

Charlevoix Tomorrow

A summary of plans, goals, and opportunities for the future of our community

Introduction

In an effort to constantly stay focused on the future of our community and compile the essence of the direction of Charlevoix City Government, this document is intended to annually summarize the goals of the City Council, the development goals of our Master Plan, and the future capital investments for the long-term sustainability of our community.

2017-2018 City Council Goals

As approved on January 16, 2017, the City Council of the City of Charlevoix has adopted the following five items as goals for the future and has directed City Staff to explore a variety of action steps toward accomplishing these goals.

Ensure Charlevoix is environmentally sustainable while also economically viable

Charlevoix should be a leader in using renewable energy to meet the demands of our electric customers and to protect our natural resources. Our built infrastructure should incorporate design standards that protect our waterways, preserve our trees, and encourage healthy living. Recycling, energy optimization, and water conservation will be encouraged.

Include the senior citizen community in all public events and activities

We have a growing senior citizen population and it is important for all members of the community to enjoy the quality of life we offer. Public facilities, especially parks, should have activities available for all ages and ability level.

Develop and maintain long-term infrastructure plans

As a progressive, year-round community, Charlevoix's infrastructure must be reliable in all weather conditions and should deliver the services required by our population.

Provide strong stewardship of public resources and promote good governance

We will seek collaboration with other entities around the area and look for ways to efficiently provide the quality services the community expects. Charlevoix government should be organized around gathering public input and effectively giving staff and Council good recommendations for public policy.

Enhance and showcase the outstanding quality of life in Charlevoix

Charlevoix is well known as one of the premiere resort communities on the Great Lakes but of equal importance is that it is home to our residents. We cannot lose sight of our community being "home." One of our strongest attributes is the many activities and amenities offered; we should support these and build upon them.

2016 Land Use Master Plan Vision Statement & Development Strategy

Master Plan Vision Statement

Charlevoix will strive to be the focal point for the region and build on its distinctive character, downtown, and diverse neighborhoods; while respecting its unique setting and environment and creating a foundation for future economic prosperity and personal success.

Development Strategy

- Continue collaboration with the Charlevoix Area Chamber of Commerce, CVB (Convention and Visitors Bureau), local governments, and the business community regarding regional economic development.
- Support efforts to implement the Regional Comprehensive Development Strategy (CEDS) put out by Networks Northwest, designed to retain, grow, and attract new business.
- Pursue goals outlined in the Economic Development Strategy prepared by the Chesapeake Group (2015).
- Aggressively market and provide incentives to businesses in emerging industries.
- Support and promote technological advances, such as high speed internet and fiber optic networks in Charlevoix to encourage economic development.
- Evaluate, and if necessary, amend the Industrial Tax Abatement Program so that Charlevoix remains competitive.
- Coordinate with Charlevoix Township, community leaders, and property owners to plan for and promote future development.
- Work with surrounding townships to identify other suitable areas for economic development; explore 425 agreements where appropriate.
- Explore a program to waive or reduce utility extension, or hookup fees for businesses seeking to expand.
- Continue to support and promote expanding Coast Guard operations in Charlevoix.

The full text of the City of Charlevoix 2016 Land Use Master Plan can be found online at www.cityofcharlevoix.org/city-departments/planning-department.html.

Prime Sites for Future Growth or Redevelopment

In keeping with the Master Plan, the following sites have been identified for their potential as sites of redevelopment or future growth. While these sites are listed, the City welcomes development and redevelopment throughout the community in keeping with the Master Plan and the City of Charlevoix Zoning Code. Except for the Charlevoix Municipal Airport, the City does not own these sites and they are subject to the unique development decisions of their private owners.

<u>Development Site</u>	<u>Current Use</u>	<u>Reuse Prospect(s)</u>
Lodge Hotel (Dixon and Michigan)	Hotel	Mixed use residential, commercial
Vacant land (Hurlbut and State)	Vacant	Mixed use residential, commercial
Ackerman Building (Bridge Street)	Fire Damaged	Mixed use residential, commercial
Trademark Properties (Bridge Street)	Fire Damaged	Mixed use residential, commercial

Prime Sites for Future Growth or Redevelopment (continued)

<u>Development Site</u>	<u>Current Use</u>	<u>Reuse Prospect(s)</u>
Vacant land (Division Street)	Vacant	Single or multi-family residential
Former Destaco Building (Taylor Road)	Former industrial	Light manufacturing
Vacant land (Industrial/Business Park)	Vacant	Light manufacturing, tech industry
Charlevoix Municipal Airport	Airport	Aviation businesses, hangars
Philips Station (Petoskey Avenue)	Private storage	Commercial
Former Roadhouse (Petoskey Avenue)	Former restaurant	Commercial

In most, cases the public infrastructure serving these sites is sufficient for reuse and development prospects identified for them. The Capital Improvement Plans can be amended to accommodate needs identified in specific development or redevelopment circumstances.

