.31	\$ 274.66	\$ 282.22
4"	\$ 409.22	\$ 420.47	\$ 432.04	\$ 443.92	\$ 456.13	\$ 468.67
6"	\$ 816.29	\$ 838.74	\$ 861.80	\$ 885.50	\$ 909.85	\$ 934.88
8"	\$ 1,304.75	\$ 1,340.63	\$ 1,377.50	\$ 1,415.38	\$ 1,454.30	\$ 1,494.30
10"	\$ 1,874.63	\$ 1,926.18	\$ 1,979.15	\$ 2,033.58	\$ 2,089.50	\$ 2,146.96
<b>Effective</b>						
<b>Sewer Commodity Charge (per CCF)</b>	<b>Current</b>	<b>7/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
Uniform Rate	\$ 4.17	\$ 4.28	\$ 4.40	\$ 4.52	\$ 4.65	\$ 4.78
<b>Effective</b>						
<b>Industrial Pretreatment Program</b>	<b>Current</b>	<b>7/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
BOD (per pound over 300mg/l)	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
SS (per pound over 300mg/l)	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
Sampling (per sample)	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74
<b>City Sewer Flat Rate (per Residential Equivalent Unit)</b>						
	\$ 49.73	\$ 51.10	\$ 52.50	\$ 53.95	\$ 55.43	\$ 56.95
<b>Sewer Capacity Charge</b>	<b>Current</b>	<b>Effective 7/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

<b>Charter Township of Bedford - Water</b>						
	<b>Effective</b>					
<b>Monthly Water Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
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<b>Water Commodity Charge (per CCF)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
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	<b>Current</b>	<b>Effective 9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
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6"	\$ 30,500.06	\$ 30,500.00	\$ 31,506.50	\$ 32,546.00	\$ 33,620.00	\$ 34,729.50
8"	\$ 48,800.08	\$ 48,800.00	\$ 50,410.40	\$ 52,073.60	\$ 53,792.00	\$ 55,567.20
10"	\$ 70,150.13	\$ 70,150.00	\$ 72,464.95	\$ 74,855.80	\$ 77,326.00	\$ 79,877.85

Exhibit 1

<b>Charter Township of Bedford - Sewer</b>						
	<b>Effective</b>					
<b>Monthly Sewer Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 25.04	\$ 25.73	\$ 26.44	\$ 27.16	\$ 27.91	\$ 28.68
3/4"	\$ 33.81	\$ 34.74	\$ 35.70	\$ 36.68	\$ 37.69	\$ 38.72
1"	\$ 55.12	\$ 56.64	\$ 58.19	\$ 59.79	\$ 61.44	\$ 63.13
1.5"	\$ 108.42	\$ 111.40	\$ 114.47	\$ 117.61	\$ 120.85	\$ 124.17
2"	\$ 172.38	\$ 177.12	\$ 181.99	\$ 187.00	\$ 192.14	\$ 197.42
3"	\$ 321.61	\$ 330.45	\$ 339.54	\$ 348.88	\$ 358.47	\$ 368.33
4"	\$ 534.78	\$ 549.49	\$ 564.60	\$ 580.12	\$ 596.08	\$ 612.47
6"	\$ 1,067.74	\$ 1,097.10	\$ 1,127.27	\$ 1,158.27	\$ 1,190.13	\$ 1,222.85
8"	\$ 1,707.27	\$ 1,754.22	\$ 1,802.46	\$ 1,852.03	\$ 1,902.96	\$ 1,955.29
10"	\$ 2,453.40	\$ 2,520.87	\$ 2,590.19	\$ 2,661.42	\$ 2,734.61	\$ 2,809.81
	<b>Effective</b>					
<b>Sewer Commodity Charge (per CCF)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
Uniform Rate	\$ 4.41	\$ 4.53	\$ 4.66	\$ 4.78	\$ 4.92	\$ 5.05
	<b>Effective</b>					
<b>Industrial Pretreatment Program</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
BOD (per pound over 300mg/l)	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
SS (per pound over 300mg/l)	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
Sampling (per sample)	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74
<b>City Sewer Flat Rate (per Residential Equivalent Unit)</b>	\$ 59.12	\$ 60.75	\$ 62.42	\$ 64.13	\$ 65.90	\$ 67.71
<b>Sewer Capacity Charge</b>	<b>Current</b>	<b>Effective 9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

<b>Charter Township of Emmett - Water</b>						
	<b>Effective</b>					
<b>Monthly Water Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 19.10	\$ 19.39	\$ 19.68	\$ 19.97	\$ 20.27	\$ 20.58
3/4"	\$ 27.13	\$ 27.53	\$ 27.95	\$ 28.37	\$ 28.79	\$ 29.22
1"	\$ 43.13	\$ 43.78	\$ 44.43	\$ 45.10	\$ 45.78	\$ 46.46
1.5"	\$ 83.20	\$ 84.45	\$ 85.71	\$ 87.00	\$ 88.30	\$ 89.63
2"	\$ 131.25	\$ 133.22	\$ 135.22	\$ 137.25	\$ 139.31	\$ 141.40
3"	\$ 243.40	\$ 247.05	\$ 250.75	\$ 254.51	\$ 258.33	\$ 262.21
4"	\$ 403.62	\$ 409.67	\$ 415.82	\$ 422.06	\$ 428.39	\$ 434.81
6"	\$ 804.11	\$ 816.17	\$ 828.42	\$ 840.84	\$ 853.46	\$ 866.26
8"	\$ 1,284.74	\$ 1,304.02	\$ 1,323.58	\$ 1,343.43	\$ 1,363.58	\$ 1,384.03
10"	\$ 1,845.48	\$ 1,873.16	\$ 1,901.25	\$ 1,929.77	\$ 1,958.72	\$ 1,988.10
<b>Effective</b>						
	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
<b>Water Commodity Charge (per CCF)</b>						
Uniform Rate	\$ 2.08	\$ 2.11	\$ 2.15	\$ 2.18	\$ 2.21	\$ 2.24
<b>Effective</b>						
<b>Monthly Fire Sprinkler Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
2"	\$ 14.95	\$ 15.17	\$ 15.40	\$ 15.63	\$ 15.87	\$ 16.10
3"	\$ 28.04	\$ 28.46	\$ 28.89	\$ 29.32	\$ 29.76	\$ 30.21
4"	\$ 46.74	\$ 47.44	\$ 48.15	\$ 48.87	\$ 49.60	\$ 50.35
6"	\$ 93.48	\$ 94.89	\$ 96.31	\$ 97.75	\$ 99.22	\$ 100.71
8"	\$ 149.58	\$ 151.82	\$ 154.10	\$ 156.41	\$ 158.76	\$ 161.14
10"	\$ 215.00	\$ 218.22	\$ 221.50	\$ 224.82	\$ 228.19	\$ 231.61
12"	\$ 309.60	\$ 314.24	\$ 318.96	\$ 323.74	\$ 328.60	\$ 333.53

Exhibit 1

<b>Charter Township of Emmett - Sewer</b>						
	<b>Effective</b>					
<b>Monthly Sewer Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 21.92	\$ 22.52	\$ 23.14	\$ 23.78	\$ 24.43	\$ 25.10
3/4"	\$ 31.75	\$ 32.62	\$ 33.52	\$ 34.44	\$ 35.39	\$ 36.36
1"	\$ 51.39	\$ 52.80	\$ 54.26	\$ 55.75	\$ 57.28	\$ 58.86
1.5"	\$ 100.49	\$ 103.25	\$ 106.09	\$ 109.01	\$ 112.01	\$ 115.09
2"	\$ 159.40	\$ 163.78	\$ 168.29	\$ 172.92	\$ 177.67	\$ 182.56
3"	\$ 296.88	\$ 305.04	\$ 313.43	\$ 322.05	\$ 330.91	\$ 340.01
4"	\$ 493.30	\$ 506.87	\$ 520.80	\$ 535.13	\$ 549.84	\$ 564.96
6"	\$ 984.31	\$ 1,011.38	\$ 1,039.19	\$ 1,067.77	\$ 1,097.13	\$ 1,127.30
8"	\$ 1,573.52	\$ 1,616.79	\$ 1,661.25	\$ 1,706.94	\$ 1,753.88	\$ 1,802.11
10"	\$ 2,260.96	\$ 2,323.14	\$ 2,387.02	\$ 2,452.67	\$ 2,520.11	\$ 2,589.42
<b>Sewer Commodity Charge (per CCF)</b>						
	<b>Effective</b>					
<b>Uniform Rate</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
	\$ 5.11	\$ 5.25	\$ 5.39	\$ 5.54	\$ 5.70	\$ 5.85
<b>Industrial Pretreatment Program</b>						
	<b>Effective</b>					
<b>BOD (per pound over 300mg/l)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
<b>SS (per pound over 300mg/l)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
<b>Sampling (per sample)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74
<b>City Sewer Flat Rate (per Residential Equivalent Unit)</b>						
	\$ 63.40	\$ 65.14	\$ 66.93	\$ 68.78	\$ 70.67	\$ 72.61
<b>Sewer Capacity Charge</b>						
	<b>Current</b>	<b>Effective</b>				
		<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

<b>Township of Leroy - Water</b>						
	<b>Effective</b>					
<b>Monthly Water Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 23.69	\$ 24.05	\$ 24.41	\$ 24.77	\$ 25.14	\$ 25.52
3/4"	\$ 33.64	\$ 34.14	\$ 34.66	\$ 35.18	\$ 35.70	\$ 36.24
1"	\$ 53.49	\$ 54.29	\$ 55.11	\$ 55.93	\$ 56.77	\$ 57.62
1.5"	\$ 103.18	\$ 104.73	\$ 106.30	\$ 107.89	\$ 109.51	\$ 111.15
2"	\$ 162.78	\$ 165.22	\$ 167.70	\$ 170.22	\$ 172.77	\$ 175.36
3"	\$ 301.85	\$ 306.38	\$ 310.97	\$ 315.64	\$ 320.37	\$ 325.18
4"	\$ 500.55	\$ 508.06	\$ 515.68	\$ 523.41	\$ 531.27	\$ 539.23
6"	\$ 997.23	\$ 1,012.19	\$ 1,027.37	\$ 1,042.78	\$ 1,058.42	\$ 1,074.30
8"	\$ 1,593.29	\$ 1,617.19	\$ 1,641.45	\$ 1,666.07	\$ 1,691.06	\$ 1,716.43
10"	\$ 2,288.68	\$ 2,323.01	\$ 2,357.86	\$ 2,393.22	\$ 2,429.12	\$ 2,465.56
<b>Water Commodity Charge (per CCF)</b>						
	<b>Effective</b>					
<b>Water Commodity Charge (per CCF)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
Uniform Rate	\$ 2.58	\$ 2.62	\$ 2.66	\$ 2.70	\$ 2.74	\$ 2.78
<b>Monthly Fire Sprinkler Charge (per meter size)</b>						
	<b>Effective</b>					
<b>Monthly Fire Sprinkler Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
2"	\$ 18.54	\$ 18.82	\$ 19.10	\$ 19.39	\$ 19.68	\$ 19.97
3"	\$ 34.78	\$ 35.30	\$ 35.83	\$ 36.37	\$ 36.91	\$ 37.47
4"	\$ 57.96	\$ 58.83	\$ 59.71	\$ 60.61	\$ 61.52	\$ 62.44
6"	\$ 115.94	\$ 117.68	\$ 119.44	\$ 121.24	\$ 123.05	\$ 124.90
8"	\$ 185.50	\$ 188.28	\$ 191.11	\$ 193.97	\$ 196.88	\$ 199.84
10"	\$ 266.63	\$ 270.63	\$ 274.69	\$ 278.81	\$ 282.99	\$ 287.24
12"	\$ 383.95	\$ 389.71	\$ 395.55	\$ 401.49	\$ 407.51	\$ 413.62

Exhibit 1

<b>Township of Leroy - Sewer</b>						
	<b>Effective</b>					
<b>Monthly Sewer Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 21.87	\$ 22.47	\$ 23.09	\$ 23.72	\$ 24.38	\$ 25.05
3/4"	\$ 31.68	\$ 32.55	\$ 33.45	\$ 34.37	\$ 35.31	\$ 36.28
1"	\$ 51.27	\$ 52.68	\$ 54.13	\$ 55.62	\$ 57.15	\$ 58.72
1.5"	\$ 100.25	\$ 103.01	\$ 105.84	\$ 108.75	\$ 111.74	\$ 114.81
2"	\$ 159.02	\$ 163.39	\$ 167.89	\$ 172.50	\$ 177.25	\$ 182.12
3"	\$ 296.18	\$ 304.32	\$ 312.69	\$ 321.29	\$ 330.13	\$ 339.21
4"	\$ 492.12	\$ 505.65	\$ 519.56	\$ 533.85	\$ 548.53	\$ 563.61
6"	\$ 981.97	\$ 1,008.97	\$ 1,036.72	\$ 1,065.23	\$ 1,094.52	\$ 1,124.62
8"	\$ 1,569.78	\$ 1,612.95	\$ 1,657.31	\$ 1,702.88	\$ 1,749.71	\$ 1,797.83
10"	\$ 2,255.59	\$ 2,317.62	\$ 2,381.35	\$ 2,446.84	\$ 2,514.13	\$ 2,583.27
<b>Effective</b>						
<b>Sewer Commodity Charge (per CCF)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
Uniform Rate	\$ 3.97	\$ 4.08	\$ 4.19	\$ 4.31	\$ 4.43	\$ 4.55
<b>Effective</b>						
<b>Industrial Pretreatment Program</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
BOD (per pound over 300mg/l)	\$ 0.2730	\$ 0.2805	\$ 0.2882	\$ 0.2961	\$ 0.3043	\$ 0.3127
SS (per pound over 300mg/l)	\$ 0.4620	\$ 0.4747	\$ 0.4878	\$ 0.5012	\$ 0.5150	\$ 0.5291
Sampling (per sample)	\$ 379.32	\$ 389.75	\$ 400.47	\$ 411.48	\$ 422.80	\$ 434.43
<b>City Sewer Flat Rate (per Residential Equivalent Unit)</b>						
	\$ 51.60	\$ 53.02	\$ 54.48	\$ 55.98	\$ 57.51	\$ 59.10
<b>Sewer Capacity Charge</b>	<b>Current</b>	<b>Effective 9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

City of Springfield - Water						
	Effective					
Monthly Water Readiness to Serve Charge (per meter size)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Bulk 10" RTS per contract	\$ 1,453.13	\$ 1,474.93	\$ 1,497.05	\$ 1,519.51	\$ 1,542.30	\$ 1,565.43

	Effective					
Water Commodity Charge (per CCF)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Uniform Rate	\$ 1.64	\$ 1.66	\$ 1.69	\$ 1.71	\$ 1.74	\$ 1.77

City of Springfield - Sewer						
	Effective					
Monthly Sewer Readiness to Serve Charge (per meter size)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
5/8"	\$ 18.66	\$ 19.17	\$ 19.70	\$ 20.24	\$ 20.80	\$ 21.37
3/4"	\$ 27.99	\$ 28.76	\$ 29.55	\$ 30.36	\$ 31.20	\$ 32.06
1"	\$ 46.66	\$ 47.94	\$ 49.26	\$ 50.62	\$ 52.01	\$ 53.44
1.5"	\$ 93.30	\$ 95.87	\$ 98.50	\$ 101.21	\$ 103.99	\$ 106.85
2"	\$ 149.29	\$ 153.40	\$ 157.61	\$ 161.95	\$ 166.40	\$ 170.98
3"	\$ 279.91	\$ 287.61	\$ 295.52	\$ 303.64	\$ 311.99	\$ 320.57
4"	\$ 466.52	\$ 479.35	\$ 492.53	\$ 506.08	\$ 519.99	\$ 534.29
6"	\$ 933.04	\$ 958.70	\$ 985.06	\$ 1,012.15	\$ 1,039.99	\$ 1,068.59
8"	\$ 1,492.87	\$ 1,533.92	\$ 1,576.11	\$ 1,619.45	\$ 1,663.98	\$ 1,709.74
10"	\$ 2,146.00	\$ 2,205.02	\$ 2,265.65	\$ 2,327.96	\$ 2,391.98	\$ 2,457.76

	Effective					
Sewer Commodity Charge (per CCF)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Uniform Rate	\$ 3.78	\$ 3.88	\$ 3.99	\$ 4.10	\$ 4.21	\$ 4.33

	Effective					
Industrial Pretreatment Program	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
BOD (per pound over 300mg/l)	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
SS (per pound over 300mg/l)	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
Sampling (per sample)	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74

City Sewer Flat Rate (per Residential Equivalent Unit)	\$ 46.98	\$ 48.27	\$ 49.60	\$ 50.96	\$ 52.36	\$ 53.80
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	Current	Effective 9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Sewer Capacity Charge						
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

Township of Pennfield - Water						
	Effective					
Water Commodity Charge (per CCF)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Uniform Rate	\$ 2.20	\$ 2.23	\$ 2.27	\$ 2.30	\$ 2.33	\$ 2.37

Township of Pennfield - Sewer						
	Effective					
Monthly Sewer Readiness to Serve Charge (per meter size)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
5/8"	\$ 32.62	\$ 33.52	\$ 34.44	\$ 35.39	\$ 36.36	\$ 37.36
3/4"	\$ 32.62	\$ 33.52	\$ 34.44	\$ 35.39	\$ 36.36	\$ 37.36
1"	\$ 81.52	\$ 83.76	\$ 86.07	\$ 88.43	\$ 90.86	\$ 93.36
1.5"	\$ 163.05	\$ 167.53	\$ 172.14	\$ 176.87	\$ 181.74	\$ 186.74
2"	\$ 260.91	\$ 268.09	\$ 275.46	\$ 283.03	\$ 290.82	\$ 298.81
3"	\$ 489.21	\$ 502.66	\$ 516.49	\$ 530.69	\$ 545.28	\$ 560.28
4"	\$ 815.32	\$ 837.74	\$ 860.78	\$ 884.45	\$ 908.77	\$ 933.76
6"	\$ 1,630.61	\$ 1,675.45	\$ 1,721.53	\$ 1,768.87	\$ 1,817.51	\$ 1,867.49
8"	\$ 2,608.97	\$ 2,680.72	\$ 2,754.44	\$ 2,830.18	\$ 2,908.01	\$ 2,987.98
10"	\$ 3,750.39	\$ 3,853.53	\$ 3,959.50	\$ 4,068.38	\$ 4,180.26	\$ 4,295.22

	Effective					
Sewer Commodity Charge (per CCF)	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Uniform Rate	\$ 4.22	\$ 4.34	\$ 4.46	\$ 4.58	\$ 4.70	\$ 4.83

	Effective					
Industrial Pretreatment Program	Current	9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
BOD (per pound over 300mg/l)	\$ 0.2600	\$ 0.2672	\$ 0.2745	\$ 0.2820	\$ 0.2898	\$ 0.2978
SS (per pound over 300mg/l)	\$ 0.4400	\$ 0.4521	\$ 0.4645	\$ 0.4773	\$ 0.4904	\$ 0.5039
Sampling (per sample)	\$ 361.26	\$ 371.19	\$ 381.40	\$ 391.89	\$ 402.67	\$ 413.74

City Sewer Flat Rate (per Residential Equivalent Unit)	\$ 80.52	\$ 82.73	\$ 85.01	\$ 87.35	\$ 89.75	\$ 92.22
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	Current	Effective 9/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
Sewer Capacity Charge						
5/8"	\$ 740.00	\$ 767.60	\$ 796.23	\$ 825.93	\$ 856.74	\$ 888.70
3/4"	\$ 1,110.01	\$ 1,151.40	\$ 1,194.35	\$ 1,238.90	\$ 1,285.11	\$ 1,333.05
1"	\$ 1,850.01	\$ 1,919.00	\$ 1,990.58	\$ 2,064.83	\$ 2,141.85	\$ 2,221.75
1.5"	\$ 3,700.00	\$ 3,838.00	\$ 3,981.15	\$ 4,129.65	\$ 4,283.70	\$ 4,443.50
2"	\$ 5,920.02	\$ 6,140.80	\$ 6,369.84	\$ 6,607.44	\$ 6,853.92	\$ 7,109.60
3"	\$ 11,100.02	\$ 11,514.00	\$ 11,943.45	\$ 12,388.95	\$ 12,851.10	\$ 13,330.50
4"	\$ 18,500.03	\$ 19,190.00	\$ 19,905.75	\$ 20,648.25	\$ 21,418.50	\$ 22,217.50
6"	\$ 37,000.07	\$ 38,380.00	\$ 39,811.50	\$ 41,296.50	\$ 42,837.00	\$ 44,435.00
8"	\$ 59,200.10	\$ 61,408.00	\$ 63,698.40	\$ 66,074.40	\$ 68,539.20	\$ 71,096.00
10"	\$ 85,100.15	\$ 88,274.00	\$ 91,566.45	\$ 94,981.95	\$ 98,525.10	\$ 102,200.50

Exhibit 1

<b>City of Marshall - Water</b>						
	<b>Effective</b>					
<b>Monthly Water Readiness to Serve Charge (per meter size)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
4"	\$ 145.62	\$ 147.80	\$ 150.02	\$ 152.27	\$ 154.56	\$ 156.87
6"	\$ 291.25	\$ 295.62	\$ 300.05	\$ 304.55	\$ 309.12	\$ 313.76
10"	\$ 669.88	\$ 679.93	\$ 690.13	\$ 700.48	\$ 710.99	\$ 721.65
16"	\$ 2,271.78	\$ 2,305.86	\$ 2,340.44	\$ 2,375.55	\$ 2,411.18	\$ 2,447.35
	<b>Effective</b>					
<b>Water Commodity Charge (per CCF)</b>	<b>Current</b>	<b>9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
Uniform Rate	\$ 2.20	\$ 2.23	\$ 2.27	\$ 2.30	\$ 2.33	\$ 2.37
<b>Water Capacity Charge</b>	<b>Current</b>	<b>Effective 9/1/2026</b>	<b>7/1/2027</b>	<b>7/1/2028</b>	<b>7/1/2029</b>	<b>7/1/2030</b>
5/8"	\$ 610.00	\$ 610.00	\$ 630.13	\$ 650.92	\$ 672.40	\$ 694.59
3/4"	\$ 915.01	\$ 915.00	\$ 945.20	\$ 976.38	\$ 1,008.60	\$ 1,041.89
1"	\$ 1,525.01	\$ 1,525.00	\$ 1,575.33	\$ 1,627.30	\$ 1,681.00	\$ 1,736.48
1.5"	\$ 3,050.00	\$ 3,050.00	\$ 3,150.65	\$ 3,254.60	\$ 3,362.00	\$ 3,472.95
2"	\$ 4,880.01	\$ 4,880.00	\$ 5,041.04	\$ 5,207.36	\$ 5,379.20	\$ 5,556.72
3"	\$ 9,150.01	\$ 9,150.00	\$ 9,451.95	\$ 9,763.80	\$ 10,086.00	\$ 10,418.85
4"	\$ 15,250.03	\$ 15,250.00	\$ 15,753.25	\$ 16,273.00	\$ 16,810.00	\$ 17,364.75
6"	\$ 30,500.06	\$ 30,500.00	\$ 31,506.50	\$ 32,546.00	\$ 33,620.00	\$ 34,729.50
8"	\$ 48,800.08	\$ 48,800.00	\$ 50,410.40	\$ 52,073.60	\$ 53,792.00	\$ 55,567.20
10"	\$ 70,150.13	\$ 70,150.00	\$ 72,464.95	\$ 74,855.80	\$ 77,326.00	\$ 79,877.85



**Resolution No: 414**  
City Commission Meeting 6/16/2026

414 - A Resolution seeking Authorization for Issuance of 2026 Refunding Bonds.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Aaron Kuhn, Revenue Services Director

**Department:** Finance

**Summary**

**RESOLUTION NO. 414**

**Resolved by the Commission of the City of Battle Creek:**

that,

**PREAMBLE**

WHEREAS, the City of Battle Creek, County of Calhoun, State of Michigan (the “City”), has previously issued its General Obligation Limited Tax Refunding Bonds, Series 2016, dated as of April 14, 2016, in the outstanding principal amount of \$6,370,000 (the “Series 2016 Prior Bonds”), for the purpose of refunding the City’s General Obligation Limited Tax Bonds, Series 2013, dated September 26, 2013, which were originally issued to acquire and construct capital improvements to City facilities including the police department, City Hall and Kellogg Arena; to repair, reconstruct and replace existing infrastructure in city parks and cemeteries including a building demolition and site restoration; to acquire a new public safety records management system; to acquire and install replacement traffic signal mast arms, street lighting and river railings, to construct drainage improvements including site acquisition; to reconstruct, consolidate, and expand downtown parking facilities; to improve railroad crossings through the downtown corridor for creation of Quiet Zone; to acquire a new fire truck; and

WHEREAS, the City has previously issued its General Obligation Limited Tax Bonds, Series 2016C, dated as of December 28, 2016, in the outstanding principal amount of \$15,265,000 (the “Series 2016C Prior Bonds” together with the Series 2016 Prior Bonds are referred to as the “Prior Bonds”), for the purpose of acquiring, constructing and equipping various capital improvements, including but not limited to a police facility and firefighting

equipment, together with site acquisition and site improvements; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the City to refund all or any part of its outstanding securities, including the Prior Bonds; and

WHEREAS, the City has been advised that it may be able to accomplish a net savings of debt service costs by refunding all or a portion of the outstanding Prior Bonds (the portion of the Prior Bonds to be refunded are hereinafter referred to as the "Prior Bonds To Be Refunded") through the issuance of refunding bonds by the City; and

WHEREAS, the City desires to issue refunding bonds pursuant to Act 34, in an aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000) for the purpose of paying all or part of the cost of refunding all or part of the Prior Bonds To Be Refunded in order to achieve interest cost savings for the benefit of the City and its taxpayers; and

WHEREAS, the City desires to negotiate the sale of the Bonds to an underwriter (the "Underwriter") within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Details. Bonds of the City designated 2026 REFUNDING BONDS (Limited Tax General Obligation) (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Eighteen Million Dollars (\$18,000,000) for the purpose of paying the costs of refunding all or part of the Prior Bonds To Be Refunded and paying costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or multiples of \$5,000 not exceeding for each maturity the aggregate principal amount of such maturity, dated as the date of delivery, or such other date as determined by the City Manager or Revenue Services Director (each, an "Authorized Officer"), and mature or be subject to mandatory redemption on December 1 in the years 2027 to 2041, inclusive, or such other dates and/or years as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on June 1 and December 1, first payable on June 1, 2027, or such other date as determined by an Authorized Officer at the time of sale. The Bonds may be issued as serial or term bonds or both and may be subject to redemption prior to maturity as determined at the time of sale.

The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the designated corporate trust office of a Michigan bank or trust company selected by an Authorized Officer at the time of sale to act as registrar and transfer agent for the Bonds (the "Transfer Agent").

Interest on the Bonds shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bonds at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date

of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future.

2. Execution of Bonds; Book-Entry-Only Form. The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall have the facsimile seal of the City printed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Treasurer upon payment of the purchase price for the Bonds in accordance with the offer therefor when accepted.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York (“DTC”), and each Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the form of the Bonds within the parameters of this Resolution as may be required to accomplish the foregoing.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner’s duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The City hereby pledges its limited tax full faith and credit for the prompt payment of principal of and interest on the Bonds. The City shall, each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget

obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the City Commission, to be designated 2026 REFUNDING BONDS DEBT RETIREMENT FUND (the “Debt Retirement Fund”), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when due, shall be deposited in trust, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Bond Proceeds; Bond Issuance Fund; Escrow Fund; Escrow Agreement. The proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to secure payment of the Prior Bonds To Be Refunded as provided in this paragraph. From the proceeds of the Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2026 REFUNDING BOND ISSUANCE FUND (the “Bond Issuance Fund”), which may be established by the City or by the Escrow Agent (hereinafter defined). Moneys in the Bond Issuance Fund shall be used solely to pay costs of issuance of the Bonds. Any amounts remaining in the Bond Issuance Fund after payment of issuance expenses shall be transferred to the Debt Retirement Fund for the Bonds.

