



AGENDA

SPECIAL MEETING OF THE VILLAGE COUNCIL - CAPITAL IMPROVEMENT PLAN

Wednesday, January 15, 2025

6:00 PM

Village Hall – 21 East Church Street, Lake Orion, MI 48362

(248) 693-8391 ext. 102

ADDRESSING THE VILLAGE COUNCIL: Each person wishing to address the village council shall be afforded an opportunity to do so. If you wish to comment, please stand or raise a hand to indicate that you wish to speak. When recognized, give your name and address and direct your comments to the Chair.

PURPOSE OF THE SPECIAL MEETING: The purpose of the special meeting of the Village Council is to review, discuss, and consider the Village of Lake Orion Draft FY 2024-2030 Capital Improvement Plan.

1. **Call to Order**
2. **Roll Call and Determination of Quorum**
3. **Call to the Public**
4. **Other Items**
 - A. Draft FY 2024-2030 Capital Improvement Plan
5. **Call to the Public**
6. **Adjournment**

In the spirit of compliance with the Americans with Disabilities Act, individuals with a disability should feel free to contact the Village, at least three (3) business days in advance of the meeting, if requesting accommodations. The Village of Lake Orion will provide foreign language or hearing impaired interpretation services for those individuals who contact the village to request such services at least seven (7) days prior to the meeting.

En el espíritu de la observancia de la Ley de Estadounidenses con Discapacidades, las personas con discapacidad debe sentirse libre para ponerse en contacto con el pueblo, por lo menos tres (3) días hábiles de antelación a la fecha de la reunión, si se solicitan alojamiento. El municipio de Lake Orion proporcionará idioma extranjero o personas con problemas de audición servicios de interpretación para las personas que

se ponen en contacto con el pueblo de solicitar dichos servicios con no menos de siete (7) días antes de la reunión.



COUNCIL ACTION SUMMARY SHEET

MEETING DATE: January 15, 2025

TOPIC Draft FY 2024-2030 Capital Improvement Plan

BACKGROUND BRIEF:

Council is scheduled to hold a work session meeting to continue reviewing and discussing the draft FY 2024-2030 Capital Improvement Plan prepared by Administration. The draft plan covers the current fiscal year as well as the subsequent five years. An updated CIP will be presented to Council for consideration during the FY 2025-26 budget preparation process that will remove the current fiscal year and add FY 2030-31.

SUMMARY OF PREVIOUS COUNCIL ACTION:

10/25/2023 - Council held a work session meeting to review the elements of a capital plan, the forms created to prepare the plan, and the initial draft plan. Administration requested that council submit any projects by the end of November for inclusion in the plan.

02/26/2024 - Council members offered their input on the various projects that were already listed in the preliminary Capital Improvement Plan (CIP). The Village Manager stated this Capital Improvement Plan (CIP) is a preliminary report and also stated funding options and projects will be further evaluated with upcoming budget sessions. Items that can't be funded accordingly can be moved to the next fiscal year or upcoming years to accommodate funding for select projects.

01/08/2025 – Council reviewed and discussed the draft FY 2024-2030 CIP and recommended changes. Those changes have been incorporated and are indicated in the revised draft as highlighted in yellow.

FINANCIAL IMPACT:

The revised draft Capital Improvement Plan identifies approximately \$28 million in capital needs for the Village over the next six years, an increase of \$5 million recommended by Village Council during the 01/08/25 work session.

RECOMMENDED MOTION:

None



**CAPITAL IMPROVEMENT PROGRAM
FY 2024-25 THROUGH FY 2029-30**

Approved by Village Council on _____, 2025

ACKNOWLEDGMENTS

This Capital Improvement Program was developed and prepared by the Village of Lake Orion administration and Village Council with valuable contributions from Village boards and commissions, consultants, and partners.

LAKE ORION VILLAGE COUNCIL

Honorable Teresa Rutt, President
Stan Ford, President Pro-Tem
Alex Comparoni, Jr. Carl Cyrowski George Dandalides Michael Lamb Nancy Moshier

ADMINISTRATION

Darwin D. P. McClary, Village Manager
Sonja Stout, Clerk/Treasurer
Mark Amundson, Chief of Police Wesley Sanchez, Public Works Director

PLANNING COMMISSION

James Zsenyuk, Chair
Larry Dunn Henry Lorant
Michael Lamb Darwin McClary Teresa Rutt Edward Sabol