Capital Budget & Improvement Plan

Pursuant to the Charlevoix City Charter and the Michigan Planning and Zoning Enabling Act, the City must maintain an annually updated plan for capital improvements in the future. For street and utility work, all utilities and pavement quality will be assessed when performing any kind of repair or upgrade to maximize the efficiency of construction.

2017-2018 Capital Projects (included in Operating Budget)

City Hall Chiller Replacement Estimated cost: \$175,000

Due to age and failing service, the chiller in the City Hall HVAC system should be replaced. This should improve reliability and reduce energy consumption. There are no tax implications for this expenditure and annual costs for utilities will be within existing margins, if not reduced. Payment will be made from existing reserves.

Playground at Lake Michigan Beach Estimated cost: \$92,000

To improve the recreation opportunities for all in the community, an accessible playground will be constructed at Lake Michigan Beach Park. There are no tax implications for this expenditure and annual expenses associated with this playground are not likely to exceed \$1,500. Payment for this project will come from a Michigan Recreation Trust Fund Grant, a Charlevoix County Recreation Millage Grant, and City reserves. Additional funding is being sought from the Charlevoix County Community Foundation and the Health Department of Northwest Michigan.

Tennis/Basketball Court Restoration Estimated cost: \$52,000

In order to improve safety and usability, the tennis courts on Elm Street and basketball courts at Ferry Beach and Mt. McSauba will be resurfaced. Striping of the tennis courts will consider the shared use of these courts with the Charlevoix Township courts on Waller Road for use for both pickle ball and tennis. There are no tax implications for this project and funding will come from existing reserves and the general operating levy appropriated to the Recreation Department.

Taxiway A Rehabilitation Construction Estimated cost: \$1,061,000

As part of ongoing maintenance at the Charlevoix Municipal Airport, Taxiway A will be rehabilitated for long-term viability. There are no tax implications for this project. 90% of the cost will be paid by the Federal Aviation Administration; the Michigan Department of Transportation will pay 5% of the cost with the Airport paying the remaining \$53,050 from operating revenue and reserves. If necessary, Public Improvement Fund #6 will fund any remaining costs.

Taxiway A Lighting Estimated Cost: \$229,000

Taxiway A lighting will improve the quality of light and safety of air traffic at the Charlevoix Municipal Airport. There are no tax implications for this project. 90% of the cost will be paid by the Federal Aviation Administration; the Michigan Department of Transportation will pay 5% of the cost with the Airport paying the remaining \$11,450. Public Improvement Fund #6 will fund any remaining costs.

Runways 9 & 27 REIL Replacement Estimated cost: \$30,000

The Runway End Identifier Lights (REIL) are due for replacement to provide a safe environment for air traffic at the Charlevoix Municipal Airport. There are no tax implications for this project. 90% of the cost will be paid by the Federal Aviation Administration; the Michigan Department of Transportation will pay 5% with the Airport paying the remaining \$1,500 from operating revenue and reserves. If necessary, Public Improvement Fund #6 will fund any remaining costs.

Street Reconstruction Estimated cost: \$1.2 million

Fully rebuild above-ground infrastructure and replace existing utilities under the following streets:

- Hurlbut Street (from Bridge to State)
- Antrim Street (from Bridge to State)
- Prospect Street (from Dixon to Petoskey)

Once complete, these streets will better service the water and sewer needs of adjoining properties and will carry traffic more smoothly. Similar work is being performed on all sites in order to realize economies of scale. The project will be funded with remaining funds from the Series 2016 Charlevoix Infrastructure improvement Bonds. These bonds mature in 15 years and are backed by the taxing authority of the City of Charlevoix. Specifically, the Infrastructure Levy, currently in place, is assumed to provide revenue necessary to make bond payments along with the City portion of the Charlevoix County Road Millage which will provide revenue until 2022. Operating costs are minimal but repair costs for underground utilities should decrease with new piping. Pavement will be maintained using existing asset management practices.