The balance of the proceeds of the Bonds, together with other available funds of the City, if any, shall be deposited with the paying agent for the Prior Bonds or deposited in an escrow fund (the “Escrow Fund”) consisting of cash and investments in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the “Escrow Securities”) and used to pay the principal of and interest on all or a portion of the Prior Bonds To Be Refunded as determined by an Authorized Officer at the time of sale. The Escrow Fund shall be held in trust by a bank or trust company eligible to act as escrow agent (the “Escrow Agent”), pursuant to an escrow agreement (the “Escrow Agreement”) which shall irrevocably direct the transfer agent for the Prior Bonds To Be Refunded to take all necessary steps to pay the principal of, interest and redemption premium, if any, on the Prior Bonds To Be Refunded when due, and to call the Prior Bonds To Be Refunded for redemption as specified by the City. The Authorized Officers are each individually authorized and directed to appoint an Escrow Agent and execute the Escrow Agreement on behalf of the City. The amounts held in the Escrow Fund shall be such that the cash and investments and income received thereon will be sufficient without reinvestment to pay the principal of and interest on the Prior Bonds To Be Refunded when due at maturity or call for redemption as required by this section. The Authorized Officers are each individually authorized and directed to purchase or cause to be

purchased, Escrow Securities, including United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

6. Bond Form. The Bonds shall be in substantially the following form with such changes as may be required to conform to the final terms of the Bonds established by the Sale Order:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF CALHOUN

**CITY OF BATTLE CREEK**

**2026 REFUNDING BOND  
(LIMITED TAX GENERAL OBLIGATION)**

Interest Maturity Date of  
Rate Date Original Issue CUSIP

December 1, \_\_\_\_\_, 2026

Registered Owner:

Principal Amount: Dollars

The City of Battle Creek, County of Calhoun, State of Michigan (the “City”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, [unless prepaid prior thereto as hereinafter provided,] with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on June 1, 2027 and semiannually thereafter on each December 1 and June 1. Principal of this bond is payable at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$ \_\_\_\_\_, issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the City Commission of the City for the purpose of refunding all or part of the City’s outstanding General Obligation Limited Tax Refunding Bonds, Series 2016 and General Obligation Limited Tax Bonds, Series 2016C.

Bonds maturing in the years 2027 to 20\_\_, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 20\_\_ and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after \_\_\_\_\_, 20\_\_, at par and accrued interest to the date fixed for redemption.

[Insert Term Bond and Redemption Provisions, if applicable]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed. Neither the City nor the Transfer Agent shall be required to transfer or exchange this bond or portion of this bond either during the period of fifteen (15) days immediately preceding the date of the mailing of any notice of redemption or (except as to the unredeemed portion, if any, of this bond) after this bond or any portion of this bond has been selected for redemption.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the Issuer, and the Issuer is required, if necessary, to levy ad valorem taxes on all taxable property in the Issuer for the payment thereof, subject to applicable constitutional, statutory and charter tax rate limitations. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Battle Creek, by its City Commission, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

**CITY OF BATTLE CREEK**  
County of Calhoun  
State of Michigan

(SEAL)

By: \_\_\_\_\_  
Its Mayor

By: \_\_\_\_\_  
Its City Clerk

(Form of Transfer Agent’s Certificate of Authentication)

DATE OF AUTHENTICATION:

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the bonds described in the within-mentioned resolution.

\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Transfer Agent

By: \_\_\_\_\_  
Authorized Signatory

7. Negotiated Sale. The City Commission has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and pursuant to the requirements of Act 34, based on the advice of its financial advisor, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at

the time that is expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds.

8. Bond Purchase Agreement; Delegation to Authorized Officer; Sale Order. The Authorized Officers are each hereby authorized to select an Underwriter, negotiate the sale of the Bonds with the Underwriter, negotiate and execute a Bond Purchase Agreement, execute a Sale Order specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this resolution.

9. Adjustment of Bond Details; Bond Parameters. The Authorized Officers are each hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of the Bonds and in pursuance of the forgoing, are each authorized to exercise the authority and make the determinations pursuant to Sections 315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights and other matters within the parameters established by this Resolution; *provided* that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the true interest cost on the Bonds shall not exceed 4.25%, the underwriter's discount shall not exceed 1.00% of the par amount of the Bonds and the refunding of the Prior Bonds To Be Refunded shall result in net present value savings to the City of not less than 3.00% of the Prior Bonds To Be Refunded.

10. Official Statement; Qualification for Insurance; Ratings. The Authorized Officers are each hereby authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the City; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

11. Continuing Disclosure Undertaking. The City covenants to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and the Authorized Officers are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

12. Tax Covenant. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds.

13. Appointment of Bond Counsel. The City recognizes that Miller, Canfield, Paddock and Stone, P.L.C. has represented from time to time and currently represents underwriters, financial institutions and other potential participants in the bond financing process for unrelated

matters. The City appoints Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel for this issue notwithstanding the potential representation of the Underwriter and other parties and potential parties to the issuance of the Bonds in unrelated matters.

14. Municipal Advisor. PFM Financial Advisors LLC is retained as the registered municipal advisor to the City in connection with the issuance of the Bonds.

15. Authorization of Other Actions. The Authorized Officers are each authorized and directed to do all other acts, take all other necessary procedures, and make such filings with any parties, including the Michigan Department of Treasury, necessary or desirable to effectuate the sale, issuance and delivery of the Bonds.

16. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

AYES: Members: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYS: Members: \_\_\_\_\_  
\_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Victoria Houser, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Battle Creek, County of Calhoun, State of Michigan, at a regular meeting held on June 16, 2026, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Victoria Houser, City Clerk

**Budgetary Considerations**

Based on the total interest costs that will be received back from bidders, the City can expect to save approximately \$900,000 over the remaining life of the two bond issues.

**History, Background and Discussion**

This Resolution would authorize the issuance of refunding bonds on two distinct bond issues. The first was initially refunded in 2016 (General Obligation Limited Tax (GOLT) Refunding Bonds, Series 2016). These bonds were used to make a number of improvements to City-owned facilities. The second was issued in 2016 as well and are Series 2016C Bonds that were issued for the construction of the Police Department. The City's Municipal Financial Advisor, PFM, analyzes the City's outstanding bond issues on a regular basis to look for refunding opportunities that would result in a savings to the City.

The resolution would authorize the issuance of refunding bonds in an amount not to exceed \$18 million, but the final size of the bonds will be determined at the time of sale. If approved by the City Commission, it is expected that the bonds could be sold in mid-August or later, with a closing 2–3 weeks later. The prior bonds could be paid off on the first call date of December 1, 2026.

There is no plan to extend the maturity of the bonds beyond what has previously been approved by the Commission. The GOLT Refunding bonds have a scheduled final maturity of June 1, 2033, with a current outstanding balance of \$6.465 million. The Series 2016C bonds have a scheduled final maturity of December 1, 2041, with a current outstanding balance of \$11.335 million.

**Positions**

**Attachments**

- 1. Bond Counsel Ltr 6.9.26 Bond Counsel Ltr 6.9.26.pdf

Founded in 1852  
by Sidney Davy Miller

# MILLER CANFIELD

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June 9, 2026

Mr. Aaron B. Kuhn  
Revenue Services Director  
City of Battle Creek  
10 N. Division Street  
Battle Creek, MI 49014

Re: City of Battle Creek – Bond Authorizing Resolution  
2026 Refunding Bonds (Limited Tax General Obligation)

Dear Aaron:

As requested, I have enclosed a Resolution Authorizing Issuance of 2026 Refunding Bonds for consideration for approval by the City Commission at its meeting on Tuesday, June 16th.

This Resolution authorizes the issuance of refunding bonds to refinance up to two series of the City's prior Bond issues, including the General Obligation Limited Tax Refunding Bonds, Series 2016, dated as of April 14, 2016, in the outstanding principal amount of \$6,370,000 (the "Series 2016 Prior Bonds") and the General Obligation Limited Tax Bonds, Series 2016C, dated as of December 28, 2016, in the outstanding principal amount of \$15,265,000 (the "Series 2016C Prior Bonds" together with the Series 2016 Prior Bonds are referred to as the "Prior Bonds"). The City has the ability to achieve interest cost savings by issuing new bonds to pay off the Prior Bonds to take advantage of lower interest rates in today's bond market.

The Resolution is based upon the bond specifications prepared by PFM Financial Advisors, LLC, as the City's financial advisor. The Resolution sets forth the terms of the Bonds, the form of Bonds, and provides for a negotiated sale through a public offering by an underwriting firm yet to be selected. The Resolution also authorizes the City Manager and Revenue Services Director to take the necessary actions to finalize the terms of the Bonds upon sale and sign a Bond Purchase Agreement and Sale Order.

The Bonds are being authorized in an amount not to exceed \$18,000,000, but the final size of the Bonds will be determined at the time of sale. The amount needed for the refunding bonds will be reduced to an amount necessary to refund the Prior Bonds as determined on the sale date. The Bonds will be limited tax general obligations of the City and secured by the City's limited tax full faith and credit pledge. The Bonds will have the same duration and be payable from the same sources of funds as the Prior Bonds.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. Aaron B. Kuhn

-2-

June 9, 2026

There are some blanks in the Resolution in the form of the Bond that do not need to be completed at or prior to adoption but will instead be completed in the final Bond form once the final terms been determined. This Resolution is the only action item required by the City Commission relating to the Bonds.


If approved by the City Commission, it is expected that the Bonds could be sold in mid-August or later, with a closing 2-3 weeks later. The Prior Bonds could be paid off on the first call date of December 1, 2026. The City will only be able to proceed with the issuance of the Bonds if it saves at least 3% of the debt service on the Prior Bonds being refinanced, after payment of all issuance costs.

I would appreciate receiving a certified copy of the Resolution after adoption by the City Commission.

If you or anyone copied on this letter have any questions about the enclosed Resolution, please give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By:   
Patrick F. McGow

cc: Amanda Zimmerlin  
Kari Blanchett  
Sarah Moore  
Emily Barr

51036739.1/006548.00127



**Resolution No: 415**  
City Commission Meeting 6/16/2026

415 - A Resolution seeking approval for the Fiscal Year 2025-2026 year-end budget amendments for the City's General Fund (Fund 101), Major Street Fund (Fund 202), and Michigan Justice Training Fund (Fund 266).

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Aaron Kuhn, Revenue Services Director

**Department:** Finance

**Summary**

**RESOLUTION NO. 415**

**Resolved by the Commission of the City of Battle Creek:**

That unforeseen events necessitate adjustments in the City's budget from time to time. This Resolution approves year-end adjustments in the General Fund (101), Major Street Fund (202), and Michigan Justice Training Fund (266) for the year ending June 30, 2026, as presented in the attached worksheet.

**Budgetary Considerations**

State statute provides that a local unit shall not incur expenditures in excess of the amount appropriated. This year-end budget amendment is an attempt to comply and is primarily based upon department levels with estimated expenditures in excess of their amended budgets, although several departmental expenditure budgets are reduced based on estimates.

This Resolution also adjusts budgeted revenues in the General Fund based on estimated revenues as discussed at the May 7, 2026 Budget Workshop. Many of these revenue adjustments are necessary due to the conservative nature of the original adopted budget.

The resulting amended budgeted use of fund balance in the General Fund for the year ending June 30, 2026, with the approval of this proposal is \$1,144,451.

**History, Background and Discussion**

The fiscal year 2026 began July 1, 2025, with an adopted budget showing a General Fund use of fund balance of \$847,656. A conservative approach was used in the budget development. Staff recognizes that a use of fund balance each year is not sustainable, and as a result has monitored major revenue sources continually throughout the fiscal year to determine if expenditure reductions were required to match revenues with expenditures. Fortunately, as was discussed and presented in the Budget Workshop, income tax revenues and interest income have both exceeded expectations. It is this estimated increase as well as under-budget expenditures that resulted in a proposed addition to fund balance. Taking direction from the Commission at the Budget Workshop, staff has included a \$2 million transfer to the General Capital Improvement Fund to support future capital project needs. Without this \$2 million transfer, the proposed addition to General Fund fund balance would be \$855,549.

With this amendment, General Fund revenues are proposed to increase \$1,758,500. Expenditures are proposed to increase \$2,197,500, which includes the \$2 million transfer mentioned above.

Several departments had unexpected circumstances throughout the year that require expenditure budget adjustments as shown in the attached worksheet.

**Positions**

**Attachments**

- 1. FY26 YE Budget Amendment                      FY26 YE Budget Amendment.pdf

Budget Amendment Attachment

Fund 101	General Fund	Increase/ (Decrease)
Revenues		
Activity 000		
402010	Current Real Property Tax	(65,000)
410010	Current Personal Property Tax	(242,000)
438010	Income Tax Personal & Partnership	1,688,800
447010	Administration Fee	25,500
448010	Other Taxes Recreational Marijuana	(282,700)
569010	Other State Grants	106,000
573001	State PPT Reimbursement	(160,000)
574002	State Revenue Sharing	(407,500)
606010	Court Fees District Court 10	15,500
664020	Interest Income	500,000
Other Departments		
101.215	General Fund, Clerk	12,700
101.266	General Fund, City Attorney	11,100
101.305	General Fund, Police Administration	116,000
101.310	General Fund, Police Crime Control	31,600
101.315	General Fund, Police Traffic & Safety	733,500
101.371	General Fund, Building Inspections	(40,000)
101.701	General Fund, Planning	(50,000)
101.751	General Fund, Recreation	(235,000)
		<u>1,758,500</u>
Fund 101		
Expenditures		
101.000	General Fund, Transfers Out	2,000,000
101.172	General Fund, City Manager	20,000
101.175	General Fund, City Hall Maintenance	100,000
101.191	General Fund, Finance	150,000
101.215	General Fund, Clerk	10,000
101.221	General Fund, Income Tax	150,000
101.253	General Fund, Treasurer	25,000
101.257	General Fund, Assessor	30,000
101.262	General Fund, Elections	(180,000)
101.267	General Fund, Labor Relations	(80,000)
101.269	General Fund, Civil Service	(50,000)
101.270	General Fund, Human Resources	(50,000)
101.305	General Fund, Police Administration	110,000
101.310	General Fund, Police Crime Control	(473,000)
101.315	General Fund, Police Traffic & Safety	(77,000)
101.337	General Fund, Fire Administration	350,000
101.339	General Fund, Fire Fighting	(400,000)
101.430	General Fund, Animal Control	15,000
101.446	General Fund, Streets	80,000

101.703 General Fund, Community Services	46,000
101.751 General Fund, Recreation	<u>421,500</u>
	2,197,500

Net Proposed Use of Fund Balance (439,000)

Current Amended Budgeted Use of Fund Balance (705,451)

Proposed Amended Budgeted Use of Fund Balance (1,144,451)

Fund 202 Major Street Fund Expenditures 1,100,000

Net Proposed Use of Fund Balance (1,100,000)

Current Amended Budgeted Addition to Fund Balance 397,857

Proposed Amended Budgeted Use of Fund Balance (702,143)

Fund 266 Michigan Justice Training Fund Expenditures 10,000

Net Proposed Use of Fund Balance (10,000)

Current Amended Budgeted Addition to Fund Balance 7,000

Proposed Amended Budgeted Use of Fund Balance (3,000)



**Resolution No: 416**  
City Commission Meeting 6/16/2026

416 - A Resolution approving a Brownfield Plan for the proposed "The Fields at Battle Creek" development.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** William Kim, City Attorney

**Department:** City Attorney's Office

**Summary**

**RESOLUTION NO. 416**

**Resolved by the Commission of the City of Battle Creek:**

That the City of Battle Creek, in accordance with the Brownfield Redevelopment Financing Act, Public Act 381 of 1996 as amended, held a public hearing on June 16, 2026, on the Brownfield Plan for the proposed "The Fields at Battle Creek" development. After considering input from the Public Hearing, the City Commission determined that the Brownfield Plan for the proposed "The Fields at Battle Creek" development:

- a. Meets the requirements of Section 13 and 13b of the Brownfield Redevelopment Act;
- b. The proposed method of financing is feasible, and the Authority has the ability to arrange the financing;
- c. The cost of eligible activities proposed are reasonable and necessary to carry out the purposes of the act;
- d. The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.

The Battle Creek City Commission thus approves the attached Brownfield Plan for the proposed "The Fields at Battle Creek" development.

**Budgetary Considerations**

If approved, the Plan will include tax increment financing to cover eligible project costs identified in the Plan.

## **History, Background and Discussion**

### **General Background:**

Developer GLC Multi BC, LLC, with support from Brownfield consultant Michigan Growth Advisors, has proposed an Act 381 Brownfield Plan for the redevelopment of one parcel totaling approximately 13.12 acres located within the City of Battle Creek at 15105 S. Helmer Road.

The proposed development includes the construction of 240 multifamily residential units across multiple buildings, including associated amenities such as a clubhouse, pool, and open space. The development will include 48 income-restricted units (20% of total units) at 100% AMI, anticipated to remain income-restricted for a period of 20 years.

The total capital investment is estimated to be approximately \$48.9 million, with construction anticipated to begin in Fall 2026 and occur over an approximately 2-year buildout period.

The property is considered “eligible property” under Act 381 based on its classification as “Housing Property”, as defined in Section 2(y) of the Act, due to the proposed construction of residential housing units.

### **Housing Need:**

#### **2024 HR&A Study:**

- As identified in the 2024 HR&A Battle Creek Housing Action Plan, the City of Battle Creek currently faces a significant housing shortage, including an estimated 1,200 unit rental supply deficit for households earning above 80% AMI.
- In addition, anticipated job growth associated with the Ford BlueOval Battery Park project in Marshall is expected to generate demand for an additional 2,800 housing units over the next five years, including both rental and owner-occupied housing.
- The City’s housing stock is aging, with a limited supply of newer multifamily housing options.

The proposed The Fields at Battle Creek development directly responds to these identified housing needs by introducing a large-scale, market-rate multifamily development with a component of income-restricted units, expanding housing options and increasing density within the City.

### **Capture:**

The duration of the Brownfield Plan is anticipated to be up to 30 years, inclusive of tax increment revenue (TIR) capture for reimbursement of eligible activities, followed by up to 5 years of additional capture dedicated to the Local Brownfield Revolving Fund (LBRF), as permitted under Act 381. The total amount of eligible activities under the Plan is estimated at approximately \$22.6 million, including interest.

Of the total tax increment revenues anticipated to be captured over the life of the Plan:

- Approximately \$18.7 million represents eligible activity costs (exclusive of interest)

- Approximately \$4.0 million represents interest on unreimbursed eligible activities
- Approximately \$1.25 million is anticipated to be captured by the State Brownfield Redevelopment Fund
- Approximately \$2.0 million is anticipated to be captured by the BCBRA for administrative and implementation costs
- Approximately \$4.7 million is anticipated to be captured and deposited into the Local Brownfield Revolving Fund (LBRF)

Actual reimbursement amounts are dependent on construction timing, taxable value growth, and submission and approval of eligible cost documentation in accordance with Act 381 and the approved Brownfield Plan.

**Outcomes:**

- 240 new multifamily residential units constructed
- 48 income-restricted units (20%) at 100% AMI for a 20-year affordability period
- Approximately \$48.9 million in new private investment
- New residential density supporting regional job growth and housing demand
- Diversification of the City’s housing stock with modern multifamily product
- New site infrastructure including roads, utilities, stormwater management, and site improvements
- Long-term contribution to the City’s tax base
- Capture to the Local Brownfield Revolving Fund, State Brownfield Redevelopment Fund, and BCBRA administrative expenses over the life of the plan

**Staff Reimbursement Agreement Review:**

Staff has reviewed a draft Development and Reimbursement Agreement between the BCBRA and GLC Multi BC, LLC. The agreement establishes how eligible project costs may be reimbursed using tax increment revenues generated by the development, consistent with the approved Brownfield Plan and Act 381.

- Reimbursement is limited solely to available tax increment revenues generated by the development and does not constitute a general obligation of the BCBRA or the City.
- Developer reimbursement is contingent upon submission and approval of eligible cost documentation in accordance with the Brownfield Plan, Act 381, and BCBRA reimbursement procedures.
- The development will maintain 48 income-restricted residential units (20% of total units) at 100% AMI for a minimum 20-year affordability period.
- The Developer is required to annually provide income and rent documentation and reporting pursuant to ACT 381 reporting requirements under MCL 125.2666(7) and (9).
- The agreement authorizes reimbursement of approved eligible activities, including housing development activities, from captured tax increment revenues generated by the project.

Staff and legal counsel will continue to review and finalize the agreement prior to execution to ensure consistency with the approved Brownfield Plan and Act 381 requirements.

**Positions**

The Battle Creek Brownfield Redevelopment Authority approved this Plan at their May 18, 2026 meeting.

**Attachments**

- 1 The Fields at Battle Creek Brownfield PlanThe Fields at Battle Creek Brownfield Plan . (4932-2663-9783.2) (4932-2663-9783.2).pdf
- 2 2026-05-2026-05-21\_FieldatBattleCreek\_BrownfieldPlan\_Nota 21\_FieldatBattleCreek\_BrownfieldPlan\_Notariz rizedResolution\_JH edResolution\_JH.pdf
- 3 2026-05-01\_BCBRA\_FieldsatBattleCreek\_ 2026-05-01\_BCBRA\_FieldsatBattleCreek\_ . BrownfieldPlanSummary\_JH BrownfieldPlanSummary\_JH.pdf

# **ACT 381 BROWNFIELD PLAN**

**GLC Multi BC, LLC  
The Fields at Battle Creek  
15105 S Helmer Road  
Calhoun County, City of Battle Creek  
Battle Creek Brownfield Redevelopment Authority**

**April 30, 2026**



**Prepared by**  
Michigan Growth Advisors  
100 W Michigan Avenue  
Suite #200  
Kalamazoo, MI 49007

**Approved by the Battle Creek Brownfield Redevelopment Authority on \_\_\_\_\_**

**Approved by the Battle Creek City Commission on \_\_\_\_\_**

# TABLE OF CONTENTS

## 1.0 INTRODUCTION

- 1.1 Proposed Redevelopment and Future Use for Each Eligible Property
- 1.2 Identification of Housing Need
- 1.3 Eligible Property Information

## 2.0 INFORMATION REQUIRED BY SECTION 13(2) OF THE STATUTE

- 2.1 Description of Costs to Be Paid for With Tax Increment Revenues
- 2.2 Summary of Eligible Activities
- 2.3 Estimate of Captured Taxable Value and Tax Increment Revenues
- 2.4 Method of Financing and Description of Advances Made by the Municipality
- 2.5 Maximum Amount of Note or Bonded Indebtedness
- 2.6 Duration of Brownfield Plan
- 2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions
- 2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property
- 2.9 Estimates of Residents and Displacement of Individuals/Families
- 2.10 Plan for Relocation of Displaced Persons
- 2.11 Provisions for Relocation Costs
- 2.12 Strategy for Compliance with Michigan's Relocation Assistance Law
- 2.13 Other Material that the Authority or Governing Body Considers Pertinent

## EXHIBITS

### FIGURES

- Figure 1 Legal Description and Map of the Eligible Property

### TABLES

- Table 1 Eligible Activities Costs
- Table 2 Tax Capture Schedule
- Table 3 Reimbursement Schedule

### ATTACHMENTS

- Attachment A Brownfield Plan Resolutions
- Attachment B Reimbursement Agreement
- Attachment C Site Plan
- Attachment D Housing Study

# ACT 381 BROWNFIELD PLAN

## 1.0 INTRODUCTION

### 1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The proposed redevelopment consists of one parcel totaling approximately 13.12 acres in the City of Battle Creek, Calhoun County. The project will involve preparing the sites for development to make way for 240 multi-family residential units on the property. The residential units are expected to be constructed across 8 residential buildings containing between 24 and 36 residential units each. The site is also expected to include amenities such as a pool, clubhouse, play area, and dog park. The residential units are expected to be built over a 2-year construction cycle with approximately 132 units delivered in Year 1 and 108 units delivered in Year 2.

The development will include 48 income-restricted residential units (20% of the development) including 8 studio units, 19 one-bedroom units, and 21 two-bedroom units. The units are expected to be income-restricted at 100% AMI rents in Calhoun County, net of a utility allowance, for a duration of 20 years.

The total capital investment is estimated at \$48.9 million. Construction activities are expected to begin in fall of 2026.

### 1.2 Identification of Housing Need

#### Specific Housing Need

A Housing Action Plan dated March 2024 was completed by H&R Advisors in partnership with the City of Battle Creek, Battle Creek Unlimited, and the W.K. Kellogg Foundation. There is an approximately 1,200 rental supply shortage that exists today in Battle Creek for renters with household income above 80% AMI. As a result of the job creation and anticipated housing demand derived from the Ford BlueOval project in Marshall, Michigan there is anticipated to be a 2,800-housing unit deficit for renter households making more than \$60,000 annually over the next 5 years.

Additionally, Battle Creek's housing stock is aging. Only 9% of all occupied housing units were built after 2000, and 55% of the occupied housing stock was built prior to 1960. The creation of new multi-family housing units in this area will help stabilize the aging housing market in the City of Battle Creek. Additionally, only 11% of the existing housing stock are multi-family developments with 10-49 housing units and only 7% of the existing housing stock are multi-family developments with 50 or more units. The majority of housing stock in the City (66%) is single-family detached housing. The creation of additional multi-family housing options will diversify the housing stock and increase the density of the area.

Job Growth Data

According to the Battle Creek Housing Action Plan, there are an estimated 1,840 to 3,740 net new workers in Kalamazoo and Calhoun Counties as a result of the direct and indirect employment from the BlueOval project contemplated in Marshall, Michigan. The project is expected to create approximately 1,700 direct jobs and an additional 2,040 indirect and induced jobs in the area. Assuming the City of Battle Creek captures 50% to 75% of the new employment, there is an anticipated demand for approximately 550 to 1,690 new renter households in the City of Battle Creek and approximately 350 to 1,070 new owner-occupied households in the City of Battle Creek. The BlueOval project is expected to be partially operational in 2026, indicating new supply of housing is necessary quickly for the City of Battle Creek to support these new jobs.

**1.3 Eligible Property Information**

Basis of Eligibility

Section 2(y)(i) of Public Act 381 of 1996 ("Act 381"), as amended, defines "Housing Property" as "A property on which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designated to be used as a dwelling." The development proposes 240 housing units on Parcel #0616-48-400-1; thus this parcel is eligible property under Act 381.

Location and Legal Description

15105 S Helmer Rd Parcel ID: 0616-48-400-1 13.12 Acres  
Battle Creek, MI 49015

Legal Description:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00\*19'06" WEST 326.83 FEET ALONG THE EAST LINE FO SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 89\*59'33" WEST 660.00 FEET; THENCE NORTH 00\*19'06" WEST 866.00 FEET; THENCE SOUTH 89\*59'33" EAST 660.00 FEET TO A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4, SAID POINT BEING SOUTH 00\*19'06" E 132.00 FEET FROM THE NOTHEAST CORNER OF THE SOUTH 1/2 OF SAID SOUTHEAST 1/4; THENCE SOUTH 00\*19'06" EAST 866.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION. CONTAINING APPROXIMATELY 13.12 ACRES.

**2.0 Information Required by Section 13(2) of the Statute**

**2.1 Description of Costs to Be Paid for With Tax Increment Revenues**

Tax increment revenues will be used to reimburse GLC Multi BC, LLC ("Developer") for the cost of eligible activities as authorized by Act 381. Michigan State Housing Development Authority ("MSHDA") approved non-environmental eligible activities and statutorily approved EGLE environmental eligible activities will be reimbursed with local and school tax increment revenues ("TIR").

The total cost of eligible activities including contingency and interest on unreimbursed eligible activities is anticipated to be \$22,635,936. The cost of eligible activities not including interest are anticipated to be \$18,660,154. The estimated cost of all eligible activities under this plan are summarized in Table 1. Capture to the State Brownfield Redevelopment Fund is anticipated to be \$1,250,580 and capture to the Battle Creek Brownfield Redevelopment Authority for administrative expenses is anticipated to be \$1,975,021.

#### Environmental Activities

Department specific activities considered under this plan include a Phase I Environmental Site Assessment ("ESA").

#### Non-Environmental Activities

Because the basis of property eligibility is "Housing Property" under Public Act 381, additional non-environmental costs can be reimbursed through a brownfield plan. This plan provides for reimbursement of eligible "housing development activities" including reimbursement provided to the developer to fill a financing gap associated with the development of housing units priced for income qualified households, and site preparation, demolition, and infrastructure activities that are necessary for new housing development for income qualified households on eligible property.