PARKS AND RECREATION ADVISORY COMMITTEE

Rosemary Ford, Chair
Alex Comparoni, Jr. Erin Crane Cristy Garbacik Jody Hand

DOWNTOWN DEVELOPMENT AUTHORITY

Debbie Burgess, Chair
Chris Barnett Alaina Campbell Sam Caruso Lloyd Coe
Hank Lorant Sally Medina Teresa Rutt Matt Shell
Matthew Gibb, Executive Director

CONSULTANTS AND PARTNERS

Beier Howlett, Legal Services
McKenna, Planning and Zoning Services
North Oakland Transportation Authority
Nowak & Fraus Engineers, Engineering Services
Oakland County Water Resources Commissioner
Orion Township Building Department
Orion Township Fire Department
Orion Township Library
VC3, Information Technology Services

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INTRODUCTION

The Village of Lake Orion Capital Improvement Program (CIP) is a multi-year planning instrument used to identify needs and financial resources for significant public improvements; to facilitate the orderly planning of those improvements; to maintain, preserve, and protect Lake Orion’s existing infrastructure system; and to provide for the acquisition or scheduled replacement of assets to ensure the efficient delivery of services to the community. The CIP is also utilized to ensure that capital improvements are fiscally sound and consistent with the goals and policies of the Village Council, administration, and residents and business owners.

A comprehensive CIP is an essential tool for the planning and development of the social, physical, and economic wellbeing of the community. This process is a necessary step in an organized effort to strengthen the quality of public facilities and services; provide a framework for the realization of community goals and objectives; and provide a sound basis from which to build and maintain a healthy and vibrant community.

The CIP informs the Village of Lake Orion, residents, business owners, and stakeholders of the village’s plans to address significant capital needs over the next six (6) years. Thereafter, the CIP is reviewed annually and another year’s projects are added to the CIP. The CIP provides visual representations of the community’s needs and may include maps that detail the timing, sequence, and location of capital projects. The CIP may also influence growth as infrastructure projects often impact development patterns.

The benefits the CIP provides for residents, business owners, and stakeholders may include but are not limited to:

- Optimizing the use of revenue
- Focusing attention on community goals, needs, and capabilities

- Guiding future growth and development
- Encouraging efficient government
- Improving intergovernmental and regional cooperation
- Maintaining a sound and stable financial program
- Enhancing opportunities for participation in federal and/or state grant programs

Projects identified in the CIP represent the community's plan to serve both residents and businesses and anticipate the needs of a dynamic community. Projects are guided by various development plans and policies established by the Planning Commission, Village Administration, and Village Council. Plans and policies may include but are not limited to:

- Community master plan
- Redevelopment plans
- Downtown development plan
- Recreation master plan
- Transportation plans and nonmotorized transportation plans
- Asset management plans
- Intergovernmental, regional state, and federal plans
- Administrative plans and policies
- Goals and objectives of the Village Council

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

Preparation of the CIP is done under the authority of the Michigan Planning Enabling Act, Public Act 33 of 2008, as amended. The goal of the CIP is to implement the Community Master Plan and to assist in the community’s financial planning for capital needs.

The CIP is dynamic. Each year, all projects included within the CIP are reviewed, a call for new projects is made, and adjustments are made to existing projects arising from changes in the amount of funding required, conditions, priorities, timelines, and other relevant considerations. A new year of programming is also added each year to replace the prior year funded in the annual operating budget.

The CIP should continue to develop over time by adding features to gradually improve quality and sophistication. Greater attention will be devoted to providing more detailed information about individual project requests, program planning, fiscal analyses, fiscal policies, and debt strategies.

CAPITAL IMPROVEMENT PROGRAM AND THE BUDGET PROCESS

The CIP plays a significant role in the implementation of the Community Master Plan by providing the link between planning and budgeting for capital projects. The CIP process precedes the budget process and is used to develop the capital project portion of the annual budget. Approval of the CIP by the Village Council does not mean that the council is granting final approval of all projects contained within the plan. Rather, by approving the CIP, the Village Council acknowledges that these projects represent a reasonable interpretation of the upcoming needs for the community and that projects contained in the first year of the plan are suitable for inclusion in the upcoming budget.

Priority ranking of CIP projects does not necessarily correspond to funding sequence. For example, a street project that is ranked lower than a park project may be funded prior to the park project because the street project has access to a restricted revenue source, whereas a park project may have to compete for funding from other revenue sources. A project’s funding depends upon many factors—not only its merit but also its location, cost, funding source, logistics, relation to other projects, and other considerations.