Street Paving Estimated cost: \$400,000

Based on costs, several blocks of city streets will receive partial or full paving overlay treatments to address cosmetic improvements; streets will be chosen based on PASER ratings and expected future underground utility upgrade needs. There are no tax implications for this project and it will be funded from cash on hand in the Public Infrastructure Funds.

Vehicle Replacements

Estimated cost: \$271,300

Annually, we update our fleet as needed based on replacement schedules. This amount is the total anticipated though each vehicle will only be replaced if needed. There are no tax implications and the vehicle purchases will all be made from cash reserves- primarily held in the Motor Pool Fund.

Water Treatment Plant Capital Improvements Estimated cost: \$ 512,000

The Water Treatment Plant is nearly 30 years old and is requiring some extensive capital improvements so that it continues to provide quality water supply and meet ever more stringent environmental standards from the Michigan Department of Environmental Quality. In 2015, Prein & Newhof created a Plant Reliability Study that outlined future replacement plans for the plant. The following projects are planned for 2017-2018:

- Rebuild High Service Pumps \$20,000
- Filter Flocculator Replacement \$350,000
- Control System Replacement \$25,000
- Roof Replacement \$32,000
- Filter Media Replacement \$75,000
- Security improvements \$10,000

There are no tax implications though capital improvements like these are part of the necessity to reevaluate water rates annually.

Water Treatment Plant Back-up Generator Estimated cost: \$320,000

The existing Water Treatment Plant Back-up Generator is a World War II era machine taken as surplus from a military ship and is prone to frequent repairs and does not serve the water system well. It will be replaced with a modern machine capable of fully powering the plant. There are no tax implications though capital improvements like this are part of the necessity to reevaluate water rates annually. Funds for this will come from a loan that will need to be made from the Electric Fund to the Water Fund. Annual payments with interest will be made from Water Capital Replacement. This plan will require a budget amendment once the full-costs are returned.

Electric Capital Improvements

Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Remote Communication Upgrades

Estimated cost: \$60,000

In order to improve the reliability of connections, we plan to upgrade the communications between remote assets and the Wastewater Treatment Plant. This will lower operating costs for traditional phone lines and enhance control functions. There are no tax implications though capital improvements like this are part of the necessity to reevaluate sewer rates annually.

Retaining Wall at Ferry and Stover Estimated cost: \$25,000

This wall will improve the look and stability of soil at this intersection. There are no tax implications and funds for this project will come from the Local Street Fund derived from Gas and Weight Tax Revenue distributed under Act 51.

[2018-2019 Capital Projects](#)

Sodium Hypochlorite System for Disinfection Estimated cost: \$400,000

This would enhance the disinfection capabilities of the water plant and was recommended in the 2015 Water Plant Reliability Study performed by Prein & Newhof. There are no tax implications for this project since it is funded with revenue derived from water rates and funds will be available in fund reserves by the time the project is launched.

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Wastewater Treatment Plant Improvements Estimated cost: \$292,560

Periodic and routine capital maintenance is necessary to preserve the work that has been done at our Wastewater Treatment Plant. There are no tax implications for this project since the WWTP is funded with wastewater rates. Ongoing maintenance will be minimal, if not reduced, since this is upkeep of existing equipment.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Construct Combined Public Services Facility Estimated cost: \$TBD

In 2016, the City retained Northwest Design Group to provide conceptual consulting and estimates for a joint public services facility to house the DPW, Water, and Electric crews. They will provide probable costs and a recommended location for a facility designed for these purposes. We have asked them to consider energy efficiency and LEED Design to minimize operating costs. There is currently more than \$1.7 million in reserve for this project; additional funds could be derived from bonds or utility reserve funds. It is unlikely that this project will affect taxes but final determinations would be made once a final plan is developed. Operating costs for a new facility are likely to be equal or less than current costs to run two facilities and new, more efficient fixtures will be included.

Vehicle Replacements Estimated cost: \$324,700

Annually, we update our fleet as needed based on replacement schedules. This amount is the total anticipated though each vehicle will only be replaced if needed. There are no tax implications and the vehicle purchases will all be made from cash reserves- primarily held in the Motor Pool Fund.

Ferry Beach Pier Improvements Estimated cost: \$40,000

The City Council felt the addition of jumping into Lake Charlevoix from the Ferry Beach Pier would be a good improvement to our recreational assets. To accomplish this, we would recap the pier with concrete, add rails along the sides of the pier, and dredge the area to make it safe for jumping. This would be accomplished through the General Fund and would have no tax implications.