## **2.2 Summary of Eligible Activities**

### 2.2..1 Phase I & Phase II ESA, BEA and Due Care Plan

A Phase I ESA will be required for the project and is anticipated to cost \$5,000. This is a cost statutorily approved for reimbursement with school taxes.

### 2.2..2 Demolition

Site and building demolition are included as eligible activities. Engineering and design of this activity is also included as an eligible activity. The total cost of demolition activities is anticipated to be \$211,200.

### 2.2..3 Infrastructure

Infrastructure activities will include curbs and gutters, landscaping, street lighting, roads, sanitary sewer, sidewalks, parking areas, storm water systems, water mains, and EV Charging. Engineering and design of these activities are also included as eligible activities. The total cost of these infrastructure activities is anticipated to be \$2,957,529.

### 2.2..4 Site Preparation

Site preparation activities will include cut and fill, grading, and staking. Engineering and design of these activities are also included as eligible

activities. The total cost of these site preparation activities is anticipated to be \$1,314,500.

2.2..5 Interest

Financing costs for the project are considered an eligible activity. This plan allows for 5% simple interest rate on the developer’s unreimbursed eligible activities. The total interest associated with eligible activities is anticipated to be \$3,975,782.

2.2..6 Contingency

A 15% contingency on infrastructure, demolition, and site preparation costs is included as an eligible activity. The contingency included in this Plan is \$672,484. The contingency is not calculated on the Potential Rent Loss Financing Gap.

2.2..7 Financing Gap

Housing development activities, related to reimbursement provided to the developer to fill a financing gap associated with the development of housing units priced for income qualified households’ units, are included as eligible activities. The financing gap is calculated utilizing the Potential Rent Loss formula developed by MSHDA with a Control Rent of \$2,083 for a studio unit, \$2,440 for a one-bedroom unit, and \$2,940 for a two-bedroom unit. There are expected to be 48 income-restricted rentals in this development rented at 100% AMI rents net of utility allowances for Region C. The potential annual rent loss is estimated to be \$671,472 in one year of the Plan. The potential annual rent loss and total rent loss over the term of a 20-year affordability period for each project are delineated in the table below.

Type	MSHDA Control Rent	Project Rent	Potential Rent Loss	Income Qualified Units	Annual Loss	Total Loss
Studio	\$2,083	\$1,261	\$9,858	8	\$78,864	\$1,577,280
1-Bed	\$2,440	\$1,344	\$13,152	19	\$249,888	\$4,997,760
2-Bed	\$2,940	\$1,580	\$16,320	21	\$342,720	\$6,854,400
<b>TOTAL</b>				<b>48</b>	<b>\$671,472</b>	<b>\$13,429,440</b>

2.2..8 Brownfield Plan and Act 381 Work Preparation

The cost to prepare the Brownfield Plan and Act 381 Work Plan is anticipated to be \$20,000.

2.2..9 Brownfield Plan Implementation

The cost of implementing the Brownfield Plan is anticipated to be \$50,000.

2.2..10 Local Brownfield Revolving Fund

Local Brownfield Revolving Fund capture is also included in this Plan. Capture to the Local Brownfield Revolving Fund is anticipated to be \$4,696,431 and captured for a full five years following reimbursement of Developer’s eligible activities.

**2.3 Estimate of Captured Taxable Value and Tax Increment Revenues**

An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available TIR, including real and personal property TIR.

**2.4 Method of Financing and Description of Advances Made by the Municipality**

The eligible activities will be financed by the developer and reimbursed as outlined in this plan and accompanying development agreement. No advances from the City or County are anticipated at this time.

**2.5 Maximum Amount of Note or Bonded Indebtedness**

No note or bonded indebtedness for this project is anticipated at this time. Therefore, this section is not applicable.

**2.6 Duration of Brownfield Plan**

The duration of this plan is estimated to be 30 years, inclusive of 5 years of capture to the Local Brownfield Revolving Fund. It is estimated that capture of tax increment revenue on all eligible property will begin in 2028, however could be delayed for up to 5 years after the approval of this plan as permitted by Act 381. In no event shall capture extend beyond 30 years as required by Act 381. An analysis showing the reimbursement schedule is attached as Table 3. It is expected that the redevelopment of the properties will start in 2026, and that full recapture of eligible costs and eligible administrative costs of the authority will continue until 2057.

**2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions**

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail within Table 2.

**2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property**

The property consists of one parcel which is approximately 13.12 acres in size and located at 15105 S Helmer Road (Parcel Identification Number 0616-48-400-1). A legal description of the properties along with a scaled map showing eligible property dimensions, is attached as Figure 1.

The parcels are considered “eligible property” due to the development of residential housing units on the property, as defined within the definition of “Housing Property” in Section 2(y) of Public Act 381 of 1996, as amended.

Taxable personal property, if any, is included in this plan.

**2.9 Estimates of Residents and Displacement of Individuals/Families**

No persons reside at the property therefore this section is not applicable.

**2.10 Plan for Relocation of Displaced Persons**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

**2.11 Provisions for Relocation Costs**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

**2.12 Strategy for Compliance with Michigan's Relocation Assistance Law**

No persons reside at the property thus none will be displaced. Therefore, this section is not applicable.

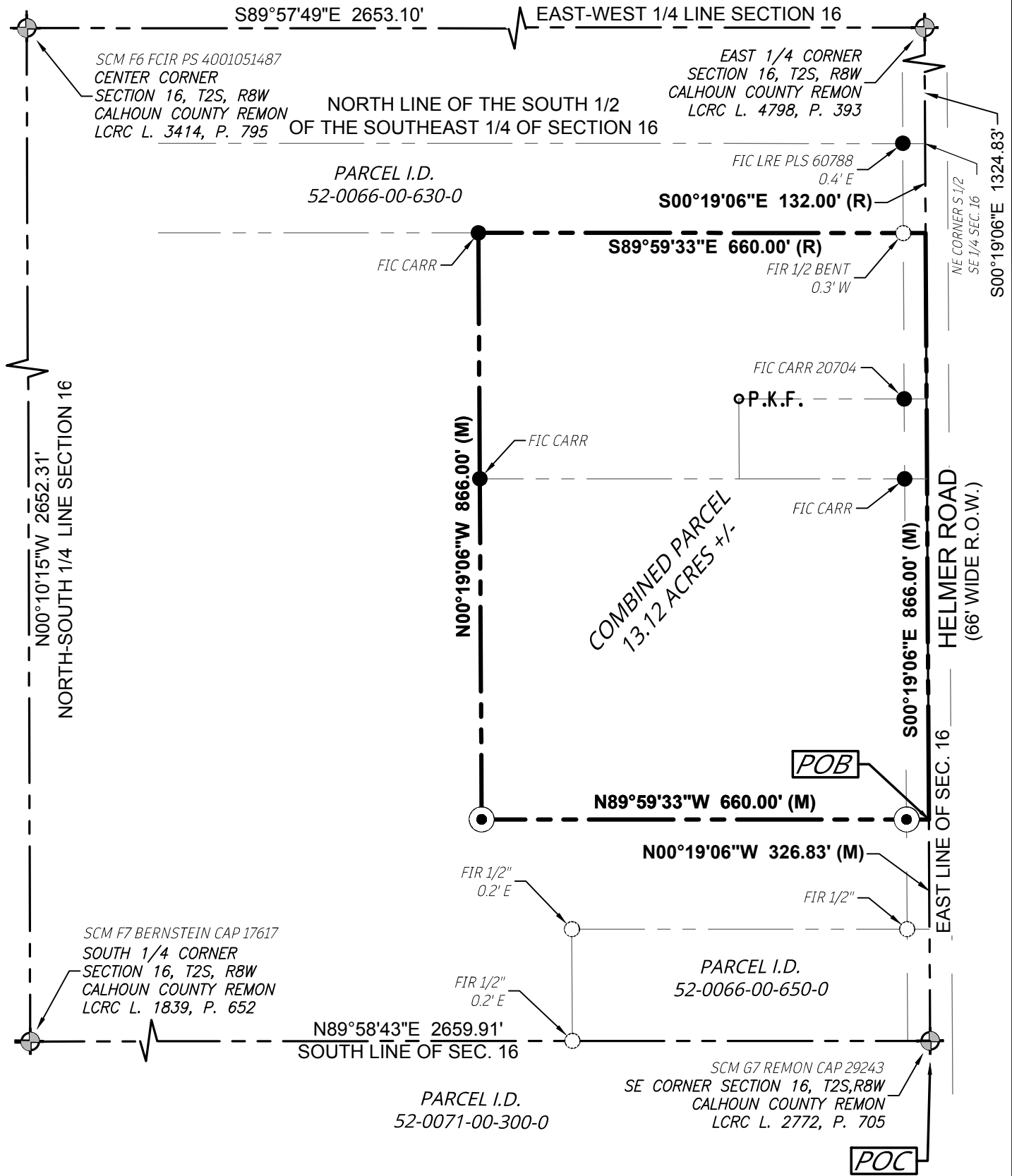
**2.13 Other Material that the Authority or Governing Body Considers Pertinent**

None.

# Figure 1

## Legal Description and Eligible Property Map

# CERTIFICATE OF SURVEY

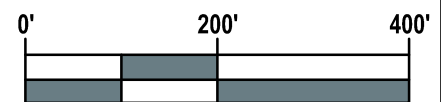


## SURVEYOR'S NOTES

1. BEARINGS ARE BASED ON MICHIGAN STATE PLANE SOUTH ZONE.
2. EAST 1/4 CORNER OF SECTION 16 WAS CALCULATED FROM WITNESS MONUMENT 1 AND WITNESS MONUMENT 2 AS DESCRIBED IN LCRC L.4798, P. 393

## LEGEND

- SECTION CORNER
- FOUND IRON ROD/PIPE
- FOUND P.K. NAIL
- SET IRON ROD



GRAPHIC SCALE: 1" = 200'

No.	Revision Date	Date	11-25-2025
		CADD	M. KRAWCZYK
		PM	S. WILSON
		Project No.	097282.02

## PROJECT HELMER PARCEL SPLIT

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NO REPRODUCTION SHALL BE MADE WITHOUT THE PRIOR CONSENT OF SME

# CERTIFICATE OF SURVEY

## NEW LEGAL DESCRIPTION - COMBINED PARCEL

THAT PART OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 8 WEST, CITY OF BATTLE CREEK, CALHOUN COUNTY, MICHIGAN DESCRIBED AS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00°19'06" WEST 326.83 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 89°59'33" WEST 660.00 FEET; THENCE NORTH 00°19'06" WEST 866.00 FEET; THENCE SOUTH 89°59'33" EAST 660.00 FEET TO A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4, SAID POINT BEING SOUTH 00°19'06" E 132.00 FEET FROM THE NORTHEAST CORNER OF THE SOUTH 1/2 OF SAID SOUTHEAST 1/4; THENCE SOUTH 00°19'06" EAST 866.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION.

CONTAINING APPROXIMATELY 13.12 ACRES.

## NEW LEGAL DESCRIPTION - REMAINDER PARCEL

THAT PART OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 8 WEST, CITY OF BATTLE CREEK, CALHOUN COUNTY, MICHIGAN DESCRIBED AS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16 THENCE NORTH 00°19'06" WEST 165.00 FEET ALONG THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 89°58'43" WEST 528.00 FEET; THENCE SOUTH 00°19'06" EAST 165.00 FEET TO A POINT ON THE SOUTH LINE OF SAID SOUTHEAST 1/4; THENCE SOUTH 89°58'43" WEST 2131.91 FEET ALONG SAID SOUTH LINE TO THE SOUTH 1/4 CORNER OF SAID SECTION 16; THENCE NORTH 00°10'15" WEST 1326.16 FEET ALONG THE NORTH-SOUTH 1/4 LINE TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 89°59'33" EAST 1328.25 FEET ALONG SAID NORTH LINE TO THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 00°14'40" EAST 132.00 FEET ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE SOUTH 89°59'33" EAST 668.42 FEET; THENCE SOUTH 00°19'06" EAST 866.00 FEET; THENCE SOUTH 89°59'33" EAST 660.00 FEET TO THE EAST LINE OF SAID SOUTHEAST 1/4; THENCE SOUTH 00°19'06" EAST 161.83 FEET TO THE PLACE OF BEGINNING OF THIS DESCRIPTION.

CONTAINING APPROXIMATELY 61.74 ACRES.

## SURVEYOR'S NOTES

1. BEARINGS ARE BASED ON MICHIGAN STATE PLANE SOUTH ZONE.
2. EAST 1/4 CORNER OF SECTION 16 WAS CALCULATED FROM WITNESS MONUMENT 1 AND WITNESS MONUMENT 2 AS DESCRIBED IN LCRC L.4798, P. 393

I HEREBY CERTIFY THAT I HAVE SURVEYED AND MAPPED THE PARCEL(S) HEREON DESCRIBED AND THAT THE RELATIVE POSITIONAL PRECISION OF EACH CORNER IS WITHIN THE LIMITS ACCEPTED BY THE PRACTICE OF PROFESSIONAL SURVEYING AND THAT ALL THE REQUIREMENTS OF PUBLIC ACT 132 OF 1970, AS AMENDED, HAVE BEEN COMPLIED WITH.



12-15-25

SAMUEL A. MILES, P.S.

No.	Revision Date	Date	11-25-2025
		CADD	M. KRAWCZYK
		PM	S. WILSON
		Project No.	097282.02

DRAWING NOTE: SCALE DEPICTED IS MEANT FOR 8.5"x14" AND WILL SCALE INCORRECTLY IF PRINTED ON ANY OTHER SIZE MEDIA

### PROJECT HELMER PARCEL SPLIT



NO REPRODUCTION SHALL BE MADE WITHOUT THE PRIOR CONSENT OF SME

PAGE 7 OF 7

# **Table 1**

## **Eligible Activity Costs**



EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
<b>Department Specific Activities Sub-Total</b>	<b>\$ 5,000</b>	
<i>Environmental Site Assessments</i>	\$ 5,000	
<b>EGLE Eligible Activities Sub-Total</b>	<b>\$ 5,000</b>	
MSHDA Housing Development Activities Costs and Schedule		
MSHDA Eligible Activities	Cost	Completion Season/Year
<b>Demolition Sub-Total</b>	<b>\$ 211,200</b>	<b>Fall 2028</b>
<i>Building Demolition</i>	\$ 211,200	
<b>Infrastructure Sub-Total</b>	<b>\$ 2,957,529</b>	<b>Fall 2028</b>
<i>Curbs and Gutters</i>	\$ 215,809	
<i>Landscaping</i>	\$ 521,400	
<i>Street Lighting</i>	\$ 165,000	
<i>Roads</i>	\$ 806,150	
<i>Sanitary Sewer</i>	\$ 226,875	
<i>Sidewalks</i>	\$ 297,945	
<i>Storm Water Systems</i>	\$ 343,750	
<i>Water Mains</i>	\$ 357,500	
<i>EV Charging</i>	\$ 23,100	
<b>Site Preparation Sub-Total</b>	<b>\$ 1,314,500</b>	<b>Fall 2028</b>
<i>Cut and Fill</i>	\$ 539,000	
<i>Grading</i>	\$ 627,000	
<i>Staking</i>	\$ 148,500	
<b>Affordable Housing Financing Gap</b>	<b>\$ 13,429,440</b>	
<b>Brownfield Plan/Act 381 Work Plan</b>	<b>\$ 20,000</b>	<b>Spring 2026</b>
<b>Brownfield Plan Implementation</b>	<b>\$ 50,000</b>	
<b>MSHDA Eligible Activities Sub-Total</b>	<b>\$ 17,982,669</b>	
<b>Contingency (15%)</b>	<b>\$ 672,484</b>	
<b>Interest</b>	<b>\$ 3,975,782</b>	
<b>Total Brownfield Eligible Activities</b>	<b>\$ 22,635,936</b>	

# **Table 2**

## **Tax Capture Schedule**



**Tax Increment Financing Capture Estimates**  
**Helmer Road Multi-family**  
 Battle Creek, Michigan  
 April 2026

Estimated Taxable Value (TV) Increase Rate: 2.00%

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Calendar Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV	\$ 7,260,000	\$ 13,464,000	\$ 13,733,280	\$ 14,007,946	\$ 14,288,105	\$ 14,573,867	\$ 14,865,344	\$ 15,162,651	\$ 15,465,904	\$ 15,775,222	\$ 16,090,726	\$ 16,412,541	\$ 16,740,792	\$ 17,075,608	\$ 17,417,120	\$ 17,765,462	\$ 18,120,771	\$ 18,483,187
Incremental Difference (New TV - Base TV)	\$ 7,260,000	\$ 13,464,000	\$ 13,733,280	\$ 14,007,946	\$ 14,288,105	\$ 14,573,867	\$ 14,865,344	\$ 15,162,651	\$ 15,465,904	\$ 15,775,222	\$ 16,090,726	\$ 16,412,541	\$ 16,740,792	\$ 17,075,608	\$ 17,417,120	\$ 17,765,462	\$ 18,120,771	\$ 18,483,187

School Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
State Education Tax (SET)	6.0000	\$ 43,560	\$ 80,784	\$ 82,400	\$ 84,048	\$ 85,729	\$ 87,443	\$ 89,192	\$ 90,976	\$ 92,795	\$ 94,651	\$ 96,544	\$ 98,475	\$ 100,445	\$ 102,454	\$ 104,503	\$ 106,593	\$ 108,725	\$ 110,899
School Operating Tax	18.0000	\$ 130,680	\$ 242,352	\$ 247,199	\$ 252,143	\$ 257,186	\$ 262,330	\$ 267,576	\$ 272,928	\$ 278,386	\$ 283,954	\$ 289,633	\$ 295,426	\$ 301,334	\$ 307,361	\$ 313,508	\$ 319,778	\$ 326,174	\$ 332,697
<b>School Total</b>	<b>24.0000</b>	<b>\$ 174,240</b>	<b>\$ 323,136</b>	<b>\$ 329,599</b>	<b>\$ 336,191</b>	<b>\$ 342,915</b>	<b>\$ 349,773</b>	<b>\$ 356,768</b>	<b>\$ 363,904</b>	<b>\$ 371,182</b>	<b>\$ 378,605</b>	<b>\$ 386,177</b>	<b>\$ 393,901</b>	<b>\$ 401,779</b>	<b>\$ 409,815</b>	<b>\$ 418,011</b>	<b>\$ 426,371</b>	<b>\$ 434,899</b>	<b>\$ 443,596</b>

Local Capture	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Cal Co Seniors	0.7439	\$ 5,401	\$ 10,016	\$ 10,216	\$ 10,421	\$ 10,629	\$ 10,841	\$ 11,058	\$ 11,279	\$ 11,505	\$ 11,735	\$ 11,970	\$ 12,209	\$ 12,453	\$ 12,703	\$ 12,957	\$ 13,216	\$ 13,480	\$ 13,750
Cal Co Med Care	0.2481	\$ 1,801	\$ 3,340	\$ 3,407	\$ 3,475	\$ 3,545	\$ 3,616	\$ 3,688	\$ 3,762	\$ 3,837	\$ 3,914	\$ 3,992	\$ 4,072	\$ 4,153	\$ 4,236	\$ 4,321	\$ 4,408	\$ 4,496	\$ 4,586
Cal Co Veterans	0.0999	\$ 725	\$ 1,345	\$ 1,372	\$ 1,399	\$ 1,427	\$ 1,456	\$ 1,485	\$ 1,515	\$ 1,545	\$ 1,576	\$ 1,607	\$ 1,640	\$ 1,672	\$ 1,706	\$ 1,740	\$ 1,775	\$ 1,810	\$ 1,846
Cal Co Parks	0.2000	\$ 1,452	\$ 2,693	\$ 2,747	\$ 2,802	\$ 2,858	\$ 2,915	\$ 2,973	\$ 3,033	\$ 3,093	\$ 3,155	\$ 3,218	\$ 3,283	\$ 3,348	\$ 3,415	\$ 3,483	\$ 3,553	\$ 3,624	\$ 3,697
CDA 911	0.9799	\$ 7,114	\$ 13,193	\$ 13,457	\$ 13,726	\$ 14,001	\$ 14,281	\$ 14,567	\$ 14,858	\$ 15,155	\$ 15,458	\$ 15,767	\$ 16,083	\$ 16,404	\$ 16,732	\$ 17,067	\$ 17,408	\$ 17,757	\$ 18,112
TACC	2.6600	\$ 19,312	\$ 35,814	\$ 36,531	\$ 37,261	\$ 38,006	\$ 38,766	\$ 39,542	\$ 40,333	\$ 41,139	\$ 41,962	\$ 42,801	\$ 43,657	\$ 44,531	\$ 45,421	\$ 46,330	\$ 47,256	\$ 48,201	\$ 49,165
Calhoun ISD	6.1919	\$ 44,953	\$ 83,368	\$ 85,035	\$ 86,736	\$ 88,471	\$ 90,240	\$ 92,045	\$ 93,886	\$ 95,763	\$ 97,679	\$ 99,632	\$ 101,625	\$ 103,657	\$ 105,730	\$ 107,845	\$ 110,002	\$ 112,202	\$ 114,446
Kellogg CC	3.6109	\$ 26,215	\$ 48,617	\$ 49,590	\$ 50,581	\$ 51,593	\$ 52,625	\$ 53,677	\$ 54,751	\$ 55,846	\$ 56,963	\$ 58,102	\$ 59,264	\$ 60,449	\$ 61,658	\$ 62,891	\$ 64,149	\$ 65,432	\$ 66,741
City Operating	8.4870	\$ 61,616	\$ 114,269	\$ 116,554	\$ 118,885	\$ 121,263	\$ 123,688	\$ 126,162	\$ 128,685	\$ 131,259	\$ 133,884	\$ 136,562	\$ 139,293	\$ 142,079	\$ 144,921	\$ 147,819	\$ 150,775	\$ 153,791	\$ 156,867
City St Maint	1.1260	\$ 8,175	\$ 15,160	\$ 15,464	\$ 15,773	\$ 16,088	\$ 16,410	\$ 16,738	\$ 17,073	\$ 17,415	\$ 17,763	\$ 18,118	\$ 18,481	\$ 18,850	\$ 19,227	\$ 19,612	\$ 20,004	\$ 20,404	\$ 20,812
Pol/Fire Pension	5.5830	\$ 40,533	\$ 75,170	\$ 76,673	\$ 78,206	\$ 79,770	\$ 81,366	\$ 82,993	\$ 84,653	\$ 86,346	\$ 88,073	\$ 89,835	\$ 91,631	\$ 93,464	\$ 95,333	\$ 97,240	\$ 99,185	\$ 101,168	\$ 103,192
Cal Co Operating	5.3692	\$ 38,980	\$ 72,291	\$ 73,737	\$ 75,211	\$ 76,716	\$ 78,250	\$ 79,815	\$ 81,411	\$ 83,040	\$ 84,700	\$ 86,394	\$ 88,122	\$ 89,885	\$ 91,682	\$ 93,516	\$ 95,386	\$ 97,294	\$ 99,240
Willard Library	1.9958	\$ 14,490	\$ 26,871	\$ 27,409	\$ 27,957	\$ 28,516	\$ 29,087	\$ 29,668	\$ 30,262	\$ 30,867	\$ 31,484	\$ 32,114	\$ 32,756	\$ 33,411	\$ 34,079	\$ 34,761	\$ 35,456	\$ 36,165	\$ 36,889
<b>Local Total</b>	<b>37.2956</b>	<b>\$ 270,766</b>	<b>\$ 502,148</b>	<b>\$ 512,191</b>	<b>\$ 522,435</b>	<b>\$ 532,883</b>	<b>\$ 543,541</b>	<b>\$ 554,412</b>	<b>\$ 565,500</b>	<b>\$ 576,810</b>	<b>\$ 588,346</b>	<b>\$ 600,113</b>	<b>\$ 612,116</b>	<b>\$ 624,358</b>	<b>\$ 636,845</b>	<b>\$ 649,582</b>	<b>\$ 662,574</b>	<b>\$ 675,825</b>	<b>\$ 689,342</b>

Non-Capturable Millages	Millage Rate	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
LK School Debt	7.0000	\$ 50,820	\$ 94,248	\$ 96,133	\$ 98,056	\$ 100,017	\$ 102,017	\$ 104,057	\$ 106,139	\$ 108,261	\$ 110,427	\$ 112,635	\$ 114,888	\$ 117,186	\$ 119,529	\$ 121,920	\$ 124,358	\$ 126,845	\$ 129,382
<b>Total Non-Capturable Taxes</b>	<b>7.0000</b>	<b>\$ 50,820</b>	<b>\$ 94,248</b>	<b>\$ 96,133</b>	<b>\$ 98,056</b>	<b>\$ 100,017</b>	<b>\$ 102,017</b>	<b>\$ 104,057</b>	<b>\$ 106,139</b>	<b>\$ 108,261</b>	<b>\$ 110,427</b>	<b>\$ 112,635</b>	<b>\$ 114,888</b>	<b>\$ 117,186</b>	<b>\$ 119,529</b>	<b>\$ 121,920</b>	<b>\$ 124,358</b>	<b>\$ 126,845</b>	<b>\$ 129,382</b>
	68.2956																		
	68.2956																		
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>		<b>\$ 445,006</b>	<b>\$ 825,284</b>	<b>\$ 841,790</b>	<b>\$ 858,625</b>	<b>\$ 875,798</b>	<b>\$ 893,314</b>	<b>\$ 911,180</b>	<b>\$ 929,404</b>	<b>\$ 947,992</b>	<b>\$ 966,952</b>	<b>\$ 986,291</b>	<b>\$ 1,006,017</b>	<b>\$ 1,026,137</b>	<b>\$ 1,046,660</b>	<b>\$ 1,067,593</b>	<b>\$ 1,088,945</b>	<b>\$ 1,110,724</b>	<b>\$ 1,132,938</b>

Footnotes:	
Total Units	240
Average Home taxable Value	\$ 55,000
Homestead Proportion (Stabilized)	0%

New Units Constructed	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	132	108	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>



**Tax Increment Financing Capture Estimates**  
**Helmer Road Multi-family**  
 Battle Creek, Michigan  
 April 2026

Estimated Taxable Value (TV) Increase Rate:

Plan Year	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
Calendar Year	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
*Base Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated New TV	\$ 18,852,850	\$ 19,229,907	\$ 19,614,506	\$ 20,006,796	\$ 20,406,932	\$ 20,815,070	\$ 21,231,372	\$ 21,655,999	\$ 22,089,119	\$ 22,530,901	\$ 22,981,520	\$ 23,441,150	\$ -
Incremental Difference (New TV - Base TV)	\$ 18,852,850	\$ 19,229,907	\$ 19,614,506	\$ 20,006,796	\$ 20,406,932	\$ 20,815,070	\$ 21,231,372	\$ 21,655,999	\$ 22,089,119	\$ 22,530,901	\$ 22,981,520	\$ 23,441,150	\$ -

School Capture	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
State Education Tax (SET)	6.0000	\$ 113,117	\$ 115,379	\$ 117,687	\$ 120,041	\$ 122,442	\$ 124,890	\$ 127,388						\$ 2,501,160
School Operating Tax	18.0000	\$ 339,351	\$ 346,138	\$ 353,061	\$ 360,122	\$ 367,325	\$ 374,671	\$ 382,165						\$ 7,503,479
<b>School Total</b>	<b>24.0000</b>	<b>\$ 452,468</b>	<b>\$ 461,518</b>	<b>\$ 470,748</b>	<b>\$ 480,163</b>	<b>\$ 489,766</b>	<b>\$ 499,562</b>	<b>\$ 509,553</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,004,639</b>