Lake Orion strives to maximize resources by maintaining a balance between operating and capital budgets. A continuous relationship exists between the CIP and the annual budget as should be expected in a properly managed strategic planning environment. Budget appropriations lapse at the end of each fiscal year as the operating budget is funded with recurring annual revenues, such as taxes, licenses, fines, user fees, and interest income.

The Village adheres to a “pay-as-you-go” philosophy to the greatest extent possible in developing the budget for the CIP. However, this position does not preclude Village Council from authorizing utilization of other sources of funding to address emergency situations or to take advantage of economies of scale by accelerating completion of multiyear projects. There may be instances in which federal or state requirements may necessitate the Village to obtain debt funding to remain in compliance with regulations. In addition, the availability of grants or gifts to the Village may enable projects to be implemented earlier than planned or the scope of such projects to be expanded.

PROCESS FOR THE CAPITAL IMPROVEMENT PROGRAM

CIP ADMINISTRATIVE GROUP. Responsibility for development of the CIP rests with Village Administration after consultation with Village Council, boards and commissions, and other key stakeholders. Administration’s development of the CIP includes review of the various plans, studies, and policies informing the capital needs of the village; development of project rating and weighting criteria; preparation of project requests and schedules; review of funding options; development of the draft CIP for discussion with the Village Council and other key stakeholders; and presentation of the final proposed CIP at a public hearing with the Village Council.

GOVERNING BODY. The Village Council is encouraged to use the CIP as a tool in the adoption of the annual budget in accordance with Village goals and objectives. Whenever funding for significant capital improvement projects is considered, Village Council should verify that the project has been included in the CIP and, if not, the reasons for circumventing the CIP process are appropriately documented. The Village Council retains final authority for the adoption of the multi-year CIP.

RESIDENTS, BUSINESSES, AND OTHER KEY STAKEHOLDERS. Residents, businesses, and other key stakeholders are encouraged to review the CIP (available online) and offer comments to, or participate in, discussion with the Village Council in the process of adopting the annual CIP and making subsequent annual amendments thereto. Village Council encourages open communication with residents and business owners by staff, boards and commissions, consultants and council members regarding the CIP.

CAPITAL IMPROVEMENT PROGRAM CRITERIA

The Village of Lake Orion CIP defines a capital improvement project as a major nonrecurring expenditure that includes one or more of the following:

1. Construction of any new facility (e.g., public building, water or sanitary sewer mains, storm sewers, major and local roadways, recreational facilities, parking lots) or an addition to or extension of such facility, provided that the cost of such facility is at least \$5,000 and that the improvement will have a useful life of more than one (1) year.
2. Nonrecurring rehabilitation of all or a part of a Village-owned building, public grounds, or a facility, provided that the cost of such rehabilitation is at least \$5,000 and the improvement will have a useful life of more than one (1) year.
3. Purchase or replacement of vehicles, equipment, or tools to support community programs or services, provided that the cost of such vehicles, equipment, or tools is at least \$500, has a useful life of more than one (1) year, and will be coded to a capital asset account.
4. A planning, feasibility, engineering, or design study that **is** related to an individual capital improvement project, or to a program that is implemented through individual capital improvement projects, **regardless of the cost of the study**, provided the cost of such project for which the study relates is at least \$15,000 and will have a useful life of more than one (1) year.
5. A planning, feasibility, engineering, or design study that **is not** related to an individual capital improvement project, or program that is implemented through an individual capital improvement project, **regardless of the cost of the study**, provided the total cost of all projects intended to result from such study is at least \$15,000.

6. Acquisition of land for a public purpose that is not part of an individual capital improvement project, or a program that is implemented through individual capital improvement projects, provided that the cost of such land is at least \$5,000. Land purchased as part of an individual capital improvement project will be included in the cost of that particular project.

CAPITAL IMPROVEMENT PROGRAM FUNDING

Capital improvement projects often involve the outlay of substantial funds necessitating access to numerous sources to provide financing for greater than one fiscal year and frequently for the life of the project. Capital funding sources are often earmarked for specific purposes and cannot be transferred from one capital program to another. For example, millage funds raised by the Village for streets must be used for the purposes that were stated when the voters approved the millage. The CIP must be prepared with some projections as to the amount of funding available. The following is a summary of the funding sources for projects included in the CIP.

GENERAL FUND. Equipment purchases or public improvement projects, the benefit of which is shared by the community generally, are considered general operating expenditures, or are expenditures that cannot be appropriately assigned to another funding source typically derive their funding from the Village of Lake Orion General Fund. The General Fund receives its revenue from the general operating tax levy set by the Village Council annually as well as other general sources of revenue.