[2019-2020 Capital Projects](#)

High Service Pump Addition Estimated cost: \$150,000

The addition of a high service pump at the Water Treatment Plant will improve plant capabilities during peak operation and add extra redundancy to the system with aging pumps. There are no tax implications for this project since it is funded with water rates. Annual operating costs should be minimal since this pump will be cycled among others at the plant.

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$277,800

Annually, we update our fleet as needed based on replacement schedules. This amount is the total anticipated though each vehicle will only be replaced if needed. There are no tax implications and the vehicle purchases will all be made from cash reserves- primarily held in the Motor Pool Fund.

Airport Perimeter Fencing Estimated cost: \$155,000

This improvement would enhance security and keep us compliant with FAA regulations for airfield fencing. Most airport improvement projects like this can be mostly funded with Federal grant funds and tax revenue is not likely to be used.

Replace 2002 Ambulance Estimated cost: \$180,000

This would be the scheduled replacement time to replace the 2002 Ambulance. Funds for this purchase are derived from EMS fees and set aside in the Fire and Ambulance Capital Fund (PI #1). There are no tax implications for this since the revenue is derived from service fees.

2020-2021 Capital Projects

Electrical Gear Upgrades Estimated cost: \$350,000

Electrical upgrades at the Water Treatment Plant are anticipated as part of an on-going modernization of the facility. There are no tax implications for this project since improvements are funded with water rates. Improving electrical equipment will likely reduce annual operating costs by installing more energy efficient technology.

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$195,000

Annually, we update our fleet as needed based on replacement schedules. This amount is the total anticipated though each vehicle will only be replaced if needed. There are no tax implications and the vehicle purchases will all be made from cash reserves- primarily held in the Motor Pool Fund.

2021-2022 Capital Projects

Low & High Service Pump Upgrades Estimated Cost: \$150,000

This work will restore and maintain the pumps at the Water Treatment Plant and this project focuses on heavy maintenance of existing equipment to extend the life. There are no tax implications for this project since improvements are funded with water rates. Updating and maintaining equipment like this should reduce sudden emergency maintenance costs by rehabbing multiple pieces of equipment simultaneously.

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$150,000

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T Hangar Construction Estimated cost: \$350,000

Constructing a new T Hangar at the airport would encourage more air traffic and provide a source of revenue to the airport for ongoing operations. Funds for construction would likely come from MDOT Entitlement Grants and would not use local tax revenue. Maintenance costs would be funded by lease revenue from those hangaring their planes in the space.

[2022-2023 Capital Projects](#)

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$150,000

Annually, we update our fleet as needed based on replacement schedules. This amount is the total anticipated though each vehicle will only be replaced if needed. There are no tax implications and the vehicle purchases will all be made from cash reserves- primarily held in the Motor Pool Fund.

Replace 2004 Ambulance Estimated cost: \$180,000

This would be the scheduled replacement time to replace the 2004 Ambulance. Funds for this purchase are derived from EMS fees and set aside in the Fire and Ambulance Capital Fund (PI #1). There are no tax implications for this since the revenue is derived from service fees.

[2023-2024 Capital Projects](#)

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$150,000

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[2024-2025 Capital Projects](#)

Construct Second Raw Water Intake Estimated cost: \$1 million

The installation of a second raw water intake line under Lake Michigan may be necessary if plant output grows or if more detailed review shows the necessity of having a redundant water source at the Water Treatment Plant. There are no tax implications for this project since improvements are funded with water rates. Annual maintenance costs are minimal and could be combined with the costs for the existing water intake line.

Electric Capital Improvements Estimated cost: \$ 225,000

As part of maintaining our electric distribution system, we plan to install various improvements and replacements in the system including 12kv3 upgrades, LED streetlights, and other routine supplies used to maintain the system. There are no tax implications for these projects though it is important to maintain adequate rates to support long-term improvements. Funds will come from operating revenue allocated to capital replacement and some cash reserves.

Sewer Collection System/Lift Stations Estimated cost: \$241,000

This amount is allocated to make capital improvements to the sewer collection system and/or necessary improvements to the lift station system. Currently the City is working with Prein & Newhof on an asset management plan for these systems and that plan will better guide the projects conducted going forward. There are no tax implications for these projects since revenue from Sewer rates pays for expenses like this.

Vehicle Replacements Estimated cost: \$150,000

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