Local Capture	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
Cal Co Seniors	0.7439	\$ 14,025	\$ 14,305	\$ 14,591	\$ 14,883	\$ 15,181	\$ 15,484	\$ 15,794	\$ 16,110	\$ 16,432	\$ 16,761	\$ 17,096	\$ 17,438	\$ 393,939
Cal Co Med Care	0.2481	\$ 4,677	\$ 4,771	\$ 4,866	\$ 4,964	\$ 5,063	\$ 5,164	\$ 5,268	\$ 5,373	\$ 5,480	\$ 5,590	\$ 5,702	\$ 5,816	\$ 131,383
Cal Co Veterans	0.0999	\$ 1,883	\$ 1,921	\$ 1,959	\$ 1,999	\$ 2,039	\$ 2,079	\$ 2,121	\$ 2,163	\$ 2,207	\$ 2,251	\$ 2,296	\$ 2,342	\$ 52,903
Cal Co Parks	0.2000	\$ 3,771	\$ 3,846	\$ 3,923	\$ 4,001	\$ 4,081	\$ 4,163	\$ 4,246	\$ 4,331	\$ 4,418	\$ 4,506	\$ 4,596	\$ 4,688	\$ 105,912
CDA 911	0.9799	\$ 18,474	\$ 18,843	\$ 19,220	\$ 19,605	\$ 19,997	\$ 20,397	\$ 20,805	\$ 21,221	\$ 21,645	\$ 22,078	\$ 22,520	\$ 22,970	\$ 518,915
TACC	2.6600	\$ 50,149	\$ 51,152	\$ 52,175	\$ 53,218	\$ 54,282	\$ 55,368	\$ 56,475	\$ 57,605	\$ 58,757	\$ 59,932	\$ 61,131	\$ 62,353	\$ 1,408,626
Calhoun ISD	6.1919	\$ 116,735	\$ 119,070	\$ 121,451	\$ 123,880	\$ 126,358	\$ 128,885	\$ 131,463	\$ 134,092	\$ 136,774	\$ 139,509	\$ 142,299	\$ 145,145	\$ 3,278,974
Kellogg CC	3.6109	\$ 68,076	\$ 69,437	\$ 70,826	\$ 72,243	\$ 73,687	\$ 75,161	\$ 76,664	\$ 78,198	\$ 79,762	\$ 81,357	\$ 82,984	\$ 84,644	\$ 1,912,183
City Operating	8.4870	\$ 160,004	\$ 163,204	\$ 166,468	\$ 169,798	\$ 173,194	\$ 176,658	\$ 180,191	\$ 183,794	\$ 187,470	\$ 191,220	\$ 195,044	\$ 198,945	\$ 4,494,364
City St Maint	1.1260	\$ 21,228	\$ 21,653	\$ 22,086	\$ 22,528	\$ 22,978	\$ 23,438	\$ 23,907	\$ 24,385	\$ 24,872	\$ 25,370	\$ 25,877	\$ 26,395	\$ 596,283
Pol/Fire Pension	5.5830	\$ 105,255	\$ 107,361	\$ 109,508	\$ 111,698	\$ 113,932	\$ 116,211	\$ 118,535	\$ 120,905	\$ 123,324	\$ 125,790	\$ 128,306	\$ 130,872	\$ 2,956,526
Cal Co Operating	5.3692	\$ 101,225	\$ 103,249	\$ 105,314	\$ 107,420	\$ 109,569	\$ 111,760	\$ 113,995	\$ 116,275	\$ 118,601	\$ 120,973	\$ 123,392	\$ 125,860	\$ 2,843,306
Willard Library	1.9958	\$ 37,627	\$ 38,379	\$ 39,147	\$ 39,930	\$ 40,728	\$ 41,543	\$ 42,374	\$ 43,221	\$ 44,085	\$ 44,967	\$ 45,867	\$ 46,784	\$ 1,056,893
<b>Local Total</b>	<b>37.2956</b>	<b>\$ 703,128</b>	<b>\$ 717,191</b>	<b>\$ 731,535</b>	<b>\$ 746,165</b>	<b>\$ 761,089</b>	<b>\$ 776,311</b>	<b>\$ 791,837</b>	<b>\$ 807,673</b>	<b>\$ 823,827</b>	<b>\$ 840,303</b>	<b>\$ 857,110</b>	<b>\$ 874,252</b>	<b>\$ 19,750,207</b>

Non-Capturable Millages	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
LK School Debt	7.0000	\$ 131,970	\$ 134,609	\$ 137,302	\$ 140,048	\$ 142,849	\$ 145,705	\$ 148,620	\$ 151,592	\$ 154,624	\$ 157,716	\$ 160,871	\$ 164,088	\$ 3,706,911
<b>Total Non-Capturable Taxes</b>	<b>7.0000</b>	<b>\$ 131,970</b>	<b>\$ 134,609</b>	<b>\$ 137,302</b>	<b>\$ 140,048</b>	<b>\$ 142,849</b>	<b>\$ 145,705</b>	<b>\$ 148,620</b>	<b>\$ 151,592</b>	<b>\$ 154,624</b>	<b>\$ 157,716</b>	<b>\$ 160,871</b>	<b>\$ 164,088</b>	<b>\$ 3,706,911</b>
	68.2956													
	68.2956													
<b>Total Tax Increment Revenue (TIR) Available for Capture</b>		<b>\$ 1,155,597</b>	<b>\$ 1,178,709</b>	<b>\$ 1,202,283</b>	<b>\$ 1,226,329</b>	<b>\$ 1,250,855</b>	<b>\$ 1,275,872</b>	<b>\$ 1,301,390</b>	<b>\$ 807,673</b>	<b>\$ 823,827</b>	<b>\$ 840,303</b>	<b>\$ 857,110</b>	<b>\$ 874,252</b>	<b>\$ 29,754,846</b>

Footnotes:

Total Units	240
Average Home taxable Value	\$ 55,000
Homestead Proportion (Stabilized)	0%

New Units Constructed  
**240**

# **Table 3**

## **Reimbursement Schedule**



**Tax Increment Revenue Reimbursement Schedule**  
**Helmer Road Multi-Family**  
 Battle Creek, Michigan  
 April 2026

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	32.0%	\$ 8,754,059	\$ -	\$ 8,754,059
Local	68.0%	\$ 18,615,820	\$ -	\$ 18,615,820
<b>TOTAL</b>		<b>\$ 27,369,879</b>		<b>\$ 27,369,879</b>
EGLE	0.0%	\$ 5,000	\$ -	\$ 5,000
MSHDA	100.0%	\$ 18,655,154	\$ -	\$ 18,655,154

Estimated Total Years of Plan: **30**

Estimated Capture	<b>\$ 29,754,846</b>
Administrative Fees	\$ 1,975,021
State Brownfield Redevelopment Fund	\$ 1,250,580
Local Brownfield Revolving Fund	\$ 4,696,431

	Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Total State Incremental Revenue		\$ 174,240	\$ 323,136	\$ 329,599	\$ 336,191	\$ 342,915	\$ 349,773	\$ 356,768	\$ 363,904	\$ 371,182	\$ 378,605	\$ 386,177	\$ 393,901	\$ 401,779	\$ 409,815	\$ 418,011	\$ 426,371	\$ 434,899	\$ 443,596
State Brownfield Redevelopment Fund (50% of SET)		\$ 21,780	\$ 40,392	\$ 41,200	\$ 42,024	\$ 42,864	\$ 43,722	\$ 44,596	\$ 45,488	\$ 46,398	\$ 47,326	\$ 48,272	\$ 49,238	\$ 50,222	\$ 51,227	\$ 52,251	\$ 53,296	\$ 54,362	\$ 55,450
<b>State TIR Available for Reimbursement</b>		<b>\$ 152,460</b>	<b>\$ 282,744</b>	<b>\$ 288,399</b>	<b>\$ 294,167</b>	<b>\$ 300,050</b>	<b>\$ 306,051</b>	<b>\$ 312,172</b>	<b>\$ 318,416</b>	<b>\$ 324,784</b>	<b>\$ 331,280</b>	<b>\$ 337,905</b>	<b>\$ 344,663</b>	<b>\$ 351,557</b>	<b>\$ 358,588</b>	<b>\$ 365,760</b>	<b>\$ 373,075</b>	<b>\$ 380,536</b>	<b>\$ 388,147</b>
Total Local Incremental Revenue		\$ 270,766	\$ 502,148	\$ 512,191	\$ 522,435	\$ 532,883	\$ 543,541	\$ 554,412	\$ 565,500	\$ 576,810	\$ 588,346	\$ 600,113	\$ 612,116	\$ 624,358	\$ 636,845	\$ 649,582	\$ 662,574	\$ 675,825	\$ 689,342
BRA Administrative Fee	10%	\$ 27,077	\$ 50,215	\$ 51,219	\$ 52,243	\$ 53,288	\$ 54,354	\$ 55,441	\$ 56,550	\$ 57,681	\$ 58,835	\$ 60,011	\$ 61,212	\$ 62,436	\$ 63,685	\$ 64,958	\$ 66,257	\$ 67,583	\$ 68,934
<b>Local TIR Available for Reimbursement</b>		<b>\$ 243,689</b>	<b>\$ 451,933</b>	<b>\$ 460,972</b>	<b>\$ 470,191</b>	<b>\$ 479,595</b>	<b>\$ 489,187</b>	<b>\$ 498,971</b>	<b>\$ 508,950</b>	<b>\$ 519,129</b>	<b>\$ 529,512</b>	<b>\$ 540,102</b>	<b>\$ 550,904</b>	<b>\$ 561,922</b>	<b>\$ 573,161</b>	<b>\$ 584,624</b>	<b>\$ 596,316</b>	<b>\$ 608,243</b>	<b>\$ 620,407</b>
<b>Total State &amp; Local TIR Available</b>		<b>\$ 396,149</b>	<b>\$ 734,677</b>	<b>\$ 749,371</b>	<b>\$ 764,358</b>	<b>\$ 779,645</b>	<b>\$ 795,238</b>	<b>\$ 811,143</b>	<b>\$ 827,366</b>	<b>\$ 843,913</b>	<b>\$ 860,791</b>	<b>\$ 878,007</b>	<b>\$ 895,567</b>	<b>\$ 913,479</b>	<b>\$ 931,748</b>	<b>\$ 950,383</b>	<b>\$ 969,391</b>	<b>\$ 988,779</b>	<b>\$ 1,008,554</b>

DEVELOPER		Beginning Balance																		
<b>DEVELOPER Eligible Activity Balance</b>	\$	5,230,714	\$ 5,767,322	\$ 5,965,402	\$ 6,148,789	\$ 6,317,189	\$ 6,466,963	\$ 6,594,961	\$ 6,700,077	\$ 6,781,184	\$ 6,837,129	\$ 6,866,740	\$ 6,868,817	\$ 6,842,140	\$ 6,785,464	\$ 6,697,516	\$ 6,577,001	\$ 6,422,596	\$ 6,232,954	\$ 6,006,698

MSHDA Gap Calc Reimbursement	\$	13,429,440	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472	\$ 671,472
State Tax Reimbursement		\$ 152,460	\$ 282,744	\$ 288,399	\$ 294,167	\$ 274,326	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419	\$ 258,419
Local Tax Reimbursement		\$ 243,689	\$ 451,933	\$ 460,972	\$ 470,191	\$ 438,478	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053	\$ 413,053
<b>Total Gap Calc Reimbursement Balance</b>		<b>\$ 275,323</b>	<b>\$ 212,117</b>	<b>\$ 134,219</b>	<b>\$ 41,333</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

MSHDA Housing Development Reimbursement	\$	5,225,714																		
State Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ 25,699	\$ 47,586	\$ 53,702	\$ 59,939	\$ 66,301	\$ 72,791	\$ 79,410	\$ 86,162	\$ 93,048	\$ 100,073	\$ 107,238	\$ 114,546	\$ 122,000	\$ 129,604	
Local Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ 41,077	\$ 76,061	\$ 85,836	\$ 95,806	\$ 105,975	\$ 116,348	\$ 126,928	\$ 137,719	\$ 148,727	\$ 159,955	\$ 171,407	\$ 183,088	\$ 195,003	\$ 207,156	
<b>Total MSHDA Reimbursement Balance</b>	<b>99.9%</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,225,714</b>	<b>\$ 5,158,937</b>	<b>\$ 5,035,289</b>	<b>\$ 4,895,752</b>	<b>\$ 4,740,007</b>	<b>\$ 4,567,730</b>	<b>\$ 4,378,592</b>	<b>\$ 4,172,254</b>	<b>\$ 3,948,373</b>	<b>\$ 3,706,598</b>	<b>\$ 3,446,570</b>	<b>\$ 3,167,926</b>	<b>\$ 2,870,291</b>	<b>\$ 2,553,288</b>	<b>\$ 2,216,528</b>	

EGLE Reimbursement	\$	5,000																		
State Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ 25	\$ 46	\$ 51	\$ 57	\$ 63	\$ 70	\$ 76	\$ 82	\$ 89	\$ 96	\$ 103	\$ 110	\$ 117	\$ 124	
Local Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ 39	\$ 73	\$ 82	\$ 92	\$ 101	\$ 111	\$ 121	\$ 132	\$ 142	\$ 153	\$ 164	\$ 175	\$ 187	\$ 198	
<b>Total EGLE Reimbursement Balance</b>	<b>0.1%</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 4,936</b>	<b>\$ 4,818</b>	<b>\$ 4,684</b>	<b>\$ 4,535</b>	<b>\$ 4,370</b>	<b>\$ 4,189</b>	<b>\$ 3,992</b>	<b>\$ 3,778</b>	<b>\$ 3,546</b>	<b>\$ 3,298</b>	<b>\$ 3,031</b>	<b>\$ 2,746</b>	<b>\$ 2,443</b>	<b>\$ 2,121</b>	

Interest Accrual	5%	\$ 261,286	\$ 261,286	\$ 261,286	\$ 261,286	\$ 257,947	\$ 251,764	\$ 244,788	\$ 237,000	\$ 228,387	\$ 218,930	\$ 208,613	\$ 197,419	\$ 185,330	\$ 172,329	\$ 158,396	\$ 143,515	\$ 127,664	\$ 110,826
State Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Interest Reimbursement Balance</b>		<b>\$ 261,286</b>	<b>\$ 522,571</b>	<b>\$ 783,857</b>	<b>\$ 1,045,143</b>	<b>\$ 1,303,090</b>	<b>\$ 1,554,854</b>	<b>\$ 1,799,642</b>	<b>\$ 2,036,642</b>	<b>\$ 2,265,028</b>	<b>\$ 2,483,958</b>	<b>\$ 2,692,571</b>	<b>\$ 2,889,989</b>	<b>\$ 3,075,319</b>	<b>\$ 3,247,648</b>	<b>\$ 3,406,044</b>	<b>\$ 3,549,559</b>	<b>\$ 3,677,223</b>	<b>\$ 3,788,049</b>
<b>Total Annual Developer Reimbursement</b>		<b>\$ 396,149</b>	<b>\$ 734,677</b>	<b>\$ 749,371</b>	<b>\$ 764,358</b>	<b>\$ 779,645</b>	<b>\$ 795,238</b>	<b>\$ 811,143</b>	<b>\$ 827,366</b>	<b>\$ 843,913</b>	<b>\$ 860,791</b>	<b>\$ 878,007</b>	<b>\$ 895,567</b>	<b>\$ 913,479</b>	<b>\$ 931,748</b>	<b>\$ 950,383</b>	<b>\$ 969,391</b>	<b>\$ 988,779</b>	<b>\$ 1,008,554</b>

**LOCAL BROWNFIELD REVOLVING FUND**

LBRF Deposits *																				
State Tax Capture	\$	-																		
Local Tax Capture	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total LBRF Capture</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Footnotes:



Tax Increment Revenue Reimbursement Schedule  
**Helmer Road Multi-Family**  
 Battle Creek, Michigan  
 April 2026

	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	
Total State Incremental Revenue	\$ 452,468	\$ 461,518	\$ 470,748	\$ 480,163	\$ 489,766	\$ 499,562	\$ 509,553						\$ 10,004,639
State Brownfield Redevelopment Fund (50% of State TIR Available for Reimbursement)	\$ 56,559	\$ 57,690	\$ 58,844	\$ 60,020	\$ 61,221	\$ 62,445	\$ 63,694						\$ 1,250,580
<b>State TIR Available for Reimbursement</b>	<b>\$ 395,910</b>	<b>\$ 403,828</b>	<b>\$ 411,905</b>	<b>\$ 420,143</b>	<b>\$ 428,546</b>	<b>\$ 437,116</b>	<b>\$ 445,859</b>	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 8,754,059</b>
Total Local Incremental Revenue	\$ 703,128	\$ 717,191	\$ 731,535	\$ 746,165	\$ 761,089	\$ 776,311	\$ 791,837	\$ 807,673	\$ 823,827	\$ 840,303	\$ 857,110	\$ 874,252	\$ 19,750,207
BRA Administrative Fee	\$ 70,313	\$ 71,719	\$ 73,153	\$ 74,617	\$ 76,109	\$ 77,631	\$ 79,184	\$ 80,767	\$ 82,383	\$ 84,030	\$ 85,711	\$ 87,425	\$ 1,975,021
<b>Local TIR Available for Reimbursement</b>	<b>\$ 632,816</b>	<b>\$ 645,472</b>	<b>\$ 658,381</b>	<b>\$ 671,549</b>	<b>\$ 684,980</b>	<b>\$ 698,679</b>	<b>\$ 712,653</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	<b>\$ 18,615,820</b>
<b>Total State &amp; Local TIR Available</b>	<b>\$ 1,028,725</b>	<b>\$ 1,049,300</b>	<b>\$ 1,070,286</b>	<b>\$ 1,091,692</b>	<b>\$ 1,113,525</b>	<b>\$ 1,135,796</b>	<b>\$ 1,158,512</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	
<b>DEVELOPER</b>													
<b>DEVELOPER Eligible Activity Balance</b>	<b>\$ 5,742,426</b>	<b>\$ 5,438,705</b>	<b>\$ 4,389,064</b>	<b>\$ 3,297,372</b>	<b>\$ 2,183,847</b>	<b>\$ 1,048,051</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>MSHDA Gap Calc Reimbursement</b>													
MSHDA Gap Calc Reimbursement	\$ 671,472	\$ 671,472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,429,440
State Tax Reimbursement	\$ 258,419	\$ 258,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,168,384
Local Tax Reimbursement	\$ 413,053	\$ 413,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,261,056
<b>Total Gap Calc Reimbursement Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,429,440</b>
<b>MSHDA Housing Development Reimbursement</b>													
MSHDA Housing Development Reimbursement													\$ 5,225,714
State Tax Reimbursement	\$ 137,359	\$ 145,270	\$ 411,511	\$ 158,901	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,011,141
Local Tax Reimbursement	\$ 219,553	\$ 232,197	\$ 657,752	\$ 253,985	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,214,573
<b>Total MSHDA Reimbursement Balance</b>	<b>\$ 1,859,616</b>	<b>\$ 1,482,149</b>	<b>\$ 412,886</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,225,714</b>
<b>EGLE Reimbursement</b>													
EGLE Reimbursement													\$ 5,000
State Tax Reimbursement	\$ 131	\$ 139	\$ 394	\$ 152									\$ 1,924
Local Tax Reimbursement	\$ 210	\$ 222	\$ 629	\$ 243									\$ 3,076
<b>Total EGLE Reimbursement Balance</b>	<b>\$ 1,779</b>	<b>\$ 1,418</b>	<b>\$ 395</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>
<b>Interest Accrual</b>													
Interest Accrual	\$ 92,981	\$ 74,107	\$ 20,644	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,975,782
State Tax Reimbursement	\$ -	\$ -	\$ -	\$ 261,089	\$ 428,546	\$ 437,116	\$ 403,347						\$ 1,530,099
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ 417,321	\$ 684,980	\$ 698,679	\$ 644,703						\$ 2,445,683
<b>Total Interest Reimbursement Balance</b>	<b>\$ 3,881,030</b>	<b>\$ 3,955,138</b>	<b>\$ 3,975,782</b>	<b>\$ 3,297,372</b>	<b>\$ 2,183,847</b>	<b>\$ 1,048,051</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,975,782</b>
<b>Total Annual Developer Reimbursement</b>	<b>\$ 1,028,725</b>	<b>\$ 1,049,300</b>	<b>\$ 1,070,286</b>	<b>\$ 1,091,692</b>	<b>\$ 1,113,525</b>	<b>\$ 1,135,796</b>	<b>\$ 1,048,051</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,635,936</b>
<b>LOCAL BROWNFIELD REVOLVING FUND</b>													
<b>LBRF Deposits *</b>													
State Tax Capture							\$ 5,000						\$ 5,000
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,950	\$ 888,441	\$ 906,210	\$ 924,334	\$ 942,821	\$ 961,677	\$ 4,691,431
<b>Total LBRF Capture</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 72,950</b>	<b>\$ 888,441</b>	<b>\$ 906,210</b>	<b>\$ 924,334</b>	<b>\$ 942,821</b>	<b>\$ 961,677</b>	<b>\$ 4,696,431</b>

\* Up to five years of capture for LBRF Deposits

Footnotes:

# **Attachment A**

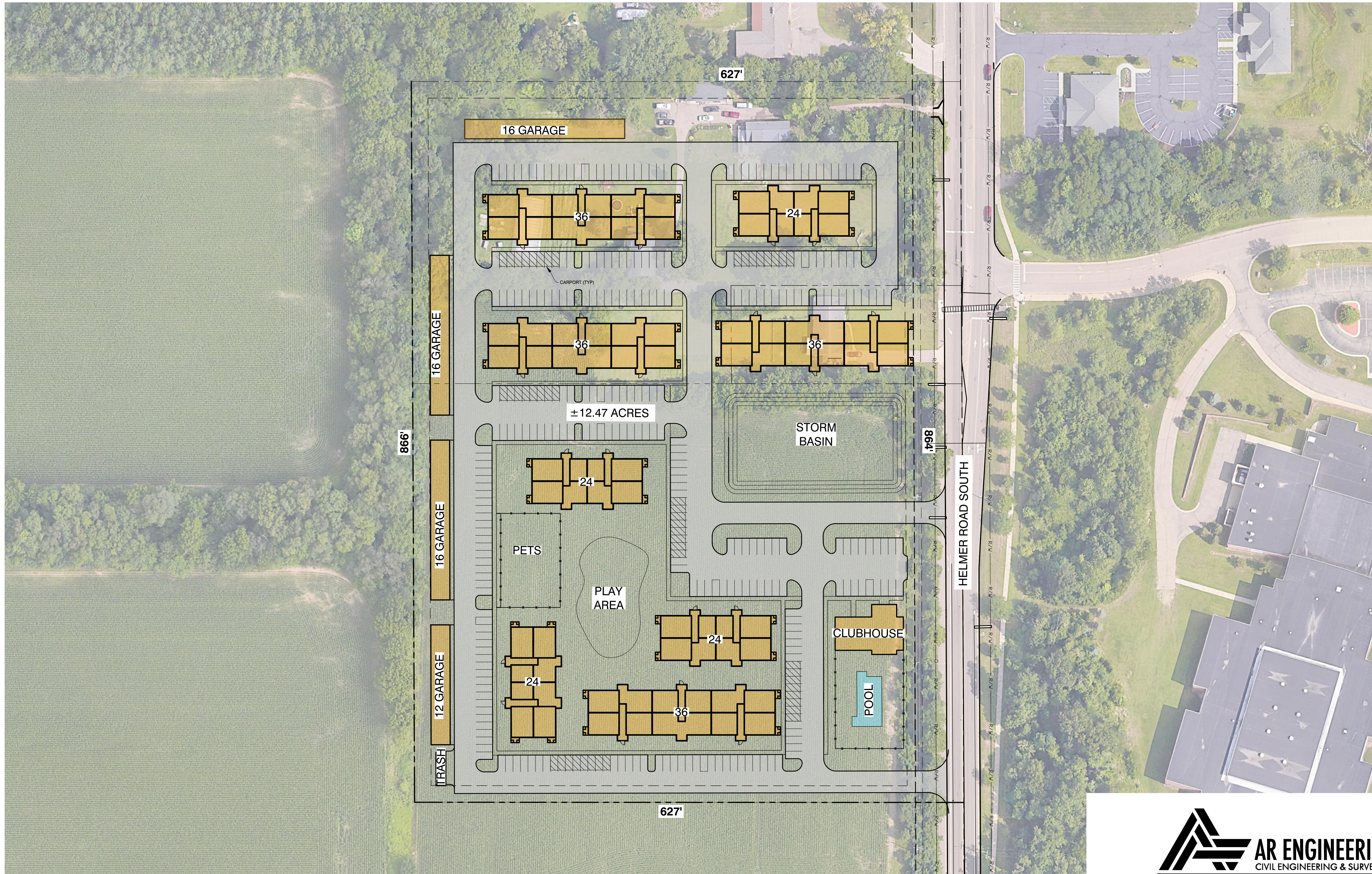
## **Brownfield Plan Resolutions**

# **Attachment B**

## **Reimbursement Agreement**

# **Attachment C**

## **Site Plan**



# **Attachment D**

## **Housing Study**



# Battle Creek Housing Action Plan

March 2024

# Table of Contents

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Executive Summary	4
Introduction	13
Housing Market Conditions	17
Existing and Future Housing Needs	40
Housing Gaps	81
Recommendations	92
Appendix	127

## ACKNOWLEDGEMENTS

The Battle Creek Housing Action Plan is the result of a collaborative effort between the City of Battle Creek, Battle Creek Unlimited, the W.K. Kellogg Foundation, and various stakeholders.

We would like to thank the City staff members, housing service providers, housing developers, community members, and others who were instrumental to the development of the Battle Creek Housing Action Plan. The development of this Plan would not have been possible without the expertise and insights of the following individuals and entities:

### **City of Battle Creek**

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### **W.K. Kellogg Foundation**

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Jamie Schriener

### **Allen Edwin Homes**

Brian Farkas

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Evan McIntyre

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Krista Trout-Edwards

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### **Hinman Development Co.**

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Sonja Dean

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Mark Harmsen

### **Neighborhoods, Inc**

Whitney Wardell

### **New Level Sports Ministries**

Malik Goodwin  
Pastor Chris McCoy

### **Northern Initiatives**

Kellie Hoffman

### **Voces**

Jose Orozco

### **Washington Heights UMC**

Pastor Monique French



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# Executive Summary

## EXECUTIVE SUMMARY | BATTLE CREEK HOUSING MARKET CONDITIONS

Battle Creek's housing market is stagnant, lacking investment required to meet current and future needs.

Like many communities in Michigan and nationally, Battle Creek has housing challenges, exacerbated by COVID-19. Battle Creek's housing market conditions have only worsened in recent years, while some other southwestern Michigan communities have seen a revival. **Future population and economic growth in Battle Creek depends on the availability of quality, affordable housing to sustain current and attract future residents.**

**-1,100**

**decline in residents  
since 1990**

### **STAGNANT POPULATION**

**GROWTH.** Battle Creek is not capturing regional growth. Since 1990, Kalamazoo and Calhoun Counties combined experienced 10% population growth, but Battle Creek's population declined by 2%.

**75%**

**of homes built  
before 1980**

**AGING HOUSING STOCK.** While housing options across many typologies are affordable, many homes in Battle Creek are aging and may require significant and costly improvements.

**77%**

**Median household income in  
Battle Creek compared to region**

**LOWER HOUSEHOLD INCOMES.** Household incomes in Battle Creek have consistently trailed that of neighboring communities, challenging the financial feasibility of new housing development and investments. As a result, housing developers pursue opportunities elsewhere in the region.

See pages 17-39 of this report for more details on these figures.

## EXECUTIVE SUMMARY | HOUSING GAPS IN BATTLE CREEK

Housing development barriers, capacity constraints, and program misalignments are the city's greatest housing challenges.

The City of Battle Creek and its partners have recently made progress to enhance housing development and investment, but gaps continue to hamper Battle Creek's housing market.

**11.5%**

**Annual increase in construction material costs since 2021**

### **DEVELOPMENT BARRIERS.**

Emerging development trends such as rising construction costs and interest rates, combined with lower achievable rents and sales prices compared to the region, exacerbate feasibility challenges for housing development and investment in Battle Creek.

**0**

**Active high-performing housing non-profits in Battle Creek**

**CAPACITY CONSTRAINTS.** A lack of high-performing housing organizations in the market<sup>[1]</sup> and constrained local resources have prevented the City and providers from sustaining or expanding existing housing programs and services.

**0**

**LIHTC projects in Battle Creek since 2013**

### **PROGRAM MISALIGNMENT.**

Local, state, and federal housing programs do not fully address Battle Creek's housing needs. Developers and housing service providers have indicated ongoing challenges with accessing state and federal resources.