ENTERPRISE FUNDS. In enterprise financing, funds are accumulated in advance for capital requirements. Enterprise funds not only pay for capital improvements but also for the day-to-day operations of community services and the debt payments on revenue bonds

and loans. The community can set levels for capital projects; however, increases in capital expenditures for water mains, for example, could result in increased rates. Enterprise fund dollars can only be used on projects related to that enterprise fund (e.g., water system funds can only be used for expenditures relating to the water system).

BONDS. When the Village of Lake Orion sells bonds, purchasers of those bonds are, in effect, lending money to the community. The money is repaid, with interest, from taxes or fees over several years. The logic behind issuing bonds (or “floating a bond issue”) for capital projects is that the citizens who benefit from the capital improvement should help the community pay for them. Lake Orion issues bonds in two (2) forms:

- **General Obligation Bonds.** Perhaps the most flexible of all capital funding sources, General Obligation Bonds can be used for the design or construction of any capital project. These bonds are financed through property taxes. In financing through this method, the taxing power of the community is pledged to pay interest and principal to retire the debt. Voter approval is required if the community wants to increase the taxes that it levies and the amount is within Lake Orion’s state-mandated debt limit. To minimize the need for property tax increases, the community makes every effort to coordinate new bond issues with the retirement of previous bonds. General Obligation Bonds are authorized by a variety of state statutes.
- **Revenue Bonds.** Revenue bonds are sold for projects that produce revenues, such as water and sewer system projects. Revenue bonds depend on user charges and other project-related income to cover their costs. Unlike General Obligation Bonds, revenue bonds are not included in the state-mandated debt limits because the full

faith and credit of the community do not back them. Revenue bonds are authorized by Public Act 94 of 1933.

ACT 51 FUNDS. Based on a formula set by the State of Michigan through Public Act 51 of 1951, as amended, the Village receives a portion of the tax placed on motor vehicle fuel sales, vehicle registration fees, and highway usage in the state. The restrictions placed on the expenditure of these funds ensure that they will be spent on transportation-related projects or operations and services, specifically through the Village’s Act 51 Major Street Fund or Local Street Fund.

TAX INCREMENT FINANCING (TIF). Tax increment financing is a municipal financing tool that may be used to renovate or redevelop declining areas while improving their tax base. TIF applies the growth in tax base over time within a TIF redevelopment area to pay for project-related public improvements. For purposes of financing activities within the Village’s downtown district, the Village Council established the Lake Orion Downtown Development Authority (DDA) and adopted its first TIF plan in 1985. In 2020, the council extended the DDA TIF Plan through 2039. The Recodified Tax Increment Financing Act, Public Act 57 of 2018, authorizes a number of TIF options, including downtown development authorities.

TAX LEVIES. The property tax levy is a millage rate imposed on the taxable value of real and personal property and is one of the most important sources of community revenue. The property tax rate is stated in mills (one dollar for each \$1,000 of taxable value). This rate is applied to a property’s taxable value, a concept established by Proposal “A” in 1994, after the application of all tax exemptions. Millages are either authorized by state statute or are voter-approved and are specifically earmarked for a particular purpose. For example,

a street millage provides funding dedicated to the maintenance of streets beyond the revenue received from the State of Michigan through Act 51. The community is authorized to utilize millages under the Michigan Home Rule Village Act, Public Act 278 of 1909, as amended.

STATE AND FEDERAL GRANT FUNDS. The state and federal governments make funds available to communities through specific grants and aid programs. Funds are often tied directly to a particular program while the community may have discretion in the expenditure of funds under other grant programs, within certain parameters. For the most part, the community has no direct control over the amount of money received under these programs.

SPECIAL ASSESSMENTS. Capital improvements that benefit particular properties, rather than the entire community, may be financed more equitably by special assessment (i.e., a charge against properties that benefit directly through an appropriate allocation formula). Local improvements most often financed by this method include street improvements, sidewalks, streetscape improvements, and parking lots.

DEVELOPER CONTRIBUTIONS. Occasionally, capital improvements are required to serve new development. Should funding not be forthcoming from the community to construct such improvements, developers may agree to voluntarily contribute their share or to install the facilities themselves so the development can proceed. It should be noted here that development impact fees (i.e., requiring developers to pay for public improvements) are not permitted in Michigan.

FUND RESERVES. A budgeted use of unencumbered fund reserves is permissible when fund expenditures prove to be less than anticipated and resulting fund reserves are available to reallocate to appropriate capital program purposes related to the contributing fund.

OTHER REVENUE. Other revenues include those that cannot be easily classified in the revenue centers list above. Other revenue may consist of bank or interfund installment loans, interest on investments, cost recovery or reimbursements, metered parking or other service or program fees or charges, insurance proceeds, court judgments, penalties, or other miscellaneous revenue.

CAPITAL IMPROVEMENT PROGRAM FINANCIAL PLAN

The financial plan for the ensuing six-year Capital Improvement Program for the Village of Lake Orion is included on the following pages. It is the intent of the Village that the CIP will be reviewed annually and the program updated to reflect changes in the CIP projects as some projects are completed, others are amended or reprioritized, and new projects are added. The Village of Lake Orion Capital Projects Fund, Fund 401, accounts for all revenues and expenditures of the Capital Improvement Program anticipated to be received or expended during the current fiscal year.

VILLAGE OF LAKE ORION CAPITAL IMPROVEMENT PROGRAM SUMMARY

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTAL
BY DEPARTMENT OR ACTIVITY:							
Council	0	0	0	0	0	0	0
Manager	2,500	0	0	3,000	0	0	5,500
Clerk	1,500	0	0	0	0	0	1,500
Finance/Treasury	6,000	0	0	0	0	0	6,000
General Activities	15,400	0	0	0	0	0	15,400
Building/Planning/Zoning	1,500	0	45,000	0	0	0	46,500
Police	86,596	116,000	126,800	61,800	127,800	59,400	578,396
Public Works	1,500	45,000	300,000	0	0	0	346,500
Parks & Recreation	26,000	176,000	36,000	0	0	0	238,000
DDA	0	0	0	0	0	0	0
DDA Bond & Property							
Redevelopment	0	0	0	0	0	0	0
DDA Public Infrastructure	0	100,000	0	0	0	0	100,000
Grounds/Parking/Structures	60,000	86,500	75,000	0	0	0	221,500
Major Streets	15,000	58,000	156,000	81,000	150,000	150,000	610,000
Local Streets	100,000	547,000	435,000	518,000	550,000	550,000	2,700,000
Sidewalks	9,000	39,000	39,000	39,000	39,000	39,000	204,000
Water	173,410	513,410	243,410	7,611,250	111,250	111,250	8,763,980
Sanitary Sewer	3,727,010	5,428,619	5,407,303	0	278,000	0	14,840,932
Storm Sewer	0	5,000	5,000	5,000	5,000	5,000	25,000
Cemetery	40,000	0	15,000	0	0	0	55,000
TOTAL:	4,265,416	7,114,529	6,883,513	8,319,050	1,261,050	914,650	28,758,208

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTAL
BY FUNDING SOURCE:							
Operating Revenue	0	0	0	0	0	0	0
General Fund	82,400	124,200	135,000	8,000	5,000	5,000	359,600
Public Works Fund	0	5,000	0	0	0	0	5,000
Major Streets	16,125	42,750	79,750	42,250	76,750	76,750	334,375
Local Streets	80,125	150,500	110,500	131,250	139,250	139,250	750,875
Police Fund	86,596	86,800	106,800	41,800	107,800	39,400	469,196
Solid Waste	0	0	0	0	0	0	0
DDA	1,500	0	0	0	0	0	1,500
Capital Improvement	0	0	0	0	0	0	0
DDA Bond & Property							
Redevelopment Fund	0	0	0	0	0	0	0
DDA Public Infrastructure	26,000	257,200	46,000	20,000	20,000	20,000	389,200
Motor Pool	0	0	0	0	0	0	0
Sidewalk Fund							
Water & Sewer Fund	404,660	525,410	243,410	111,250	389,250	111,250	1,785,230
Cemetery Fund	40,000	10,000	15,000	0	0	0	65,000
Bond Issue	1,313,010	4,678,619	4,657,303	6,000,000	0	0	16,648,932
Grant	2,194,000	768,300	759,000	1,509,000	9,000	9,000	5,248,300
Special Assessment	0	465,750	430,750	455,500	514,000	514,000	2,380,000
Millage	0	0	0	0	0	0	0
Other	21,000	0	300,000	0	0	0	321,000
TOTAL:	4,265,416	7,114,529	6,883,513	8,319,050	1,261,050	914,650	28,758,208