See pages 81-91 of this report for more details on these figures.

[1] Findings from Battle Creek Housing and Community Development Ecosystem Assessment (2019)

[2] LIHTC award allocations as of October 2023

## EXECUTIVE SUMMARY | BLUEOVAL PLANT

In February 2023, Ford announced plans to develop BlueOval Battery Park Michigan. The \$2.5 billion plant is anticipated to bring 1,700 new jobs to the Battle Creek region.

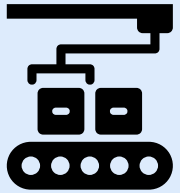


**1,700**

Direct Jobs created  
at BlueOval Plant

**2,040**

Additional indirect and  
induced Jobs created



**2026**

Factory will begin producing  
LFP battery cells



**\$2.5B**

Ford Capital Investment



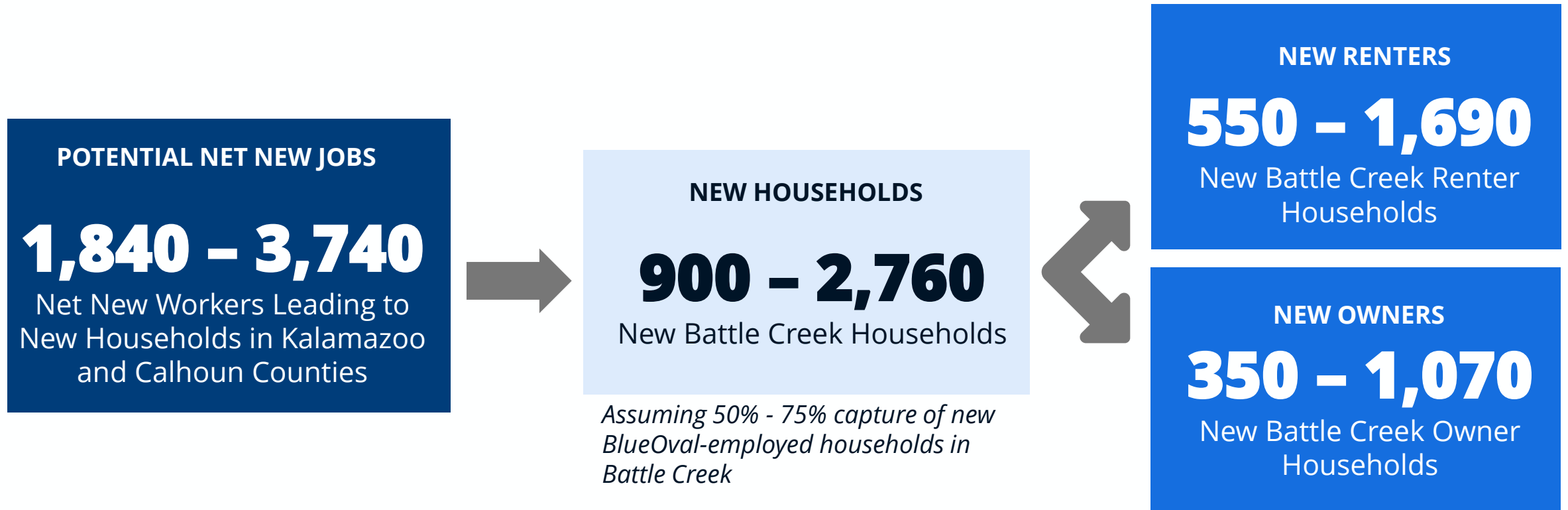
**20**

Gigawatt hours plant capacity



## EXECUTIVE SUMMARY | BLUEOVAL NEW HOUSING DEMAND

Battle Creek can increase its population and economic base by attracting BlueOval employees and other new workers to the city.



See pages 44-46 of this report for more details on this estimate.

## EXECUTIVE SUMMARY | HOUSING MARKET PRESSURES

This housing action plan aims to address Battle Creek’s existing and future housing market pressures.

BlueOval and other future economic investments can be a vital asset for Battle Creek’s population and economic growth. **However, the city’s existing housing market could hinder this growth if future workers from are unable to access quality, affordable housing.** Additionally, the influx of BlueOval workers could create further strains on Battle Creek’s housing market by intensifying displacement of long-term, lower income residents.

### INCREASED HOUSING MARKET PRESSURES

**~1,540  
Households**

#### For-Sale Housing Market

in the market to buy in Battle Creek at **\$238,000**, the price affordable to the average BlueOval household when including current and added BlueOval demand

**2,800  
Rental Unit  
Deficit**

#### Rental Housing Pressures

for households **making over \$60,000**. This deficit will occur because of added new BlueOval households and existing need for quality rental housing.

See pages 40-50 of this report for more details on these figures.

[1] Housing gap projections based on ACS data; actual housing gap subject likely to change following publication of Battle Creek Housing Action Plan.

### ADDITIONAL HOUSING CHALLENGES

#### Neighborhood Change and Displacement

Unchecked population growth could cause rapid population growth in neighborhoods which are **already facing gentrification challenges.**



Neighborhoods such as Washington Heights, a historically Black neighborhood near downtown Battle Creek, **could face further neighborhood change which displaces long-term residents.**

## EXECUTIVE SUMMARY | CALL TO ACTION

Battle Creek could experience continued population loss and economic decline if its housing challenges are not addressed.

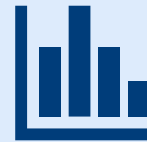
As BlueOval and other new economic drivers come into the region, the City and its partners must ensure that Battle Creek can accommodate new household growth while addressing its existing housing needs. Inaction will further contribute to population decline and stunted economic activity as prospective employers seek alternate markets that can accommodate employee housing needs. This lack of growth would expound disinvestment and social harms that the city is already facing, such as increasing rates of poverty, homelessness, and an eroding tax base.



**POPULATION  
DECLINE**



**ERODING  
TAX BASE**



**JOB LOSS &  
STUNTED ECONOMIC  
ACTIVITY**



**INCREASING RATES  
OF POVERTY &  
HOMELESSNESS**

**The City of Battle Creek and its partners are facing an inflection point in combating its housing challenges while accommodating economic growth.** By addressing its ongoing and future housing needs, the City and its partners can position itself to meet the housing needs of existing Battle Creek residents and prospective BlueOval employees while establishing Battle Creek as an attractive destination for future residents.

## EXECUTIVE SUMMARY | PRIORITY PROGRAMS

The City and its partners can leverage existing programs and efforts to scale up programs that address Battle Creek's most pressing housing concerns.

### Land Use & Regulatory Tools



1. Update the City's existing zoning code to support infill housing typologies.



2. Adopt pre-approved development plans.

### Development Feasibility Tools

#### Sources



1. Create a **housing trust fund**.



2. Establish a **revolving loan fund**.



#### Uses



1. Establish an **emerging developer fund**.



2. Expand existing single-family rehab & repair programs to include a **funding pool for larger-scale projects**.



3. Expand and refine existing **down payment assistance programs**.



4. Create a **community land trust**.

## EXECUTIVE SUMMARY | ILLUSTRATIVE FUNDING SCENARIO FOR HOUSING TRUST FUND

A \$10 million funding commitment for affordable housing over the next five years could provide rental housing or homeownership opportunities for 70 households per year.

If \$10 million were allocated to address Battle Creek’s housing needs in the near-term, approximately \$4 million (40%) could be allocated towards capitalizing the revolving loan fund. The remaining funding (\$6 million) could be allocated towards providing grants and forgivable loans to supporting other priority programs, including expanding down payment assistance programs, establishing a community land trust, and creating a single-family rehab program to supplement existing state and federal resources.

### Potential Five-Year Impacts of Local Spending on Affordable Housing

**\$10 million**

Total local funding required to incorporate all priority recommendations

**\$23**

Per capita allocated annually

<b>\$6 million</b> Grants and Forgivable Loans	<b>\$4 million</b> Revolving Loan Fund
<p><b>Sample Allocation:</b></p> <ul style="list-style-type: none"> <li>• <b>DPA Program (20%)</b> <i>10 new homeowners/year</i></li> <li>• <b>Community Land Trust (45%)</b> <i>6 new homeowners/year</i></li> <li>• <b>Single-Family Rehab Program (35%)</b> <i>5 rehabbed homes/year</i></li> </ul>	<p><b>Projected Impacts:</b></p> <ul style="list-style-type: none"> <li>• 40 – 50 new homes per year or one apartment project (infill or larger-site) per year</li> </ul>

See pages 115-117 of this report for more details on these estimates.

[1] Projected funding impacts assumes up to \$20,000 per home through revolving loan fund (tax credit and non-tax credit projects); up to \$20,000 per prospective homebuyer for down-payment assistance program, up to \$75,000 per home for community land trust; up to \$70,000 per home for single-family rehabilitation program.

[2] Funding projections assume 3% annual escalation in funding and 10% allocation towards staffing and administration costs.



# 01

# Introduction

## BATTLE CREEK HOUSING CHALLENGES

Existing market challenges and incoming economic investments requires Battle Creek to implement an actionable plan to address its housing challenges.

### EXISTING HOUSING CHALLENGES

Battle Creek's existing housing supply is aging and requires significant reinvestment, **limiting Battle Creek's ability to capture population and economic growth**. Furthermore, there are limited quality housing options for residents in Battle Creek, ranging from lower- and moderate-income households to higher-income earners.

In recent years, the City of Battle Creek and its partners have pursued housing development and rehabilitation opportunities to increase the quality of its housing stock. However, **limited capacity from local developers and service providers** and **disinvestment from state and federal entities** have hampered Battle Creek's ability to revamp its housing stock and grow its population and economic base.

### FUTURE HOUSING NEEDS

In February 2023, Ford Motor Company announced plans to develop the BlueOval Battery Park Michigan in nearby Marshall. The Plant is currently projected to bring up to 1,700 new jobs to start with additional phases and suppliers adding additional employees to the region.

This new growth can help address Battle Creek's housing challenges but **without interventions from the City and its partners, future job growth in Battle Creek, including BlueOval, can exacerbate local and regional housing challenges**.

## STATE AND NATIONAL HOUSING CHALLENGES

Battle Creek is experiencing housing challenges shared with many communities in Michigan and across the United States.

Since the beginning of COVID-19, the nation’s housing landscape has shifted drastically. Households across the country are facing numerous challenges with finding quality, attainable housing, including an undersupply of housing, aging and disinvested housing stock, rising housing cost burdens, and an inability to access homeownership

These challenges threaten the ability of communities to accommodate housing demand, which can impact local and regional economic growth. Furthermore, housing instability can also harm the physical, mental, and financial well-being of households and community members.

NATIONAL HOUSING TRENDS		MICHIGAN HOUSING TRENDS	
<b>Over 4+ million</b>	Estimated shortage in homes for U.S households	<b>16%</b>	Decline in construction jobs since the early 2000s
<b>40 Years</b>	Median age of U.S. homes	<b>47%</b>	of homes built before 1970
<b>16%</b>	U.S households who are “severely housing cost-burdened” <sup>[1]</sup>	<b>26%</b>	Michigan households who are “housing cost-burdened” <sup>[1]</sup>
<b>\$117,000</b>	Median income required to afford homeownership costs	<b>\$173,300</b>	Median home sales price in 2021, an increase of 84% since 2013

[1] Cost burdened households spend more than 30% of income on housing; severely housing cost-burdened households spend over 50% of income on housing

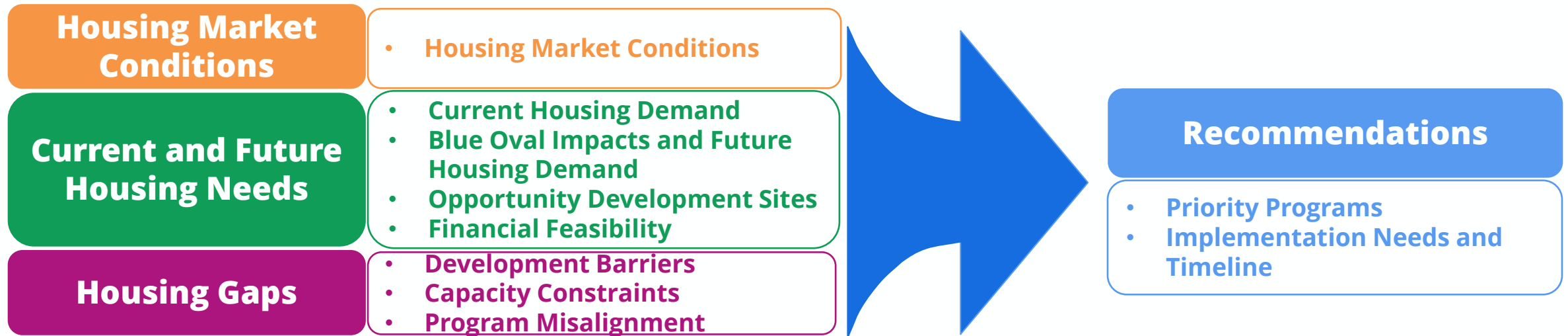
Source: Brookings Institute, Harvard University’s Joint Center for Housing Studies, MSHDA

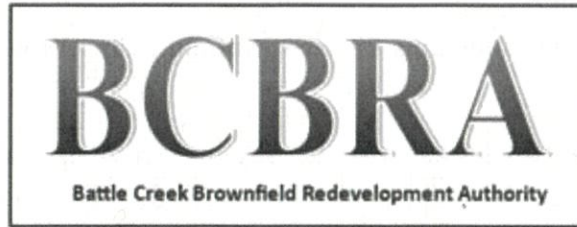
## HOUSING ACTION PLAN PURPOSE

This plan identifies priority programs and implementation steps for the City and its partners to pursue to address Battle Creek’s most pressing housing needs.

The Battle Creek Housing Action Plan first analyzes the housing market conditions of Battle Creek’s housing stock and its residents. This analysis also projects the current housing needs of Battle Creek residents and future housing needs with the opening of BlueOval. The Plan then identifies the current gaps in Battle Creek’s housing market.

After reviewing the local housing ecosystem and housing programs, the Plan then identifies housing programs that the City and its partners should prioritize, as well as outlines implementation needs and timelines to follow in preparation for the arrival of the BlueOval plant.





**RESOLUTION TO RECOMMEND APPROVAL OF THE BROWNFIELD PLAN FOR THE FIELDS AT BATTLE CREEK AND AUTHORIZE EXECUTION OF A REIMBURSEMENT AGREEMENT.**

Resolution No. [03-18-26]

At a regular meeting of the Battle Creek Brownfield Redevelopment Authority (BCBRA) Board of Directors held in the Battle Creek Unlimited Board Room at the Frederick R. Brydges Custom Cargo Center at 4950 W Dickman Road, Suite 1, Battle Creek 49037 on May 18, 2026, at 3:00 PM.

PRESENT: Steve Claywell, Travis Grimsley, Justin Hodge, Jennifer Rosa, Alana White, Amanda Zimmerlin

ABSENT: Tha Par, Tino Smith, Shannon Visger, Jeremy Wilson, and Jason Woodard

MOTION BY: Justin Hodge

SUPPORTED BY: Amanda Zimmerlin

**WHEREAS**, the Battle Creek Brownfield Redevelopment Authority (the “Authority” or “BCBRA”), pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the “Act”), has prepared a Brownfield Plan (the “Plan”) for the redevelopment of property located within the jurisdictional boundaries of the Authority, commonly known as The Fields at Battle Creek, consisting of one (1) parcel totaling approximately 13.12 acres located at 15105 S. Helmer Road, Battle Creek, Michigan (the “Property”); and

**WHEREAS**, the Property is considered “eligible property” as defined under the Act based on its classification as “Housing Property” pursuant to Section 2(y) of the Act; and

**WHEREAS**, the BCBRA has, in accordance with the Act, published for public review and otherwise provided notice to and fully informed all affected taxing jurisdictions and interested persons (the “Interested Persons”) of the fiscal and economic implications of the proposed Plan and has provided a reasonable opportunity for those Interested Persons to express their views and be heard at the public hearing, in accordance with Sections 14(4) and 14(5) of the Act; and

**WHEREAS**, the BCBRA has made the following determinations and findings:

4. Authorization to Execute Reimbursement Agreement. The BCBRA's Administrator is hereby authorized and directed to execute the Reimbursement Agreement on behalf of the BCBRA, and to take any and all actions necessary or desirable to implement the terms of the Agreement and the Plan..
5. Severability. Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part declared to be invalid.
6. Repealer. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.
7. Effective Date. This Resolution shall take effect immediately upon adoption.

UPON A VOTE FOR THE ADOPTION OF SAID RESOLUTION, THE VOTE WAS:

AYES: Steve Claywell, Travis Grimsley, Justin Hodge, Jennifer Rosa, Alana White,

Amanda Zimmerlin

NAYES: NONE

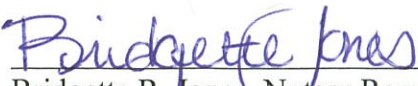
ABSTAINED: NONE

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN                    )  
  )ss.  
COUNTY OF CALHOUN                )

I, the undersigned, the duly qualified and acting Public Notary of the County of Calhoun, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Battle Creek Brownfield Redevelopment Authority Board of Directors at a regular meeting held on the 18th day of May, 2026, the original of which resolution is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 267 of the Michigan Public Acts of 1976, including the case of a special or rescheduled meeting, notice by posting at least 18 hours prior to the time set for said meeting.

IT WITNESS WHEREOF, I have hereunto set my official signature, this 18th day of May, 2026.

  
Bridgette R. Jones, Notary Republic  
Calhoun County, Michigan



BRIDGETTE JONES  
My Commission Expires  
August 11, 2031  
County of Calhoun  
Acting in the County of Calhoun

### Action Item #3

#### Act 381 Brownfield Plan and Reimbursement Agreement (Resolution)

The Fields at Battle Creek

##### General Background:

Developer GLC Multi BC, LLC, with support from brownfield consultant Michigan Growth Advisors, has proposed an Act 381 Brownfield Plan for the redevelopment of one parcel totaling approximately 13.12 acres located within the City of Battle Creek at 15105 S. Helmer Road.

The proposed development includes the construction of 240 multi-family residential units across multiple buildings, including associated amenities such as a clubhouse, pool, and open space. The development will include 48 income-restricted units (20% of total units) at 100% AMI, anticipated to remain income-restricted for a period of 20 years.

The total capital investment is estimated to be approximately \$48.9 million, with construction anticipated to begin in Fall 2026 and occur over an approximately 2-year buildout period.

The property is considered “eligible property” under Act 381 based on its classification as “Housing Property”, as defined in Section 2(y) of the Act, due to the proposed construction of residential housing units.

##### Housing Need:

###### 2024 HR&A Study:

- As identified in the 2024 HR&A Battle Creek Housing Action Plan, the City of Battle Creek currently faces a significant housing shortage, including an estimated 1,200 unit rental supply deficit for households earning above 80% AMI.
- In addition, anticipated job growth associated with the Ford BlueOval Battery Park project in Marshall is expected to generate demand for an additional 2,800 housing units over the next five years, including both rental and owner occupied housing.
- The City’s housing stock is aging, with a limited supply of newer multi-family housing options.

The proposed The Fields at Battle Creek development directly responds to these identified housing needs by introducing a large-scale, market-rate multi-family development with a component of income-restricted units, expanding housing options and increasing density within the City.

Eligible Costs:

EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
<b>Department Specific Activities Sub-Total</b>	\$ 5,000	
<i>Environmental Site Assessments</i>	\$ 5,000	
<b>EGLE Eligible Activities Sub-Total</b>	\$ 5,000	
MSHDA Housing Development Activities Costs and Schedule		
MSHDA Eligible Activities	Cost	Completion Season/Year
<b>Demolition Sub-Total</b>	\$ 211,200	Fall 2028
<i>Building Demolition</i>	\$ 211,200	
<b>Infrastructure Sub-Total</b>	\$ 2,957,529	Fall 2028
<i>Curbs and Gutters</i>	\$ 215,809	
<i>Landscaping</i>	\$ 521,400	
<i>Street Lighting</i>	\$ 165,000	
<i>Roads</i>	\$ 806,150	
<i>Sanitary Sewer</i>	\$ 226,875	
<i>Sidewalks</i>	\$ 297,945	
<i>Storm Water Systems</i>	\$ 343,750	
<i>Water Mains</i>	\$ 357,500	
<i>EV Charging</i>	\$ 23,100	
<b>Site Preparation Sub-Total</b>	\$ 1,314,500	Fall 2028
<i>Cut and Fill</i>	\$ 539,000	
<i>Grading</i>	\$ 627,000	
<i>Staking</i>	\$ 148,500	
<b>Affordable Housing Financing Gap</b>	\$ 13,429,440	
<b>Brownfield Plan/Act 381 Work Plan</b>	\$ 20,000	Spring 2026
<b>Brownfield Plan Implementation</b>	\$ 50,000	
<b>MSHDA Eligible Activities Sub-Total</b>	\$ 17,982,669	
<b>Contingency (15%)</b>	\$ 672,484	
<b>Interest</b>	\$ 3,975,782	
<b>Total Brownfield Eligible Activities</b>	\$ 22,635,936	

**Capture:**

The duration of the Brownfield Plan is anticipated to be up to 30 years, inclusive of tax increment revenue (TIR) capture for reimbursement of eligible activities, followed by up to 5 years of additional capture dedicated to the Local Brownfield Revolving Fund (LBRF), as permitted under Act 381. The total amount of eligible activities under the Plan is estimated at approximately \$22.6 million, including interest.

Of the total tax increment revenues anticipated to be captured over the life of the Plan:

- Approximately \$18.7 million represents eligible activity costs (exclusive of interest)
- Approximately \$4.0 million represents interest on unreimbursed eligible activities
- Approximately \$1.25 million is anticipated to be captured by the State Brownfield Redevelopment Fund
- Approximately \$2.0 million is anticipated to be captured by the BCBRA for administrative and implementation costs
- Approximately \$4.7 million is anticipated to be captured and deposited into the Local Brownfield Revolving Fund (LBRF)

Actual reimbursement amounts are dependent on construction timing, taxable value growth, and submission and approval of eligible cost documentation in accordance with Act 381 and the approved Brownfield Plan.

**Outcomes:**

- 240 new multi-family residential units constructed
- 48 income-restricted units (20%) at 100% AMI for a 20-year affordability period
- Approximately \$48.9 million in new private investment
- New residential density supporting regional job growth and housing demand
- Diversification of the City's housing stock with modern multi-family product
- New site infrastructure including roads, utilities, stormwater management, and site improvements
- Long-term contribution to the City's tax base
- Capture to the Local Brownfield Revolving Fund, State Brownfield Redevelopment Fund, and BCBRA administrative expenses over the life of the plan

**Staff Reimbursement Agreement Review:**

Staff has reviewed a draft Development and Reimbursement Agreement between the BCBRA and GLC Multi BC, LLC. The agreement establishes how eligible project costs may be reimbursed using tax increment revenues generated by the development, consistent with the approved Brownfield Plan and Act 381.

- Reimbursement is limited solely to available tax increment revenues generated by the development and does not constitute a general obligation of the BCBRA or the City.

- Developer reimbursement is contingent upon submission and approval of eligible cost documentation in accordance with the Brownfield Plan, Act 381, and BCBRA reimbursement procedures.
- The development will maintain 48 income restricted residential units (20% of total units) at 100% AMI for a minimum 20-year affordability period.
- The Developer is required to annually provide income and rent documentation and reporting pursuant to ACT 381 reporting requirements under MCL 125.2666(7) and (9).
- The agreement authorizes reimbursement of approved eligible activities, including housing development activities, from captured tax increment revenues generated by the project.

Staff and legal counsel will continue to review and finalize the agreement prior to execution to ensure consistency with the approved Brownfield Plan and Act 381 requirements.

**Staff Recommendation:**

***\*\*\*Approve the attached resolution recommending City Commission approval of The Fields at Battle Creek Act 381 Brownfield Plan and authorizing staff to finalize and execute the Brownfield Plan Reimbursement Agreement.\*\*\****



**Resolution No: 417**  
City Commission Meeting 6/16/2026

417 - A Resolution seeking authorization for the City Manager to enter into a Purchase Agreement and all other documents necessary to purchase a vacant portion of parcel number 52-3560-00-013-0, commonly known as 165 N. Washington Street, from Bronson Battle Creek Hospital for \$150,000.00.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Marcel Stoetzel, Deputy City Attorney

**Department:** City Attorney's Office

**Summary**

**RESOLUTION NO. 417**

**Resolved by the Commission of the City of Battle Creek:**

That Section 12.1 of the Charter of the City of Battle Creek authorizes the City to purchase real property for valid public purposes and the City believes it is in its best interest to do so in this instance.

The City Manager is authorized to execute a purchase agreement for a vacant portion of parcel number 52-3560-00-013-0 in the City of Battle Creek, Calhoun County, from Bronson Battle Creek Hospital for \$150,000.00 pursuant to the terms and conditions of the attached Purchase Agreement, or one with substantially similar terms, that has been approved by the City Attorney, and is also authorized to execute any other documents necessary to effectuate this purchase as set out in the agreement.

**Budgetary Considerations**

The City will pay the \$150,000 for this property from G/L 406.906.4360.971010.

**History, Background and Discussion**

Acquisition of this 1.76 acre vacant portion of a larger parcel is sought for future public purpose of a fire station and is in the best interest of the City.

**Positions**

The City Manager supports this Resolution.

**Attachments**

- 1. Purchase Agreement - Bronson - CBC Purchase Agreement - Bronson - CBC.pdf

## REAL ESTATE SALE AGREEMENT

THIS REAL ESTATE SALE AGREEMENT ("**Agreement**") has been made as of the Effective Date (defined below), by Bronson Battle Creek Hospital, a Michigan nonprofit corporation, of 2825 Airview Boulevard, Kalamazoo, Michigan 49002 ("**Seller**"), and the City of Battle Creek, a Michigan municipal corporation, of \_\_\_\_\_ ("**Buyer**").

Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, on the terms and subject to the conditions set forth in this Agreement, part of that parcel of real estate commonly known as 165 Washington Street, Battle Creek, Michigan, consisting of approximately 1.76 acres as depicted on **Exhibit A-1** together with all improvements, fixtures, easements, hereditaments and appurtenances associated with that real estate (collectively, "**Property**"). The larger parcel of property of which the Premises are a part is legally described on the attached **Exhibit A-2**. There are no land divisions being transferred to Buyer as part of this transaction. The purchase and sale transaction provided for in this Agreement is sometimes referred to as the "**Purchase**."

As part of the Purchase transaction, Seller and Buyer entered into a Letter Agreement dated May 29, 2026 to allow Buyer to have access to the Property before this Agreement was signed (the "**Letter Agreement**"). The terms and conditions of the Letter Agreement are incorporated into this Agreement by reference.

1. **Purchase Price.** The purchase price for the Property shall be One Hundred Fifty Thousand and 00/100 U.S. Dollars (\$150,000.00) ("**Purchase Price**"), payable at Closing (as defined below) by bank money order, cashier's check, or wire transfer of immediately available funds.

2. **Deposit.** As evidence of good faith and to bind this Agreement, Buyer shall immediately deposit the sum of One Thousand and 00/100 U.S. Dollars (U.S. \$1,000.00) ("**Deposit**") in escrow with Sun Title Agency, of 6850 Stadium Drive, Suite B, Kalamazoo, Michigan 49009 ("**Escrow Agent**"). The Deposit will not be deposited in an interest bearing account. Seller may rescind this Agreement at any time before Escrow Agent receives the Deposit, by notice to Buyer, in which case neither Seller nor Buyer shall have any further liability to the other under this Agreement except under provisions of this Agreement that specifically survive its termination. If the Purchase is closed, the Deposit shall be applied to the Purchase Price at Closing.

3. **Title; Survey.**

(a) Seller agrees to convey good and marketable title to the Property to Buyer by a covenant deed ("**Deed**"), subject to easements, restrictions, interests and reservations of record, taxes and assessments not yet due and payable, and any matters that would be shown by an accurate land title survey prepared in accordance with the latest standards approved by the American Land Title Association and the National Society of Professional Surveyors ("**ALTA/NSPS**") (collectively, the "**Permitted Exceptions**"). Within twenty

(20) days after the Effective Date, as evidence of Seller's title to the Property, Seller shall at Seller's expense furnish Buyer with a commitment ("**Title Commitment**") to issue an owner's title insurance policy insuring Buyer in the amount of the Purchase Price. The Title Commitment must show that Seller or any vendor of Seller has good and marketable title to the Property subject to the Permitted Exceptions. Buyer shall bear the cost of any lender's policy of title insurance purchased in connection with the Purchase as well as the cost of any requested endorsements.

(b) Buyer shall obtain and provide to Seller a survey of the Property which locates the boundaries of the Premises, all improvements to the Property, any easements or rights of way affecting or benefiting the Property and any encroachments across the boundaries of the Property ("**Survey**"). The Survey shall be performed at Buyer's expense within thirty (30) days after the Effective Date. The Survey shall be performed in accordance with the current standards for an ALTA/NSPS land title survey and shall be certified to Seller, Buyer, Buyer's lender, if any, and the Escrow Agent insuring the transaction, pursuant to a form of certification reasonably satisfactory to Seller. The Survey shall also include any requirements of the land division application in order to obtain land division approval so that the Premises can be its own parcel. This includes, without limitation, a legal description for the Premises and for the remainder parcel. Before submission for land division approval, Buyer shall provide the materials to Seller for review. If the parties are unable to agree on the boundaries of the Premises, then this Agreement will terminate, the Deposit shall be returned to Buyer and the parties shall have no further obligations to each other. The cost of the land division, including any application fee, shall be Buyer's cost.

(c) Buyer has thirty (30) days from the Effective Date to approve or object to the condition of the title as disclosed on the Title Commitment and Survey for the Property. Buyer will be deemed to have waived any objection if not made within the thirty (30) day period and all documents described in the Title Commitment and Survey shall be deemed Permitted Exceptions. If Buyer gives Seller proper written notice of its objections then the Seller shall have until the Closing to remedy the defect. If Seller is unable to remedy the title objections within the specified time then Buyer may waive its objection and proceed to Closing in which case such exceptions shall be deemed Permitted Exceptions, or Buyer, as Buyer's sole remedy for Seller's refusal or inability to remedy the title objection, may exercise Buyer's Termination Remedy (defined below). "**Termination Remedy**" means that the party entitled to the remedy may terminate this Agreement by notice to the other party, in which case the Deposit shall be returned to Buyer, and neither party shall have any further liability to the other under this Agreement except under provisions of this Agreement that specifically survive its termination.

4. **Inspections.** Buyer represents and warrants to Seller that Buyer has had the opportunity to inspect the entire Property to Buyer's satisfaction. Buyer acknowledges that the Property may require repairs or maintenance and Buyer agrees to accept the Property in its present "AS IS" condition, with no warranties concerning its condition or permitted use.

## 5. Environmental Matters.

(a) Prior to Closing, Buyer may, at its expense, conduct an environmental assessment of the Property in one or more phases, including the procurement and analysis of samples of soil, groundwater, soil vapor, indoor air, or any other environmental medium, and any building component or other material located at the Premises. The entire environmental assessment, including the generation of any reports or follow-up procedures, shall be completed within the time period noted at the beginning of this Paragraph. Seller shall provide reasonable access and information to Buyer and otherwise reasonably cooperate with Buyer in the environmental assessment. If requested by Seller, Buyer shall provide copies of all environmental assessment reports, whether in draft or final form, and all related data it receives from its environmental consultant(s) to Seller within 48 hours of its receipt. If any environmental condition is disclosed by the environmental assessment that is unacceptable to Buyer, then, as Buyer's sole remedy, Buyer shall have five (5) days from the date it receives the disclosure to terminate this Agreement, in which case the Termination Remedy shall apply. If Buyer shall fail to complete any environmental investigations or terminate this Agreement within the time periods provided, Buyer shall be considered to have waived any objection to the environmental condition of the Property.

(b) Buyer acknowledges that Seller has advised Buyer pursuant to MCL 324.20116(1) that Seller has knowledge or information or is on notice through a recorded instrument that the Property is a "facility" within the meaning of MCL 324.20101(o). Seller has provided, or prior to the Closing shall provide, to Buyer with documentation within its possession or under its control which relates to the nature and extent of hazardous substances at the Property that qualify the Property as a "facility", to the extent the nature and extent are known to Seller. A listing of the documentation provided to Buyer is attached to this Agreement as **Exhibit B**. By proceeding to closing on the Property, Buyer acknowledges that it has received and reviewed the documentation provided in Exhibit B.

(c) Buyer is a sophisticated purchaser of real estate, and acknowledges that it has had the opportunity to investigate all matters of interest pertinent to the Property, including, without limitation, its environmental condition and history. Buyer shall bear all responsibility and liability that is or may be asserted, claimed or determined in respect of the Property after the Closing from any cause, regardless of whether the responsibility and liability arose or might have arisen, or was or might have been caused by acts or omissions occurring, before Closing. Buyer hereby releases Seller from all responsibility, claims, obligations, and liability arising from or associated with (i) the presence or release of any hazardous substance or solid or hazardous waste (as those terms are defined in applicable federal and state environmental protection laws and regulations, including, without limitation, petroleum and its derivatives, polychlorinated biphenyls, radon gas, urea formaldehyde foam insulation, per- and polyfluoroalkyl substances and asbestos relating to the Property; and (ii) any environmental matters associated with or arising from the condition or use of the Property prior to, on or after the Closing. This release shall survive the closing indefinitely.

6. **Confidentiality; Indemnity.** All information obtained by Buyer or Buyer's agents, employees, or contractors ("**Buyer's Agents**") from Seller or Seller's agents, employees, or contractors, or by reason of any inspection of the Property by Buyer or Buyer's Agents, including, but not limited to, any data, surveys, written reports, field notes, and drawings resulting from any inspection, survey, test or other inquiry (collectively, "**Confidential Information**"), shall be held strictly confidential by Buyer and Buyer's Agents, subject only to mandatory disclosure pursuant to legal process. All inspections and tests performed on the Property by Buyer or Buyer's Agents shall be conducted in compliance with all federal, state, and local laws, orders, regulations, and ordinances. Buyer shall indemnify and hold Seller harmless from any and all claims, actions, losses, liabilities, or damages resulting from any activity on the Property by Buyer or Buyer's Agents or any unauthorized disclosure of any Confidential Information. If this Agreement is terminated for any reason, (a) Buyer shall promptly deliver to Seller all Confidential Information and all copies of the Confidential Information, (b) Buyer and Buyer's Agents shall have no further interest in the Confidential Information, and (c) Seller and Seller's assignees shall own and be entitled to utilize the Confidential Information in any manner, and no assignment or transfer document shall be required, this Agreement acting in lieu of any otherwise required or appropriate assignment or transfer document. The obligations of Buyer under this Paragraph shall survive the Closing and any termination of this Agreement.

7. **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller that (a) Buyer has all necessary power and authority to enter into and perform this Agreement; (b) Buyer has taken all necessary action to approve, execute, deliver, and perform this Agreement, and this Agreement is the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms; (c) no judgment is outstanding against Buyer and no litigation, action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Buyer, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing; (d) no insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Buyer or any of Buyer's assets or properties, is now or on the Closing Date will be pending or, to the knowledge of Buyer, threatened; (e) Buyer will have sufficient funds to close the Purchase on the Closing Date; and (f) Buyer, nor any person or party that owns or is controlled by Buyer, is not in violation of any laws relating to terrorism or money laundering, is not a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control; that Buyer is not listed in the annex to, and is not otherwise subject to the provisions of, Executive Order No. 13224 ("**Executive Order**"); and that Buyer is not acting on behalf of any person or entity that is listed in the annex to, or is otherwise subject to the provisions, of the Executive Order.]

8. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that (a) upon receipt of CEO Council approval, Seller has all necessary power and authority to enter into and perform this Agreement; (b) upon receipt of CEO Council approval, Seller has taken all necessary action to approve, execute, deliver, and perform this Agreement and the Purchase, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms; (c) no judgment is outstanding against Seller and no litigation,

action, suit, judgment, proceeding, or investigation is pending or outstanding before any forum, court, or governmental body, department or agency or, to the knowledge of Seller, threatened, that has the stated purpose or the probable effect of enjoining or preventing the Closing; and (d) no insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary, affecting Seller or any of Seller's assets or properties, is now or on the Closing Date will be pending or, to the knowledge of Seller, threatened.

9. **Closing.** The closing ("**Closing**") shall take place after all contingencies have been satisfied and all the necessary documents have been prepared on a date ("**Closing Date**") and at a location specified by Seller on at least five (5) days' advance notice, but no later than July 31, 2026. At the Closing: (a) Seller shall execute and deliver to Buyer a covenant deed for the Property, which shall be subject to the exceptions to title noted above, even if not expressly stated in the deed; (b) Seller shall pay the real estate transfer taxes; (c) Buyer shall pay to Seller the Purchase Price, less the Deposit, and shall pay the recording fee for the deed; and (d) each party shall sign a closing statement setting forth the transaction; and (e) all other documents that may be reasonably necessary to evidence the transaction. Each party shall be responsible for its own attorney fees and shall share equally any closing and escrow fee charged by a title company closing the transaction.

10. **Possession.** Buyer shall have possession of the Property immediately following the Closing although the parties acknowledge that Buyer has access to the Property on the date of this Agreement pursuant to a Letter Agreement dated May 29, 2026.

11. **Taxes and Assessments.** Seller shall pay all real estate property taxes and installments of special assessments with respect to the Property that first become due and payable (or in the case of special assessments, a lien on the Property) on or before the Closing Date, prorated as provided below. Taxes and assessments shall be prorated to the Closing Date on a calendar year basis for the twelve (12) month period constituting the year in which they first are billed and become due and payable. Buyer shall be responsible for all other taxes and assessments, including, without limitation, deferred installments not yet payable of special assessments that are a lien on the Property.

12. **Default.** If either party defaults in its obligations so that the Purchase is not closed, then the non-defaulting party may terminate this Agreement by notice to the defaulting party, the Deposit shall be paid to Buyer as liquidated damages if the Seller is in default or paid to Seller if Buyer is in default, as the case may be, and neither party shall have any further liability to the other except under provisions of this Agreement that specifically survive its termination. Alternatively, either party may elect to have specific performance of this Agreement or claim against the defaulting party for actual damages.

13. **Condemnation; Fire; Other Casualty.** Seller shall promptly notify Buyer of any impending or actual condemnation proceedings against the Property or any portion of the Property of which Seller has actual notice or any fire or other casualty to the Property. Following any one of these events, Buyer shall take the Property at Closing in its then-current condition and shall be

entitled to receive all of the condemnation or insurance proceeds attributable to the Property payable as a result of the condemnation or damage.

14. **Miscellaneous.**

(a) Each party agrees and represents to the other that no broker is involved in this transaction who is entitled to a commission. If a broker makes a claim for remuneration in connection with this transaction, each party shall indemnify and hold harmless the other from any amount that the other may be required to pay to a broker that the other did not retain, including, without limitation, the legal costs and reasonable attorney fees expended to defend against the claim. The provisions of this paragraph shall survive the Closing.

(b) This Agreement and the other documents referenced in this Agreement (including without limitation the Letter Agreement) embody the entire agreement and understanding between the parties to this Agreement with respect to the subject matter of this Agreement and supersede all prior oral or written agreements and understandings relating to the subject matter of this Agreement. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

(c) Each party to this Agreement acknowledges and agrees that: (i) such party and the party's counsel have reviewed and negotiated, or have had the opportunity to review and negotiate, the terms and provisions of this Agreement and have contributed to its review and revision; (ii) any rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be used to interpret this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to all parties to this Agreement and not in favor of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

(d) This Agreement shall bind and benefit Seller and Buyer and their respective successors and assigns. Buyer may not assign this Agreement without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion.

(e) Time is of the essence of this Agreement. If the date for Closing, for the delivery of a document, or for giving of a notice falls on a Saturday, Sunday, or bank holiday, then it shall be automatically deferred to the next day that is not a Saturday, Sunday, or bank holiday.

(f) Seller and Buyer recognize that the law firm of Warner Norcross + Judd LLP ("**Legal Counsel**") is representing the Seller in the Purchase. Buyer has either hired independent legal counsel or knowingly elected not to hire independent counsel to represent it in the transaction contemplated by this Agreement. Seller may, at its option, engage Legal Counsel to prepare additional documents necessary to the Closing of this transaction.

(g) All notices, requests, consents and other communications under this Agreement must be in writing, shall be addressed to the receiving party's address set forth below or to any other address a party may designate by notice under this Agreement, and shall be either (i) delivered by hand, (ii) sent by electronic mail, and mailed promptly by first-class mail, (iii) sent by nationally recognized overnight courier, or (iv) sent by certified mail, postage prepaid:

If to Seller to:

Bronson Battle Creek Hospital  
601 John Street, Box 9  
Kalamazoo, MI 49007  
Telephone: 269-341-7044  
E-mail: [Millikeg@bronsonhg.org](mailto:Millikeg@bronsonhg.org)  
Attention: Greg Milliken

With a copy to:

Warner Norcross + Judd LLP  
180 E. Water Street, Suite 7000  
Kalamazoo, MI 49007  
Telephone: 269-276-8117  
Email: [Rfoster@wnj.com](mailto:Rfoster@wnj.com)  
Attention: Rachel J. Foster

If to Buyer to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Attention: \_\_\_\_\_

All notices, requests, consents and other communications under this Agreement shall be deemed to have been given either (i) if by hand, at the time of the delivery of the notice to the receiving party, (ii) if by electronic mail, at the time that the electronic mail has been

acknowledged by electronic confirmation or otherwise, or if no confirmation is received, on the fifth (5<sup>th</sup>) day following the day a hard copy of the transmission is mailed by first-class mail (iii) if by overnight courier, on the next business day following the day the notice is delivered to the courier service, or (iv) if by certified mail, on the fifth (5<sup>th</sup>) business day following the day of the mailing. Any party, by notice to the other parties to this Agreement, may designate additional or different addresses for subsequent notices or communications.

(h) Nothing in this Agreement shall be construed to create any rights or obligations except between the parties to this Agreement, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

(i) The terms and provisions of this Agreement may be waived, or consent for the departure from the terms and provisions may be granted, only by written document executed by the parties. No waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

(j) This Agreement and the rights and obligations of the parties under this Agreement shall be governed and interpreted by Michigan law, without giving effect to the conflict of law principles of the state of Michigan.

(k) Any legal action or proceeding with respect to this Agreement shall be brought in the courts of Kalamazoo County, Michigan, if original jurisdiction can be established, or of the United States of America for the Western District of Michigan. By execution and delivery of this Agreement, each of the parties to this Agreement accepts for the party and in respect of the party's property, generally and unconditionally, the personal and subject matter jurisdiction of the courts designated above, but the acceptance shall be only for any claims or proceedings relating to this Agreement. Each of the parties agrees that Kalamazoo County is a mutually convenient forum and that the party conducts business or owns property in Kalamazoo County. Each of the parties to this Agreement irrevocably consents to the service of process of any of the courts designated above in any action or proceeding by the mailing of copies of the service of process by certified mail, postage prepaid, to the party at its address set forth in the notice provision of this Agreement.

(l) In the event that any court of competent jurisdiction shall determine that any provision, or any portion of a provision, contained in this Agreement shall be unenforceable in any respect, then the provision shall be deemed limited to the extent that the court deems it enforceable, and as so limited shall remain in full force and effect. In the event that the court shall deem any provision, or portion of any provision, wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

(m) The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify or affect the meaning or construction of any of the terms or provisions of this Agreement.

(n) All representations, warranties and covenants made in this Agreement by Buyer or in any other agreement, certificate or instrument provided for or contemplated by this Agreement, shall survive (i) the closing of the transaction contemplated by this Agreement, and (ii) any investigations made by or on behalf of Seller. No claim shall be made by any party for any alleged misrepresentation or breach of warranty by the other party unless notice for the claim shall have been given to the other party in accordance with the notice provisions of this Agreement.

(o) Except as otherwise specifically set forth in this Agreement, each party shall pay the party's respective fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by the party) in connection with the preparation or enforcement of, or of any requests for consents or waivers under, this Agreement, including any amendments or waivers to this Agreement.

(p) This Agreement may be signed in one or more counterparts, and by different parties to this Agreement on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Faxed signatures, or scanned and electronically transmitted signatures, on this Agreement or any notice delivered pursuant to this Agreement, shall be deemed to have the same legal effect as original signatures.

(q) Seller will not be deemed to be in default or otherwise responsible for delays or failures in performance resulting from acts of God; acts of war or civil disturbance; governmental action or inaction; fires; earthquakes; or other causes beyond Seller's reasonable control.

(r) Seller will obtain approval from its CEO Council for the sale of the Property to Buyer within thirty (30) days of the Effective Date of this Agreement. If approval is not obtained, this Agreement will terminate, the Deposit will be refunded to Buyer, and neither party shall have any obligation to the other except for any matters that survive termination of the Agreement, including any matters contained in the Letter Agreement.

Seller and Buyer have signed or caused this Real Estate Sale Agreement to be signed by their duly authorized representatives as of the date(s) set forth opposite their signatures. The date of the last signature shall be the "**Effective Date.**"

BRONSON BATTLE CREEK HOSPITAL

Dated: \_\_\_\_\_

\_\_\_\_\_  
By:  
Its:

**Seller**

CITY OF BATTLE CREEK

Dated: \_\_\_\_\_

\_\_\_\_\_  
By:  
Its:

**Buyer**

34378215-3

**EXHIBIT A-1**

**Depiction of the Property**



## EXHIBIT A-2

### DESCRIPTION OF PARCEL A:

W. WASHINGTON ST.  
THAT PART OF THE NORTHWEST 1/4 OF SECTION 1, TOWN 2 SOUTH, RANGE 8 WEST, CITY OF BATTLE CREEK, CALHOUN COUNTY, MICHIGAN DESCRIBED AS COMMENCING AT POINT "1" OF GRAVES 2ND ADDITION TO BATTLE CREEK, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN LIBER 4 OF PLATS, ON PAGE 43, IN THE OFFICE OF THE REGISTER OF DEEDS FOR CALHOUN COUNTY, MICHIGAN, ALSO BEING THE NORTHEAST CORNER OF LOT 9 OF SAID PLAT; THENCE NORTH 89°35' EAST, 378.97 FEET ALONG THE SOUTH LINE OF ANN AVENUE TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 89°35' EAST, 251.78 FEET TO THE WEST LINE OF WASHINGTON STREET; THENCE SOUTH 01°16'17" EAST, 232.65 FEET ALONG SAID WEST LINE; THENCE SOUTH 02°21'47" EAST, 64.55 FEET ALONG SAID WEST LINE; THENCE SOUTH 87°30'03" WEST, 257.63 FEET; THENCE NORTH 00°24'52" WEST, 306.50 FEET TO THE POINT OF BEGINNING. CONTAINING 1.76 ACRES OF LAND, MORE OR LESS.

The property address and tax parcel number listed below are provided solely for informational purposes, without warranty as to accuracy or completeness. If the information listed below is inconsistent in any way with the legal description listed above, the legal description listed above shall control.

Part of Property Address: 165 N. Washington, Battle Creek, Michigan 49037

Part of Tax Parcel No.: 3560-00-013-0

**EXHIBIT B**

**Notice of Facility**

THIS NOTICE OF FACILITY STATUS ("**Notice**") is given on June \_\_\_\_, 2026 by Bronson Battle Creek Hospital ("**Seller**"). Pursuant to Section 16(1) of Part 201 of the Michigan Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* ("**Part 201**"), City of Battle Creek ("**Buyer**") is notified that the property commonly known as part of 165 N. Washington, Battle Creek, Michigan 49037 and legally described on **Exhibit A** ("**Property**") attached to this Notice, is a "facility" within the meaning of Section 1(s) of Part 201. The information known to Seller regarding the general nature and extent of the release(s) that qualifies the Property as a "**facility**" is set forth in one or more of the documents referenced in Table 1 attached hereto. By closing on the purchase of the Property, Buyer acknowledges that: 1) it has received the documents set forth in Table 1; 2) it has had the opportunity to review those documents; 3) is satisfied with the condition of the Property; and 4) Seller has complied with its obligation under state and federal law to notify Buyer of the environmental condition of the Property.

Bronson Battle Creek Hospital

\_\_\_\_\_  
By:

Its:\_\_\_\_\_

**Seller**

Received and Acknowledged by Buyer:

Dated: June \_\_\_\_, 2026

City of Battle Creek

\_\_\_\_\_  
By:

Its:\_\_\_\_\_

**Buyer**

**EXHIBIT A**

[insert legal description of property]

Table 1  
Environmental Documents Disclosed to Buyer

DOCUMENT	AUTHOR	DATE



**Resolution No: 418**  
City Commission Meeting 6/16/2026

418 - A Resolution authorizing the City Manager to execute a Comprehensive Transition Agreement between the City of Battle Creek and the Transportation Authority of Calhoun County.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** William Kim, City Attorney

**Department:** City Attorney's Office

**Summary**

**RESOLUTION NO. 418**

**Resolved by the Commission of the City of Battle Creek:**

That the City Manager is authorized to sign the attached Comprehensive Transition Agreement with the Transportation Authority of Calhoun County, and any other necessary documents, or one in substantially similar form as may be approved by the City Attorney.

**Budgetary Considerations**

The City will receive \$250,000.00 and be relieved of various costs, liabilities, and operational commitments that would have otherwise been incurred if the City were to continue to operate a transit system.

**History, Background and Discussion**

The City currently operates Battle Creek Transit ("BCT"), a public transportation system serving the Battle Creek area. The Transportation Authority of Calhoun County ("TACC") is a Michigan regional transportation authority created under Act 196 of 1986 to assume and expand public transportation services in Calhoun County. On September 7, 2023, the Calhoun County Board of Commissioners voted to establish TACC as the countywide public transportation authority.

The City and TACC have entered into a TACC–City Support Services Agreement, effective October 1, 2025, pursuant to which the City has been providing administrative, managerial,

operational, and other support services related to the Transit System, until July 1, 2026, the projected Spin-off Date.

The City and the TACC desire to transition the Transit System from the City to the TACC, including the transfer of assets used in connection with the Transit System, the assignment of certain contracts and rights, the lease and transfer of certain Real Property, and the transition of operations to the TACC. This proposed Transition Agreement sets forth the conditions under which the City will transfer the various assets of Battle Creek Transit to the TACC. If approved, beginning on July 1, 2026, the TACC will become solely responsible for its operations and expenses and the City shall be relieved of various costs, liabilities, and operational commitments, as set forth in the proposed agreement.

The proposed agreement has been negotiated between City and TACC staff and is in substantially complete, except for the contents of the various exhibits referenced in the proposed agreement, and contains the following terms:

- **Transaction Structure:** The parties agree to act in good faith and use commercially reasonable efforts to transfer from the City to TACC all assets, employees, records, and intangible property relating to or used in connection with the public transit system.
- **Transferred Assets:** The transferred assets will include all tangible and fixed assets, intangible rights, contractual rights, financial and commercial rights, software and licenses, books and records, and employee benefits (limited to those legally required to be transferred), in each case used or allocated for use by the City in connection with public transportation services.
- **Real Property:**
  - **Licensed Property:** TACC will receive a license to use the Battle Creek Transportation Center’s employee break room and restrooms.
  - **Conveyed Property:** The City will convey the following properties to TACC via warranty deed:
    - 339 West Michigan Avenue, Battle Creek, MI 49017
    - 20 Cass Street, Battle Creek, MI 49017
    - 345 West Michigan Avenue, Battle Creek, MI 49037
    - 120 McCamly Street, Battle Creek, MI 49017
  - **Easements:** The City will grant easements to TACC in order for TACC to repair, maintain, and replace public transportation infrastructure such as bus shelters and signage located in the City’s right-of-way or other City-owned property. ]
- **Consideration for Transaction:** The TACC shall pay the City \$250,000.00 at closing. This excludes the value of any assets acquired through federal and state grant funding and which remain subject to various conditions and restrictions.
- **Records Transfer:** The parties will work together in good faith to transition all records and data used in connection with the public transit system from the City to TACC. The transfer will include but is not limited to:
  - Electronic files, data, and records
  - Physical data and records
  - Phone and fax numbers
- **Free Exchange and Access of Information and Inspection:** Each Party will permit the

other Party and its respective representatives reasonable access, during normal business hours and upon reasonable advance notice, to such Party's properties, facilities, information, systems, technology, infrastructure, and personnel as may be reasonably necessary to facilitate the smooth transfer of transportation services, employees, and assets from the City to TACC. TACC may conduct customary inspections and review documentation and records related to the real property to be transferred.

- **Representations and Warranties:** The Agreement includes customary representations and warranties of the Parties related to organization, authority, conflicts, condition of assets, title of assets, licenses, liabilities, permits, financial status and matters, legal proceedings, assigned contracts, intangible rights, operation of transit system, misstatements and omissions, and insurance.
- **Employment Matters:**
  - The City will provide a list of all employees and employment information within ten days of execution of the Agreement.
  - The City will provide all relevant documentation pertaining to the employee plans, benefits, and union.
  - Where applicable, the City will work with TACC and MERS to transition employee retirement plan assets from City plans to TACC plans as may be permitted under MERS regulations.
  - The City will remain responsible for all employee-related matters arising or occurring prior to the Spin-Off date, except for grievances under the collective bargaining agreements. TACC will assume responsibility and become the real party in interest for such grievances arising before or after the Spin-Off date.
- **Process and Timing:** The parties agree to use commercially reasonable efforts and to dedicate appropriate resources to consummate the transaction before July 1, 2026.

## Positions

Staff recommends approval.

## Attachments

1. 2026.06.10 TACC COBC Comp Trans2026.06.10 TACC COBC Comp Trans  
Agmt Agmt.pdf

**COMPREHENSIVE TRANSITION AGREEMENT**

**BY AND AMONG**

**CITY OF BATTLE CREEK,**

**AND**

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY a/k/a RIDE CALHOUN**

**EFFECTIVE DATE OF [●]**

## TABLE OF CONTENTS

1. Transfer of Assets; Assumed and Retained Liabilities .....	2
2. Real Property .....	4
3. Consideration; Taxes; Prorations .....	6
4. Closing Matters.....	7
5. Representations and Warranties of the City.....	9
6. Representations and Warranties of the TACC.....	13
7. Labor and Employment Matters .....	13
8. Transit Operations Pending the Closing .....	17
9. Data Transfer, Migration, and Records Transition .....	17
10. Conditions Precedent to Closing.....	19
11. Indemnification .....	20
12. Default and Remedies .....	21
13. General Provisions .....	21
14. Rules of Interpretation .....	24
15. Definitions.....	25

## COMPREHENSIVE TRANSITION AGREEMENT

**THIS COMPREHENSIVE TRANSITION AGREEMENT** (“Agreement”) is made and entered into as of [DATE], by and among the City of Battle Creek, a Michigan municipal corporation, whose address is 10 North Division Street, Battle Creek, Michigan 49014 (the “City”), and Transportation Authority of Calhoun County a/k/a Ride Calhoun, a Michigan regional transportation authority, whose address is 4950 West Dickman Road, Suite B2, Battle Creek, Michigan 49037 (the “TACC”). The City and the TACC are each referred to herein as a “Party” and collectively as the “Parties”.

### **Recitals**

- A.** The City currently owns and operates the public transportation system known as Battle Creek Transit (“Transit System”);
- B.** The TACC is a Michigan regional transportation authority established pursuant to Michigan’s Public Transportation Authority Act, Act 196 of 1986, for the purpose of assuming, coordinating, and expanding the public transportation services historically provided by the City;
- C.** The Parties have entered into that certain TACC–City Support Services Agreement, effective October 1, 2025, pursuant to which the City has been providing, and will continue to provide on a transitional basis, administrative, managerial, operational, and other support services related to the Transit System, until July 1, 2026, the Spin-off Date;
- D.** The Parties desire to transition the Transit System from the City to the TACC, including the transfer of assets used in connection with the Transit System, the assignment of certain contracts and rights, the lease and transfer of certain Real Property, and the transition of operations to the TACC; and
- E.** The Parties have obtained, or will obtain, all consents, approvals, authorizations, and governmental actions required to implement the transactions contemplated by this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **1. TRANSFER OF ASSETS; ASSUMED AND RETAINED LIABILITIES**

1.1 Transferred Assets. At the Closing (as defined in Section 4.1), the City shall transfer, assign, convey, and deliver to the TACC, and the TACC shall accept and acquire from the

City, all of the assets described in this Section 1.1 (the “Transferred Assets”), except for the assets identified in Section 1.2 (the “Excluded Assets”). The Transferred Assets include:

(a) *Tangible Property/ Fixed Assets.* Buses, vehicles, machinery, equipment, tools, furniture, fixtures, inventory, leasehold improvements, Any and all passenger shelters on regular used routes throughout service area. and all related warranties; **Exhibit 1.1(a)**;

(b) *Intangible Rights.* All intangible property used in connection with the Transit System, including trade names, trademarks, service marks, copyrights, patents, patent applications, telephone and facsimile numbers, transit specific software rights, proprietary information, know-how, and associated goodwill; **Exhibit 1.1(b)**;

(c) *Assigned Contracts.* The City’s rights under contracts related to the Transit System, including leases of Transferred Assets, service agreements, employment-related agreements designated for assignment, grant-related agreements, and all contracts listed on **Exhibit 1.1(c)**, to the extent assignable and/or separable;

(d) *Financial and Commercial Rights.* Deposits, security deposits, prepaid expenses, accounts receivable, other rights to payment, and any related claims or remedies;

(e) *Software and Licenses.* Transit System-related software, data, and software licenses held by the City. Specifically, Trapeze/Tripspark and Genfare/GFI; **Exhibit 1.1(e)**.

(f) *Books and Records.* Upon request, copies of all books, records, and data of the Transit System or relating to in any form, physical, electronic or otherwise, including but not limited to financial, grant, personnel (to the extent permitted by law), maintenance, ridership, procurement, vendor, customer, technical, operational, and administrative records. The City must maintain records for at least three (3) years after the transfer, to respond to Federal Transit Administration’s triannual review. Any penalty, or liability associated with the City’s failure to maintain Transit System records, will be borne by the City, and the TACC shall be held harmless; and

(g) *Employee Benefit Assets for Transferred Employees.* Any assets the Parties are legally required to transfer in connection with Transferred Employees, consistent with Section 7.

1.2 Excluded Assets. The Transferred Assets do not include:

(a) Any assets, whether or not in cash, set aside or held by the City for retiree benefits of City Retirees, including pension, health, or life insurance assets; and

(b) Any other asset, right, or property of the City that is not expressly identified as a Transferred Asset in Section 1.1 or otherwise agreed to in writing by the Parties to be transferred to the TACC.

1.3 Assumed and Retained Liabilities.

(a) TACC will assume only the following liabilities of the City (the “Assumed Liabilities”):

(1) Obligations arising solely from and after the Effective Time in the ordinary course of operating the Transferred Assets or the Transit System; and

(2) Any additional liabilities expressly assumed by the TACC in a written instrument delivered at the Closing.

(b) The City shall retain all liabilities other than the Assumed Liabilities (the “Retained Liabilities”). Retained Liabilities include, without limitation, those:

(1) Relating to retirement or post-employment benefits for City Retirees;

(2) Arising from acts, omissions, ownership, or operations before the Effective Time;

(3) Under any contract not expressly assumed by the TACC; and

(4) For axes, environmental matters, employee retirement benefit plans, or employee matters, including, without limitation, payroll, workers’ compensation, unemployment benefits or other employee or retiree obligations relating to the Transit System or the Transferred Assets before the Effective Time.

(5) All grants that were in the City’s name prior to the Spin-off date.

1.4 Workers’ Compensation. The City shall maintain workers’ compensation coverage for Transit System employees until they become Transferred Employees, which the Parties anticipate will occur on or about July 1, 2026, unless otherwise agreed in writing.

## 2. REAL PROPERTY

2.1 Licensed Property. At the Closing, the City shall grant TACC the right for its bus drivers to use the employee break room and restroom facilities located in the Battle Creek Transportation Center (“Licensed Property”). The City and the TACC shall execute the license agreement attached hereto as Exhibit 2.1 (the “License Agreement”) at Closing. The City represents that it holds good and marketable title to the Licensed Property.

2.2 Transferred Real Property. At the Closing, the City and the TACC shall execute a purchase agreement in the form attached hereto as **Exhibit 2.2.1** for each of the Transferred Real Property (defined below) (each, a “Real Estate Purchase Agreement”). Each Real Estate Purchase Agreement shall provide for the conveyance of the City’s right, title, and interest in the Transferred Real Property to the TACC. The City represents that it holds good and marketable title to the Transferred Real Property, free and clear of all Liens except those disclosed in **Exhibit 2.2.2**.

The Parties intend that title to the following City-owned Real Property will be conveyed to the TACC by warranty deed at Closing (together, the “Transferred Real Property”):

(a) Administration Building, 339 West Michigan Avenue, Battle Creek, MI 49017; Maintenance Shop, 20 Cass Street, Battle Creek, MI 49017; and Vehicle Storage Garage, 345 West Michigan Avenue, Battle Creek, MI 49037; all located upon Parcel No. 0256-00-050-0; and

(b) BCT Bus Transfer Station, 120 McCamly Street, Battle Creek, MI 49017; located upon Parcel No. 0390-00-075-1; Legal descriptions for the foregoing parcels shall be included in **Exhibit 2.2.2**.

2.3 Easement for Transit Infrastructure. The City (i) shall grant the TACC an easement to maintain, repair, and replace signage, bus shelters, and other improvements related to the operation of the Transit System (the “Transit Infrastructure”) located on City property or within street rights-of-way and other public areas under the City’s jurisdiction, and (ii) to the extent any Transit Infrastructure is located on private property, shall cause such property owner(s) (each, a “Property Owner”) to grant an easement to TACC to maintain, repair and replace such Transit Infrastructure. The City represents and warrants that the Transit Infrastructure is located on the property described on the attached **Exhibit 2.3.1**. Any easement(s) granted pursuant to this Section 2.3 shall be in a form and substance substantially similar to the easement agreement attached hereto as **Exhibit 2.3.2** (“Easement Agreement”).

2.4 Inspections.

(a) *Real Property Inspection.* The TACC may inspect the Real Property in order to evaluate its physical, legal, environmental, and infrastructural condition and suitability for TACC’s intended use, including, but not limited to, the confirmation of:

- (1) Zoning compliance;
- (2) Environmental conditions appropriate for transit operations;
- (3) Adequate and sufficient roads, water, sanitary sewer, storm drainage, and other infrastructure and utilities; and
- (4) Absence of pending or threatened condemnation.

(b) The TACC shall use best efforts to promptly notify the City of any condition discovered during inspection.

(c) *Records Inspection.* The TACC may inspect the City's Real Property records relating to any of the following, but not limited to:

(1) All building permits, certificates of occupancy, wetlands, and fill permits, zoning variances and approvals, and soil and environmental reports;

(2) All existing surveys;

(3) All site, "as-built," architectural, and engineering plans and specifications for all improvements;

(4) Any notices with respect to the Real Property that the City received from any governmental agency within the last five years; and

(5) All inspections, engineering reports or similar reports.

(d) *Costs; Restoration.* The TACC shall bear the cost of its inspections and shall repair any damage caused by its inspections.

### **3. CONSIDERATION; TAXES; PRORATIONS**

3.1 Consideration. As consideration for the transfer of the Transferred Assets, the TACC shall pay the City TWO-HUNDRED AND FIFTY THOUSAND DOLLARS [\$250,000.00] **U.S. DOLLARS** at the Closing, in immediately available funds or in such other manner as the Parties agree in writing.

3.2 Transfer Taxes. The City shall be responsible for any transfer taxes or similar charges imposed on the transfer of the Transferred Assets, if any.

3.3 Prorations.

(a) *General Rule.* Prepaid expenses relating to the Transit System, including rent, utilities, with the exception of water or sewer, service charges, and similar items, shall be prorated as of the Closing Date.

(b) *City's Responsibility.* The City shall be responsible for all amounts allocable to periods through and including the Closing Date.

(c) *Estimated Amounts.* If final meter readings or other proration figures are not available at Closing, the Parties shall prorate such items based on reasonable estimates and make prompt post-Closing adjustments when final information becomes available.

(d) *Final Readings.* The City shall obtain or cause to be obtained all final utility meter readings as of the Closing Date.

(e) *TACC's Responsibility.* The TACC shall be responsible for setting up its own utility accounts for transferred facilities under its name.

#### 4. CLOSING MATTERS

4.1 Closing; Effective Time. The closing of the transactions contemplated by this Agreement (“Closing”) shall take place on a date, at a time, and at a location agreed upon by the Parties. The transfers of assets and the assumption of liabilities described in this Agreement shall be effective as of 12:01 a.m. on the Closing Date (the “Effective Time”), or at such other time as the Parties may agree in writing. The Closing may occur in one or more steps as determined by the Parties. The TACC and the City shall each take all actions reasonably necessary to complete the Closing in an orderly and timely manner.

4.2 Actions to be Taken at the Closing at or before closing the following actions and deliveries shall occur:

(a) *Mutual Deliveries.* The City and the TACC shall each execute and deliver:

(1) A License Agreement in an approved form for the Licensed Property described in Exhibit 2.1;

(2) Real Estate Purchase Agreements in an approved form for the Transferred Real Property described in Exhibit 2.2.1;

(3) A copy of the TACC–City Support Services Agreement, dated October 1, 2025, which the Parties acknowledge has already been executed and is attached as Exhibit 4.2(a)(3);

(4) An Assignment of Intangible Rights in substantially the form attached as Exhibit 4.2(a)(4);

(5) Assignments of all Assigned Contracts listed in Exhibit 1.1(c), together with all required consents substantially in the form attached as Exhibit 4.2(a)(5);

(6) All written approvals, authorizations, and governmental filings required under this Agreement and applicable law; and

(7) All other documents, certificates, instruments, and agreements required by this Agreement or reasonably requested by the other Party to effectuate the transactions contemplated herein.

(b) *City Deliveries*. At or before the Closing, the City will also deliver to the TACC:

- (1) A Bill of Sale or the **Exhibit 4.2(b)** Transferred Assets;
- (2) An Assignment of Claims relating to the construction, maintenance, or repair of any portion of the Real Property;
- (3) Possession, custody, and control of all Transferred Assets;
- (4) All fully executed Required Consents, as identified in **Exhibit 5.1**;
- (5) Any Pending or Threatened Claims Disclosure, as identified in **Exhibit 5.3**, updated as of the Closing Date if necessary;
- (6) Any Permits and Licenses Disclosure, as identified in **Exhibit 5.6**, including originals where transferable or copies where not;
- (7) Financial Statements, as listed in **Exhibit 5.7**, together with any additional financial statements prepared prior to Closing;
- (8) Liabilities Schedule, as listed in **Exhibit 5.11**, updated as of the Closing Date if necessary;
- (9) Insurance Policies and Loss History, as described in **Exhibit 5.16**, including certificates of insurance for policies in force as of Closing;
- (10) Collective Bargaining Agreements, as listed in **Exhibit 7.1(b)**;
- (11) Labor Disputes Disclosure, as listed in **Exhibit 7.1(c)**, updated as of the Closing Date if necessary;
- (12) Employee Benefit Plan Documents, as listed in **Exhibit 7.1(d)**;
- (13) Favorable Determination Letters, as listed in **Exhibit 7.1(e)**;
- (14) Pension Participant and Benefit Information, as listed in **Exhibit 7.4**;
- (15) Sick/Annual Leave Bank Hours, as listed in **Exhibit 7.9**; and
- (16) A certificate executed by an authorized City representative stating that: (i) since the date of this Agreement, no material adverse change has occurred in the Transit System or the Transferred Assets; and (ii) all representations and warranties of the City are true and correct as of the Closing Date.

(c) *TACC Deliveries*. The TACC will also deliver to the City:

(1) The consideration required under Section 3.1;

(2) Executed grant novation instruments for all federal and state grants identified in **Exhibit 8.1**, to the extent required;

(3) A certificate executed by an authorized TACC representative stating that all of the TACC's representations and warranties are true and correct as of the Closing Date and that the TACC has satisfied all conditions required of it under this Agreement; and

(4) Any receipts, acknowledgments, or confirmations reasonably required to evidence the TACC's acceptance of the Transferred Assets and Closing deliverables.

## **5. REPRESENTATIONS AND WARRANTIES OF THE CITY**

The City represents and warrants to the TACC as follows:

5.1 **Organization; Authorization; No Conflicts**. The City is a home-rule municipal corporation duly organized and existing under Michigan's Home Rule Cities Act, Act 279 of 1909, and has full power and authority to:

(a) own, operate, and lease its properties;

(b) to conduct the business of the Transit System;

(c) to execute and deliver this Agreement; and

(d) to perform its obligations hereunder.

This Agreement has been duly authorized, executed, and delivered by the City and constitutes a valid and binding obligation of the City, enforceable in accordance with its terms. The execution, delivery, and performance of this Agreement by the City will not as to any matter subject to this Agreement:

(1) Breach the City's charter, ordinances, resolutions, or other governing instruments;

(2) Violate any applicable law;

(3) Violate any material agreement binding on the City, including obligations to any state or federal transit-funding source;

(4) Violate any judgment, order, or decree binding on the City;

- (5) Accelerate any indebtedness of the City; or
- (6) Create any lien on any of the Transferred Assets.

Except as identified in **Exhibit 5.1** or required under any Assigned Contract, no approval, filing, or notice to any governmental body or third party is required for the City to execute, deliver, or perform this Agreement.

5.2 Title and Condition of Transferred Assets. The City has good and marketable title to the Transferred Assets it owns, free and clear of all liens other than those disclosed in this Agreement or its exhibits. The Transferred Assets are in good operating condition, ordinary wear and tear excepted.

5.3 Claims; Litigation; Compliance with Laws. To the City's Knowledge, (a) no claims, actions, disputes, or proceedings relating to the Transit System are pending or threatened except as set forth in **Exhibit 5.3**; (b) the City is not subject to any governmental order, judgment, or decree relating to the Transit System or the Transferred Assets except as disclosed in that exhibit; and (c) the City has operated the Transit System in material compliance with applicable law.

5.4 Assigned Contracts. With respect to each of the Assigned Contracts:

(a) The City is not in default, no default has been asserted by any Party, and there has not occurred any event that, with the passage of time or giving of notice or both would constitute a default;

(b) Except as set forth on **Exhibit 1.1(c)**, (a) each Assigned Contract is assignable to the TACC and will be validly assigned to the TACC at Closing; (b) all required consents to each Assigned Contract will be obtained by the City before Closing; and (c) each Assigned Contract will be enforceable in accordance with its terms upon assignment to the TACC without any adverse condition or cost to the TACC; and

5.5 Intangible Rights.

(a) All Intangible Rights are the sole and exclusive property of the City;

(b) The Intangible Rights are sufficient to conduct the Transit System; and

(c) None of the Intangible Rights infringe, or are claimed to infringe, the rights of any third party.

5.6 Permits and Licenses. The City holds all permits, licenses, certificates, consents, and approvals required to own and operate the Transit System, all of which are listed in **Exhibit 5.6**. To the extent transferable, such approvals shall be transferred to the TACC at Closing.

5.7 Financial Statements. The City has provided the TACC with the Financial Statements listed in **Exhibit 5.7** as well as all additional financial statements of the Transit System prepared prior to Closing. All such statements were prepared in accordance with applicable accounting standards and fairly present the financial condition and results of operation of the Transit System.

5.8 No Material Adverse Changes. Since the date of the most recent Financial Statements provided to the TACC, no event that has occurred that has had, or is reasonably likely to have, a material adverse effect on the Transit System or the Transferred Assets.

5.9 Suppliers and Customers. To the best of the City's Knowledge, no supplier, customer, contractor, or service provider essential to the operation of the Transit System has indicated an intention to discontinue or materially alter its relationship with the Transit System.

5.10 Environmental Matters. The City has not received any claims or notices alleging liability related to the Transferred Assets or the Transit System under any environmental law. There are no environmental conditions currently existing that are reasonably likely to result in claims or liability relating to alleged violations of any environmental law.

5.11 No Undisclosed Liabilities. Except as set forth in **Exhibit 5.11**, the City has no liabilities that affect the Transit System or the Transferred Assets, nor is the City aware of facts likely to result in such liabilities in the future.

5.12 Conduct of Transit System. Since the date of the most recent Financial Statements provided to the TACC, the City has not:

- (a) Made any material change to its charter, ordinances, resolutions, or other governing provisions relating to the Transit System;
- (b) Operated the Transit System other than in the ordinary course of business;
- (c) Suffered any material loss, damage, or casualty affecting the Transit System;
- (d) Initiated or settled any litigation relating to the Transit System;
- (e) Changed any accounting method or practice relating (or suffered any deterioration in accounting controls) to the Transit System except as needed to implement new and/or updated Government Accounting Standards Board standards; or
- (f) Allowed any insurance coverage relating to the Transit System to lapse or materially diminish.

5.13 No Misstatements or Omissions. No representation or warranty made by the City in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make such statements not misleading.

5.14 No Subsidiaries. The City has no subsidiaries and does not own any equity, membership, or beneficial interest in any other entity in connection with the Transit System.

5.15 Solvency. The City is not insolvent, nor is any insolvency, receivership, bankruptcy, or similar proceeding pending or threatened affecting the operations of Transit System or the transfer contemplated under this Agreement. The execution, delivery, and performance of this Agreement will not render the City insolvent or constitute a fraudulent transfer.

5.16 Insurance. The City has delivered to the TACC copies of all liability, property, and loss insurance policies covering the Transit System for the current policy year and each of the preceding five policy years. **Exhibit 5.16** describes (i) any self-insurance arrangement by or affecting the City, including any reserves, and (ii) any arrangement, other than an insurance policy, for the transfer or sharing of any risk to which the City is a party or that involves the Transit System.

**Exhibit 5.16** also sets forth, for the current policy year and each of the preceding five policy years:

- (a) A summary of the loss experience under each applicable policy of insurance;
- (b) A statement describing each claim under any policy of insurance for an amount in excess of \$5,000; and
- (c) To the best of the City's ability, a statement describing the loss experience for all claims that were self-insured, including the number of such claims and their aggregate cost.

Except as disclosed in **Exhibit 5.16**:

- (d) All insurance policies to which the City is a party or that provide coverage to the City:
  - (1) are valid, outstanding, and enforceable;
  - (2) are issued by insurers that are financially sound and reputable;
  - (3) taken together, provide adequate insurance coverage for the Transferred Assets and the operation of the Transit System; and
  - (4) are sufficient for compliance with all applicable laws and contracts to which the City is a party;
- (e) The City has not received (a) any refusal of coverage or any notice that a defense will be provided under a reservation of rights, or (b) any notice of cancellation or

any other indication that any policy is no longer in full force or effect or that the insurer is unwilling or unable to perform its obligations;

(f) The City has paid all premiums due and has otherwise performed all obligations under each insurance policy to which it is a party or that provides coverage to it;

(g) The City has given timely notice to the applicable insurer of all claims that may be insured under such policies.

## **6. REPRESENTATIONS AND WARRANTIES OF THE TACC**

The TACC represents and warrants to the City as follows:

6.1 Organization; Authority. The TACC is a public transportation authority duly established and validly existing under the laws of the State of Michigan and has full power and authority to enter into this Agreement and to perform its obligations hereunder.

6.2 Authorization; Due Execution; No Conflicts. This Agreement has been duly authorized, executed, and delivered by the TACC and constitutes a valid and binding obligation of the TACC, enforceable in accordance with its terms.

6.3 No Conflicts. The execution, delivery, and performance of this Agreement by the TACC will not:

- (a) Breach or violate its organizational documents;
- (b) Violate any applicable law;
- (c) Violate or result in a default under any material agreement binding upon TACC; or
- (d) Violate any judgment, order, or decree binding upon the TACC.

6.4 No Additional Approvals Required. No consent, approval, filing, or notice to any governmental authority or third party is required for the TACC to execute, deliver, or perform this Agreement, except as expressly identified in this Agreement or any of its Exhibits.

## **7. LABOR AND EMPLOYMENT MATTERS**

7.1 Generally.

(a) Within ten (10) days after the execution of this Agreement, the City shall provide the TACC with a complete list of all Transit System employees, including each employee's name, position, wage rate, benefit elections, and date of hire.

(b) **Exhibit 7.1(b)** lists all collective bargaining agreements between the City and any union representing any Transit System Employee, as well as other agreements between the City and any Transit System Employee.

(c) To the best of City's Knowledge with respect to the Transit System, except as disclosed in **Exhibit 7.1(c)**, (i) there is no pending or threatened strike, slowdown, picketing, work stoppage or employee grievance process involving the City which would preclude it from entering this Agreement; (ii) that no basis exists for any work stoppage or other labor dispute; (iii) there is no organizational activity or other labor dispute against or affecting the City, or the Transit System; (iv) no application or petition for an election of or for certification of a collective bargaining agent is pending; (v) and there is no lockout of any employees by the City, and the City does not contemplate any lockout.

(d) **Exhibit 7.1(d)** lists all employment-related plans that are anticipated to be transferred to the TACC ("Plans" or "Plan") (including insurance) for Transit System Employees, including pension, profit sharing, retirement, bonuses, deferred compensation, severance, disability, group life, hospitalization, welfare benefits, or other employee benefit plan or arrangement or for funding of past services of employees. The City has paid all of its accrued obligations under (i) those Plans and (ii) as may be required to any trusts, funds, any governmental agency, and any employee with respect to unemployment compensation benefits, profit sharing, retirement benefits or social security benefits. The closing will not give rise to any liability under any of those Plans. As of the Spin-Off Date the TACC will become the real Party in interest in any pending grievance proceedings under applicable collective bargaining agreements between the City and the bargaining units representing any Transferred Employees. The City agrees to cooperate fully with the TACC on pending and future grievance proceedings which arise under the collective bargaining agreements in-place on the Spin-Off Date which govern Transferred Employees and TACC Employees.

## 7.2 Health Insurance for Active Employees.

(a) The City will be responsible for claims incurred by the Transferred Employees and their eligible dependents through the Spin-Off Date, even if those claims are submitted to the Health Insurance Plan after the Spin-Off Date. The TACC will be responsible for claims incurred by the Transferred Employees and their eligible dependents after the Spin-Off Date For purposes of this Agreement, health insurance claims shall be deemed to be incurred on the date services are actually rendered or items are supplied.

## 7.3 Retiree Health Care Benefits.

(a) The City will make medical, prescription drug, dental and vision insurance coverage available to current City Retirees and those who retire prior to the Spin-off date ,

and their eligible dependents under the City's Health Insurance Plan. The City will be responsible for claims incurred by the City Retirees and their eligible dependents even if those claims are submitted to the Health Insurance Plan after the closing. For purposes of this Agreement, health insurance claims shall be deemed to be incurred on the date services are actually rendered.

#### **7.4 Pension Benefits.**

(a) TACC will establish a new pension plan with the Municipal Employees' Retirement System of Michigan ("MERS") for the benefit of certain Transferred Employees (the "TACC MERS Pension Plan"), effective as of the Spin-Off Date. The Transferred Employees are currently assigned to employee division #HA, and employee division #1.

(1) The portion of the City's Retirement System attributable to such Transferred Employees shall be carved out and transferred to the TACC MERS Pension Plan pursuant to the Spin-Off Agreement prepared by MERS and agreed to by the parties (attached as Exhibit 7.4(b)), subject to the conditions set forth in this Section.

(2) Effective as of the Spin-Off Date, the City shall transfer to the TACC MERS Pension Plan the assets in the City's Retirement System that are allocated or attributable to the Transferred Employees, including any excess assets (overfunding) allocable to such division (the "Transit Division Plan Assets"). It is the intent of the parties that, with respect to each employee division, the transferred assets will be sufficient to fund one hundred percent (100%) of the accrued benefits of the Transferred Employees in that division, as determined by MERS as of the close of business on the Spin-Off Date. The parties shall share equally the cost of any actuarial reports required to perform the calculations described in this Section.

(3) If, for any reason, the assets transferred from the City's Retirement System to the TACC MERS Pension Plan for any employee division will be insufficient to fund 100% of the accrued benefits attributable to such employee division as of the Spin-Off date, and such funding deficiency, in TACC's sole discretion, cannot be remedied through additional contributions or other funding arrangements by the TACC, the portion of the City's Retirement System attributable to the Transferred Employees of such division shall not be carved out and transferred to the TACC MERS Pension Plan. In that event, TACC may elect to have only the assets and liabilities of those employee divisions that are at least 100% funded as of the Spin-Off Date carved out and transferred to the TACC MERS Pension Plan and the City shall retain full responsibility for all pension liabilities and benefits attributable to any employee division whose assets are not transferred to the TACC MERS Pension Plan.

(b) Effective as of the day after the Spin-Off Date, TACC will be solely responsible for providing pension and/or retirement benefits for all Transferred Employees for services performed after the Spin-Off Date. A list of the Transferred Employees and their accrued benefits, length of employment with the City, and vested status is attached as Exhibit 7.4(c).

(c) No later than thirty (30) days after the Spin Off Date, the TACC will take the steps necessary to adopt the provisions of the Reciprocal Retirement Act, being Public Act 88 of 1961, as amended, for the purpose of becoming a reciprocal unit under that Act. Notwithstanding any provision of this Agreement to the contrary, the TACC shall recognize the Transferred Employees' service with the City prior to the Spin-Off Date to the extent described in the Spin-off Agreement attached as Exhibit 7.4(b).

7.5 Deferred Compensation Plan.

(a) Effective as of the Spin-Off Date, the Transferred Employees' account balances in the City's deferred compensation plan, a Code Section 457(b) plan, shall be transferred in a trustee-to-trustee transfer to a separate eligible deferred compensation plan under Code Section 457(b) that will be established by TACC prior to the Spin-Off Date. After the transfer, the Code Section 457(b) plan established by the TACC shall be solely responsible for the amounts and benefits transferred to such plan.

(b) The account balances of any former employees of the Transit System who are not Transferred Employees will remain in the City's Code Section 457(b) deferred compensation plan.

7.6 Flexible Spending Accounts. There are no Flexible Spending Accounts to transfer.

7.7 Retiree Health Care Savings Plan. The TACC will establish a Retiree Health Care Savings Program under the Municipal Employees Retirement System of Michigan for the benefit of the Transferred Employees. The City will direct the Michigan Employees Retirement System to transfer each Transferred Employee's vested and unvested account in the Retiree Health Care Savings Program it has established under the Municipal Employees Retirement System of Michigan to the new program established by the TACC. The TACC will credit each Transferred Employee's service with the City, as of the Spin-off Date, for purposes of determining the Transferred Employee's vesting percentage in the contributions made by the City and the TACC to the account in the Retiree Health Care Savings Program established under the Municipal Employees Retirement System of Michigan for the benefit of the Transferred Employee.

7.8 Life Insurance. The TACC shall obtain life insurance coverage for the benefit of its employees, including the Transferred Employees. City coverage will cease as of the spin-off date.

7.9 Accrued Time Off Banks. The TACC shall recognize the accrued time off banks of the Transferred Employees. The City shall transmit to TACC a list of all accrued time off banks for each Transferred Employee as of the Spin-Off Date.

## **8. TRANSIT OPERATIONS PENDING THE CLOSING**

8.1 Conduct of Operations. From the date of this Agreement until the Closing, the City shall:

- (a) Operate the Transit System in the ordinary course and consistent with past practice;
- (b) Not take any action that would have required disclosure if taken before this Agreement;
- (c) Not take any action that would cause any of its representations or warranties to become untrue;
- (d) Promptly notify the TACC in writing if any representation or warranty becomes untrue;
- (e) Permit the TACC to inspect the Transit System, the Transferred Assets, and the Assumed Liabilities and shall cooperate with such inspections; and
- (f) Maintain fire and public liability insurance covering the Real Property in amounts reasonably satisfactory to the TACC, where (1) any policies maintained on a “claims-made” insurance basis shall remain in effect after Closing until all applicable limitation periods expire; and (2) if any damage occurs before Closing, the City shall repair it before the Closing Date.

8.2 Approvals. The City shall obtain all governmental and third-party consents required to consummate the transactions contemplated by this Agreement, including all consents required to assign the Assigned Contracts to the TACC.

8.3 Further Actions. Each Party shall take all actions reasonably necessary or appropriate, consistent with this Agreement and the related agreements, to complete the transactions contemplated by this Agreement.

## **9. DATA TRANSFER, MIGRATION, AND RECORDS TRANSITION**

9.1 Data Transfer and Migration. The City and the TACC shall cooperate to ensure an orderly transition of all data, records, and communication assets used in connection with the Transit System. As part of this obligation, the Parties agree as follows:

(a) *Transfer of Electronic Data.* The City shall provide the TACC, or otherwise make available upon request, copies of, or access to, all electronic data used in connection with the Transit System, including but not limited to operational data, financial and grant records, employee and contractor files (to the extent permitted by law), ridership information, service data, maintenance records, and all other electronic files pertaining to the Transit System or necessary for the TACC to operate the Transit System;

(b) *Transfer of Physical Records.* The City shall deliver to the TACC, or otherwise make available on request, all physical records relating to the Transit System that are reasonably necessary for continued operations, including but not limited to operational manuals, route books, procurement files, historical service records, maintenance binders, and other tangible materials;

(c) *Phone Numbers.* The City shall cooperate with TACC to transfer or migrate agreed-on City-owned phone numbers used by the Transit System or its employees, to the extent permitted by law. The Parties shall execute any documents reasonably required by their respective service providers to complete such transfer or migration. E-Mail addresses of Transferred Employees shall be set to auto-forward to designated TACC email addresses for a period of one (1) year after the Spin-Off Date;

(d) *File Migration and System Access.* The Parties shall collaborate to transfer or migrate files and data from City systems to the TACC systems in a commercially reasonable manner and shall coordinate the timing of such transfer or migration to minimize operational disruption. The City shall work with the TACC, and parties as approved by the TACC and acceptable to the City, to complete the transfer or migration of systems, including but not limited to the Transit file server,(referred to as “shared file F”) on or before the Spin-off date; See **Exhibit 9(d)** for additional electronic files.

(e) *Maintenance of Records and Data.* The City shall be responsible for the continued preservation and maintenance of all of its books, records, files, data, and systems, under this **Section 9.1** for at least three (3) years after the Spin-off date. After three years from the Spin-off date any books, records, files, data, and systems may be disposed of under applicable City policies or retention schedules;

(f) *Protection of Personal Information.* Each Party shall protect all personal identifying information and other sensitive data of employees, customers, and third parties in accordance with applicable law. The Parties shall ensure that any transfer, retention, or destruction of such data is completed securely and in a manner that does not compromise confidentiality;

(g) *Retention and Destruction.* Unless otherwise required by law, any data or records not transferred to the TACC and not required for the City’s retained obligations shall be destroyed or securely disposed of under applicable retention schedule(s). The Parties shall coordinate to confirm which records are required to be retained by the City for legal, historical, or grant-compliance purposes; and

(h) *Continuing Cooperation.* For a reasonable period, but not less than one year, following the Closing, the City shall cooperate with the TACC to address any data, file, or communication asset that was inadvertently omitted from the initial transfer or that requires additional support to complete migration. Each Party shall use reasonable efforts to respond to the other Party's requests regarding such information.

## 10. CONDITIONS PRECEDENT TO CLOSING

10.1 Conditions Precedent to the TACC's Obligations. The TACC's obligations to consummate the transactions contemplated by this Agreement are subject to the satisfaction, or written waiver by the TACC, of each of the following conditions:

(a) *Performance by the City.* The City shall have fully performed all of its obligations under this Agreement to be performed prior to the Closing;

(b) *Accuracy of Representations.* The City's representations and warranties shall be true and complete as of the Closing Date;

(c) *Satisfactory Inspections.* The TACC shall be satisfied, in its reasonable discretion, with its inspections of the Transit System, the Transferred Assets, and all financial, operational, and legal information provided or made available by the City;

(d) *Required Consents.* The City shall have delivered all consents, approvals, authorizations, and agreements necessary or desirable to complete the transactions, including: (1) all governmental approvals, authorizations, permits, and filings; and (2) all third-party consents required for the assignment of Assigned Contracts and continuation of material business relationships;

(e) *No Material Adverse Change.* The City shall not have incurred or been threatened with any material liability, adverse change, or casualty affecting the Transit System or the Transferred Assets;

(f) *Ordinary Course.* The Transit System shall have been operated only in the ordinary course of business from the date of this Agreement through the Closing;

(g) *Workers' Compensation Certification.* The City shall have provided to the TACC a statement from the Commissioner of the Bureau of Workers' and Unemployment Compensation certifying the status of the City's contribution liability under Section 15(g) of the Michigan Employment Security Act, MCLA 421.15(g), MSA 17.515(g);

(h) *Unemployment Tax Notice.* The City shall have executed and delivered to the TACC a Business Transferor's Notice to Transferee of Unemployment Tax Liability and Rate on Michigan Department of Labor and Economic Growth Form 1027;

(i) *Grant Novation.* The TACC shall have executed grant-novation agreements for each federal and state grant listed in **Exhibit 8.1**, to the extent required, with each novation to become effective upon the Closing; and

(j) *City Closing Certificate*. The City shall have delivered to the TACC a certificate stating that all conditions contained in this Section 9.1 have been satisfied.

10.2 Conditions Precedent of the City. The City's obligation to close is subject to its satisfaction of each the following:

- (a) The TACC has fully performed all of their obligations in this Agreement.
- (b) The TACC's representations are true and complete at closing.
- (c) The TACC shall have delivered to the City certificates that as of the closing all of the conditions set forth in this Section 10.2 have been satisfied.

## 11. INDEMNIFICATION

11.1 Indemnification by the City. To the extent permitted by law, the City shall indemnify and defend the TACC and its officers, employees, agents and representatives from and against any and all claims, demands, damages, losses, liabilities, fines, penalties, judgments, costs, and expenses (including reasonable attorney fees) arising out of:

- (a) the City's breach of any representation, warranty, covenant, or obligation under this Agreement; and
- (b) the City's acts or omissions relating to the Transferred Assets or the Transit System to the extent the facts giving rise to the liability occur before the Effective Time.

11.2 Indemnification by the TACC. To the extent permitted by law, the TACC shall indemnify and defend the City and its officers, employees, agents and representatives from and against any and all claims, demands, damages, losses, liabilities, fines, penalties, judgments, costs, and expenses (including reasonable attorney fees) arising out of:

- (a) the TACC's breach of any representation, warranty, covenant, or obligation under this Agreement; and
- (b) the TACC's acts or omissions relating to the Transferred Assets or the Transit System to the extent the facts giving rise to the liability occur after the Effective Time.

11.3 Procedure for Claims.

(a) *Notice*. The Party seeking indemnification (the "Indemnified Party") must promptly give written notice to the Party from which indemnification is sought (the "Indemnifying Party") of the claim for which indemnification is sought. Failure to give prompt notice limits the right to indemnification only to the extent the delay materially adversely affects the Indemnifying Party's ability to defend against the claim. The Indemnifying Party shall have the right to assume control of the defense of any claim, provided that (i) the Indemnified Party may participate in the defense with its own counsel

at its own expense; and (ii) the Indemnifying Party shall not settle any claim in a manner that imposes any liability, obligation, or admission of wrongdoing on the Indemnified Party without that Party's prior written consent.

(b) Survival. All indemnification obligations and all rights of the Indemnified Party under this Agreement shall survive the Closing.

## **12. DEFAULT AND REMEDIES**

12.1 Default. A Party shall be in default under this Agreement if it fails to perform any of its obligations and does not cure such failure within thirty (30) days after receiving written notice from the other Party identifying the default.

12.2 Remedies. If a default is not cured within the period specified in Section 13.1, the non-defaulting Party may, in addition to any other remedies available at law or in equity, pursue any or all of the following remedies:

- (a) A suit for damages arising from the default;
- (b) A right to terminate this Agreement by written notice to the defaulting Party; or
- (c) Seek specific performance, injunctive relief, a writ of mandamus, or any other equitable remedy.

12.3 Remedies Cumulative. All rights and remedies under this Agreement are cumulative and may be exercised separately or concurrently. The exercise of one remedy does not preclude the exercise of any other remedy.

## **13. GENERAL PROVISIONS**

13.1 Further Assurances. Each Party agrees to take all actions reasonably requested by any other Party to carry out the purposes and intent of this Agreement. The City shall provide the TACC with access to their records, as reasonably necessary, for inspection and review to facilitate the TACC's understanding of the Transit System and any matters addressed in or disclosed in connection with this Agreement.

13.2 Assignment. No Party may assign its rights or delegate any of its duties under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Any purported assignment made without the required consent is void.

13.3 Counterparts. This Agreement may be executed in counterparts, all of which together will be deemed an original of this Agreement.



Battle Creek, MI 49014

with a copy (which will not constitute notice) to:

City of Battle Creek  
Attn: City Attorney  
10 North Division Street, Ste. 216  
Battle Creek, MI 49014

If to TACC:

Transportation Authority of Calhoun County a/k/a Ride Calhoun  
4950 West Dickman Road, Suite B2  
Battle Creek, MI 49037  
Attn: Mallory R. Avis  
Email: mavis@ridecalhoun.org

**with copy (which will not constitute notice) to:**

Miller Johnson  
100 West Michigan Avenue, Suite 200  
Kalamazoo, MI 49007  
Attn: Richard O. Cherry  
Email: cherryr@millerjohnson.com

13.12 No Waiver. A waiver is effective only if in writing and signed by the Party to be bound. A waiver of one breach is not a waiver of any other breach of this Agreement.

13.13 Severability. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force, and the invalid provision shall be limited or modified to the minimum extent necessary to make it enforceable.

13.14 Entire Agreement. This Agreement, together with all Exhibits, constitutes the entire agreement between the Parties regarding the transfer of the Transit System and supersedes all prior negotiations, representations, or agreements, whether written or oral, relating to the same subject matter.

13.15 Amendment. This Agreement may be amended only in a written instrument signed by both Parties and approved by the City Commission and the TACC Board.

## 14. RULES OF INTERPRETATION

14.1 Headings. Headings are inserted for convenience only and do not affect the meaning or interpretation of this Agreement.

14.2 Usage, Grammar, and Syntax. In questions of usage, grammar, and syntax, the most current edition of *Garner's Modern American Usage* applies.

14.3 References to Laws and Documents. References to laws, regulations, ordinances, or other governmental requirements include all amendments and successor provisions. References to documents include all permitted amendments, restatements, renewals, and supplements.

14.4 Days. References to days mean calendar days unless this Agreement expressly states otherwise. If a deadline falls on a Saturday, Sunday, or day on which financial institutions are closed, the deadline extends to the next business day. "Business day" means any day other than a Saturday, Sunday, or day on which financial institutions are closed.

14.5 Maximum Enforceability. Each provision of this Agreement is enforceable only to the extent permitted by law. A court may limit or sever any unenforceable provision to the extent necessary so that the remainder of this Agreement remains in effect.

14.6 Standards of Satisfaction and Acceptance. When this Agreement requires a matter to be satisfactory or acceptable to a Party, that requirement means satisfactory or acceptable in that Party's sole discretion unless this Agreement expressly provides otherwise.

14.7 References to Laws. A reference to law includes federal, state and local statutes, regulations, ordinances and other governmental requirements.

14.8 Breach or Default. A reference to a breach or default includes any condition that, with the passage of time, the giving of notice, or both, would become a breach or default.

14.9 Approvals and Permits. References to approvals or permits include licenses, certificates, registrations, authorizations, consents, or similar governmental actions.

14.10 Performance of Obligations. Whenever this Agreement refers to a Party's promise or representation as to an action, it means that the action was taken, or must be taken, completely, timely, in accordance with law, and with respect to the correct person, governmental agency, and property.

14.11 Business and Asset References. A reference to a Party's use of assets, or to the Party's business or operations, includes the actions and uses of its predecessors with respect to those assets or operations.

14.12 Document Completeness. A reference to a document, schedule, list, or exhibit means that the referenced material is complete as of the date of this Agreement unless expressly stated otherwise.

14.13 Specific and General Compliance. A requirement that a Party comply with a specific law does not limit any general representation or covenant requiring compliance with all applicable laws.

14.14 References to a Person's Business and Assets. A reference to a person's business includes that person's use, operation, and management of its tangible and intangible assets.

14.15 Prohibited Agreements or Relationships. References to prohibited agreements or relationships include both direct and indirect agreements or relationships.

14.16 Fines. References to fines include penalties, interest, and other governmental sanctions. References to performing obligations under this Agreement include signing and delivering this Agreement.

14.17 Construction. This Agreement has been jointly negotiated by the Parties. No presumption against any Party will apply in interpreting this Agreement on the basis of authorship.

## 15. DEFINITIONS

“Assigned Contracts” means the contracts described in Section 1.1 and listed on **Exhibit 1.1(c)** that are assigned by the City to the TACC at Closing.

“Assumed Liabilities” means the liabilities expressly assumed by the TACC under Section 1.3(a).

“City” means the City of Battle Creek, a Michigan municipal corporation.

“City Commission” means the duly constituted governing body of the City of Battle Creek, authorized under the City Charter and applicable law to act on behalf of the City.

“City Retirees” means former City employees whose employment was associated with the Transit System, who retire before the Closing, and who are entitled to retiree health or pension benefits from the City.

“City's Knowledge” means the actual knowledge of any officer, elected or appointed official, employee, or authorized agent of the City, after reasonably diligent inquiry.

“Code” means the Internal Revenue Code of 1986, as amended, and all applicable regulations and administrative guidance.

“Effective Time” means the time at which the transfers and assumptions described in this Agreement become effective, as defined in Section 4.1.

“Financial Statements” means the financial statements identified in **Exhibit 5.7** and any additional Transit-related financial statements prepared before Closing as described in Section 5.7.

“Health Insurance Plan” means the medical, prescription drug, dental, vision, life, disability, and other health and welfare benefit plans offered by the City to eligible employees and retirees, whether self-funded or fully insured.

“Intangible Rights” means the intangible property described in Section 1.1(b), including trade names, trademarks, service marks, copyrights, patents, patent applications, domain names, websites, email addresses, telephone and facsimile numbers, software rights, proprietary information, know-how, and associated goodwill.

“Internal Revenue Service” means the agency of the United States Department of the Treasury responsible for administering and enforcing the Internal Revenue Code of 1986, as amended.

“Liens” means any claim, lien, encumbrance, mortgage, security interest, pledge, charge, covenant, easement, restriction, or other adverse interest affecting title to property.

“Pension Plan” means the governmental pension plan established by the TACC under Section 7.4 to receive the assets transferred from the City’s Retirement System.

“PHSA” means Title XXII of the Public Health Service Act and any applicable implementing regulations.

“Plans” means the employee benefit plans listed on **Exhibit 7.1(d)**.

“Real Property” means the land, buildings, fixtures and other improvements used by the City to operate the Transit System and legally described on **Exhibit 2.2.2**.

“Retained Liabilities” means all liabilities, obligations, and claims of any kind that are not expressly included within the Assumed Liabilities, including all liabilities arising out of acts, omissions, events, or conditions occurring prior to the Effective Time, and all liabilities the City is required to retain under Section 1.3.

“Retirement System” means the City of Battle Creek Employees Retirement System established pursuant to City Charter and Ordinance as a qualified governmental plan under Sections 401(a) and 414(d) of the Code.

“Spin-Off Date” means July 1, 2026.

“TACC Board” means the governing board of the Transportation Authority of Calhoun County, established pursuant to Michigan’s Public Transportation Authority Act, Act 196 of 1986, and authorized to act on behalf of the TACC.

“TACC Employees” means individuals hired by the TACC after the Spin-Off Date.

“TACC Retirees” means employees who retire from the TACC after the Closing.

“Transit Division” means the administrative division of the City responsible for Transit System operations whose employees become Transferred Employees at the Spin-Off Date.

“Transit System” means the public transportation system operated by the City and known as the “Battle Creek Transit”.

“Transit System Employee” means any City employee performing services related to the Transit System.

“Transferred Assets” means the assets transferred by the City to the TACC under Section 1.2.

“Transferred Employees” means Transit System Employees who become employees of the TACC as of the Spin-Off Date.

“Treasury Regulations” means the regulations promulgated under the Internal Revenue Code of 1986, as amended, including any temporary and proposed regulations.

**Remainder of Page Left Intentionally Blank – Signature Page Follows**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Comprehensive Transition Agreement to be executed by their duly authorized representatives as of the date first above written.

Dated this [DATE] day of [MONTH], 2026

**CITY OF BATTLE CREEK**

By: Amanda Zimmerlin  
Its: City Manager

Dated this [DATE] day of [MONTH], 2026

**TRANSPORTATION AUTHORITY OF  
CALHOUN COUNTY a/k/a RIDE  
CALHOUN**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

## 16. LIST OF EXHIBITS

Exhibit 1.1(a)	Fixed Asset Ledger
Exhibit 1.1 (b)	Intangible Property
Exhibit 1.1(c)	Assigned Contracts
Exhibit 1.1(e)	Software and Licenses
Exhibit 2.1	License Agreement
Exhibit 2.2.1	Real Estate Purchase Agreement
Exhibit 2.2.2	Transferred Real Property & Liens
Exhibit 2.3.1	Transit Infrastructure Property
Exhibit 2.3.2	Easement Agreement
Exhibit 4.2(a)(3)	TACC-City Support Services Agreement
Exhibit 4.2(a)(4)	Assignment of Intangible Rights
Exhibit 4.2(a)(5)	Assignment and Assumption of Contracts
Exhibit 4.2(b)(1)	Bill of Sale
Exhibit 5.1	Required Consents
Exhibit 5.3	Pending or Threatened Claims
Exhibit 5.6	Permits and Licenses
Exhibit 5.7	Financial Statements
Exhibit 5.11	Liabilities
Exhibit 5.16	Insurance
Exhibit 7.1(b)	Collective Bargaining and Other Employment Agreements
Exhibit 7.1(c)	Labor Disputes
Exhibit 7.1(d)	Employee Benefit Plans

Exhibit 7.4(b)	MERS Spin-off Agreement
Exhibit 7.4(c)	Pension Participants and Benefits
Exhibit 7.9	Sick Bank/Annual Leave Bank Hours
Exhibit 8.1	Federal and State Grants
Exhibit 9(d)	File Migration and System Access (List of)

**Exhibit 1.1(a) – Fixed Asset Ledger**

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*Assets of the City as shown on the fixed asset ledger of Transit attached as Exhibit 1.1(a).*

**Exhibit 1.1(b) – Intangible Property**

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*All intangible property used in connection with the Transit System, including trade names, trademarks, service marks, copyrights, patents, patent applications, telephone and facsimile numbers, transit specific software rights, proprietary information, know-how, and associated goodwill; Exhibit 1.1(b);*

### **Exhibit 1.1(c) – Assigned Contracts**

---

*The City’s rights in contracts (the “Assigned Contracts”), including leases of any Transferred Assets that the City leases instead of owns, any service agreements, any state or federal grant agreements, any employment related agreements, and all those listed on Exhibit 1.1(c).*

1. 2023-030R Transit Advertising Mesmerize, dated 2023 upon award to contractor
2. 2026-008R Transit Office Furniture and Related Design Michigan Office Environments, dated October 1, 2025

**Exhibit 1.1(e) – Software and Licenses**

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Transit System–related software, data, and software licenses held by the City.

**Exhibit 2.1 – License Agreement**

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*The City, and the TACC will sign and deliver:(1) the license agreement described in Exhibit 2.1.*

**Exhibit 2.2.1 – Real Estate Purchase Agreement**

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*The City, and the TACC will sign and deliver:(1) the real estate purchase agreement described in Exhibit 2.2.1.*

## **Exhibit 2.2.2 – Transferred Real Property**

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*“Real Property” means the land, buildings, fixtures and other improvements used by the City to operate the Transit System and legally described on Exhibit 2.2.2. The City represents that it holds good and marketable title to the Transferred Real Property, free and clear of all Liens except those disclosed in Exhibit 2.2.2.*

### **Exhibit 2.3.1 – Transit Infrastructure**

---

*Transit Infrastructure is located on the property described on the attached Exhibit 2.3.1. Any easement(s) granted pursuant to this Section 2.3 shall be in a form and substance substantially similar to the easement agreement attached hereto as Exhibit 2.3.2 (“Easement Agreement”).*

### **Exhibit 2.3.2 – Easement Agreement**

---

*Transit Infrastructure is located on the property described on the attached Exhibit 2.3.1. Any easement(s) granted pursuant to this Section 2.3 shall be in a form and substance substantially similar to the easement agreement attached hereto as Exhibit 2.3.2 (“Easement Agreement”).*

**Exhibit 4.2(a)(3) – TACC-City Support Services Agreement**

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*The City, and the TACC will sign and deliver: a TACC-City Support Services Agreement in substantially the form attached as Exhibit 4.2(a)(3).*

**Exhibit 4.2(a)(4) – Assignment of Intangible Rights**

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*The City will also deliver to the TACC: (1) an Assignment of Intangible Rights in the form of Exhibit 4.2(a)(4).*

**Exhibit 4.2(a)(5) – Assignment of Assigned Contracts**

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*Assignments of all Assigned Contracts listed in Exhibit 1.1(c), together with required consents substantially in the form attached as Exhibit 4.2(a)(5).*

**Exhibit 4.2(b)(1) – Bill of Sale**

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*The City will also deliver to the TACC: (1) a Bill of Sale in the form of Exhibit 4.2(b)(1).*

## **Exhibit 5.1 – Required Consents**

---

*Except for consents that may be required under the terms of any of the Assigned Contracts or as set forth on Exhibit 5.1, the City does not needs to obtain approval from, file with, or give notice to, any federal, state, or local governmental body, court, or agency or anyone else to (1) authorize the execution or closing of this Agreement, or (2) continue the TACC's use and operation of the Transferred Assets after the closing.*

### **Exhibit 5.3 – Pending or Threatened Claims**

---

*To the best of the City's Knowledge, there are no pending or threatened claims and/or lawsuits against either the City regarding the Transit System except as disclosed on Exhibit 5.3. These include personal injury lawsuits, employment, environmental, workers' compensation claims and claims of any other kind under any kind of subject matter or law.*

## **Exhibit 5.6 – Permits and Licenses**

---

*The City has all necessary permits, certificates, licenses, consents, and other approvals required to own and operate the Transit System and will transfer all of those approvals to the TACC at closing without expense to the TACC. All of those approvals are listed in Exhibit 5.6.*

**Exhibit 5.7 – Financial Statements**

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*The City has given the TACC access to the financial statements listed on Exhibit 5.7 to this Agreement.*

**Exhibit 5.11 – Liabilities**

---

*Except as disclosed in Exhibit 5.11, the City does not have any liabilities affecting the Transit System or any of the Transferred Assets.*

## **Exhibit 5.16 – Insurance**

---

*The City have delivered to the TACC complete copies of all liability and loss insurance policies under which either of them is or has been covered at any time since [DATE]. A list of those policies is in Exhibit 5.16.*

*Exhibit 5.16 describes (i) any self-insurance arrangement by or affecting the City, including any reserves; and (ii) any arrangement, other than an insurance policy, for the transfer or sharing of any risk to which the City is a Party or that involves the Transit System.*

*Exhibit 5.16 sets forth, by year, for the current policy year and each of the preceding five policy years: (1) a summary of the loss experience under each policy of insurance; (2) a statement describing each claim under a policy of insurance for an amount in excess of \$5,000.00; and (3) a statement describing the loss experience for all claims that were self-insured, including the number and aggregate cost of such claims.*

## **Exhibit 7.1(b) – Collective Bargaining and Other Employment Agreements**

---

*Exhibit 7.1(b) lists all collective bargaining agreements and other agreements between the City and any Transit System Employee.*

1. Agreement between the City of Battle Creek, Michigan and the Amalgamated Transit Union, Local No. 121, AFL-CIO. (Effective July 1, 2025 through June 30, 2026)

### **Exhibit 7.1(c) – Labor Disputes**

---

*To the best of City's Knowledge with respect to the Transit System, except as disclosed in Exhibit 7.1(c), (i) there is no pending or threatened strike, slowdown, picketing, work stoppage or employee grievance process involving the City which would preclude it from entering this Agreement; (ii) that no basis exists for any work stoppage or other labor dispute; (iii) there is no organizational activity or other labor dispute against or affecting the City, or the Transit System; (iv) no application or petition for an election of or for certification of a collective bargaining agent is pending; (vi) and there is no lockout of any employees by the City, and the City does not contemplate any lockout.*

## **Exhibit 7.1(d) – Employee Benefit Plans**

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*Exhibit 7.1(d) lists all employment-related plans (“Plans” or “Plan”) (including insurance) for Transit System Employees, including pension, profit sharing, retirement, bonuses, deferred compensation, severance, disability, group life, hospitalization, welfare benefits, or other employee benefit plan or arrangement or for funding of past services of employees. The City has paid all of its accrued obligations under (i) those Plans and (ii) as may be required to any trusts, funds, any governmental agency, and any employee with respect to unemployment compensation benefits, profit sharing, retirement benefits or social security benefits. The closing will not give rise to any liability under any of those Plans.*



#### **Exhibit 7.4(b) – MERS Spin-off Agreement**

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*Effective as of the Spin-Off Date, the City will, in accordance with the Spin-Off Agreement prepared by the Municipal Employees' Retirement System of Michigan ("MERS") and agreed to by the Parties (and is attached as Exhibit 7.4(b), transfer from its Retirement System to TACC's Pension Plan the assets in the Retirement System allocated or attributable to the Transferred Employees as of the Spin-Off Date (the "Transit Division Plan Assets").*

### **Exhibit 7.4(c) – Pension Participants and Benefits**

---

*Effective as of the Spin-Off Date, the TACC will be solely responsible for providing pension benefits for all Transferred Employees and City Retirees. A list of the Transferred Employees and their accrued benefits, length of employment with the City, and vested status as of [DATE], is attached as Exhibit 7.49©.*

### **Exhibit 7.9 – Sick Bank/Annual Leave Bank Hours**

---

*Any sick or annual leave donated to the City's sick leave transfer bank by a Transferred Employee that has not been used by an eligible employee of the City as of the close of business on the closing, shall be transferred to the TACC for use in a sick leave bank for its employees. Exhibit 7.9 lists each Transferred Employee's donated hours remaining in the sick or annual leave bank.*

## **Exhibit 8.1 – Federal and State Grants**

---

*The TACC has executed a grant novation for each federal and state grant listed on Exhibit 8.1. Grant novation means an agreement signed by either of them and the governmental body issuing the grant to which the grant novation relates under which (a) one of them is substituted for the City as the recipient of the grant and (b) the effectiveness of which is conditional only upon the closing. A grant novation may or may not relieve the City from liability under the grant.*

## **Exhibit 9(d) – File Migration and System Access**

---

*The Parties shall collaborate to transfer or migrate files and data from City systems to the TACC systems in a commercially reasonable manner and shall coordinate the timing of such transfer or migration to minimize operational disruption. The City shall work with the TACC, and parties as approved by the TACC and acceptable to the City, to complete the transfer or migration of systems, including but not limited to the Transit file server, (referred to as “shared file F”) on or before the Spin-off date; See Exhibit 9(d) for additional electronic files.*



**Resolution No: 419**  
City Commission Meeting 6/16/2026

419 - A Resolution seeking to set a Closed Session regarding a Labor Matter for June 16, 2026.

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Battle Creek City Commission  
**Action Summary**

**Staff Member:** Michelle Hull, Human Resources Director

**Department:** Human Resources

**Summary**

**RESOLUTION NO. 419**

**Resolved by the Commission of the City of Battle Creek:**

That a Closed Session of the City Commission will be held on Tuesday, June 16, 2026, in Room 302A, City Hall, Battle Creek Michigan, pursuant to MCL 15.268(c) for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement as requested by the City; and that Amanda Zimmerlin, City Manager, is hereby appointed as the designated secretary to record and prepare appropriate Minutes of this Closed Session.

**Budgetary Considerations**

**History, Background and Discussion**

As permitted under the Michigan Open Meetings Act, a public body, upon majority vote, may meet in closed session for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiating party request a closed hearing, and the City has requested that closed session.

**Positions**

The Human Resources Director supports this Resolution.

**Attachments**