BUILDING/PLANNING/ZONING CAPITAL IMPROVEMENT PROGRAM

PROJECT NO.	CAPITAL ITEM	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
B-721-1	Desktop Computer for Planning and Zoning Coordinator	1,500						1,500
	Community Master Plan Update			30,000				30,000
	Parks & Recreation Master Plan Update			15,000				15,000
								0
								0
								0
								0
								0
								0
								0

TOTALS:	1,500	0	45,000	0	0	0	0	46,500
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FUNDING SOURCES:

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
Operating Revenue							0
General Fund	1,500		45,000				46,500
Major Streets							0
Local Streets							0
Police Fund							0
Solid Waste							0
DDA							0
Capital Improvement							0
DDA Bond & Property							0
Redevelopment Fund							0
DDA Public Infrastructure							0
Motor Pool							0
Water & Sewer Fund							0
Cemetery Fund							0
Bond Issue							0
Grant							0
Special Assessment							0
Millage							0
Other							0

TOTALS:	1,500	0	45,000	0	0	0	0	46,500
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POLICE CAPITAL IMPROVEMENT PROGRAM

PROJECT NO.	CAPITAL ITEM	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
207-1	Desktop Computers (6) for Chief, Lt., Records Clerk, Officers, Reserves	15,653						15,653
207-2	Police Vehicle	56,000						56,000
207-3	Glock M45 9mm Handguns and Leather Gear (17)	14,943						14,943
	Taser Replacements (8)		4,000	4,000	4,000	4,000	4,000	20,000
	Public Radar Sign			5,000				5,000
	Police Vehicle Replacement			60,000		66,000		126,000
	Ford Maverick		35,000					35,000
	Lidar Unit		8,000					8,000
	Vehicle Camera Replacement (5)		8,000	8,000	8,000	8,000	8,000	40,000
	Body Camera Replacement (9)		4,800	4,800	4,800	4,800	2,400	21,600
	Special Event Safety Equipment		20,000	20,000	20,000	20,000	20,000	100,000
	Public Safety Technology		25,000	25,000	25,000	25,000	25,000	125,000
	Bicycle Patrol Equipment		11,200					11,200
TOTALS:		86,596	116,000	126,800	61,800	127,800	59,400	578,396

FUNDING SOURCES:

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
Operating Revenue							0
General Fund							0
Major Streets							0
Local Streets							0
Police Fund	86,596	84,800	106,800	41,800	107,800	39,400	467,196
Solid Waste							0
DDA							0
Capital Improvement							0
DDA Bond & Property							0
Redevelopment Fund							0
DDA Public Infrastructure		31,200	20,000	20,000	20,000	20,000	111,200
Motor Pool							0
Water & Sewer Fund							0
Cemetery Fund							0
Bond Issue							0
Grant							0
Special Assessment							0
Millage							0
Other							0
TOTALS:	86,596	116,000	126,800	61,800	127,800	59,400	578,396

WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM

PROJECT NO.	CAPITAL ITEM	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
592-1	Water Main Replacement Phase III & IV				7,500,000			7,500,000
592-2	Water Service Line Lead Verification	32,160	32,160	32,160				96,480
592-3	Lead Service Line Replacement	81,250	81,250	81,250	81,250	81,250	81,250	487,500
592-4	Water Meter Replacement		350,000					350,000
592-5	AMR Automatic Meter Reading System	30,000						30,000
592-6	Water Meter Radio Read Tower			100,000				100,000
592-7	Fire Hydrant Replacement	30,000	30,000	30,000	30,000	30,000	30,000	180,000
	Cut and cap old wellhead in DPW cold barn		20,000					20,000
								0
								0
								0
								0
								0
								0
								0

TOTALS: 173,410 513,410 243,410 7,611,250 111,250 111,250 8,763,980

FUNDING SOURCES:

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
Operating Revenue							0
General Fund							0
Major Streets							0
Local Streets							0
Police Fund							0
Solid Waste							0
DDA							0
Capital Improvement							0
DDA Bond & Property							0
Redevelopment Fund							0
DDA Public Infrastructure							0
Motor Pool							0
Water & Sewer Fund	173,410	513,410	243,410	111,250	111,250	111,250	1,263,980
Cemetery Fund							0
Bond Issue				6,000,000			6,000,000
Grant				1,500,000			1,500,000
Special Assessment							0
Millage							0
Other							0

TOTALS: 173,410 513,410 243,410 7,611,250 111,250 111,250 8,763,980

SANITARY SEWER SYSTEM CAPITAL IMPROVEMENT PROGRAM

PROJECT NO.	CAPITAL ITEM	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS
592-01	Pump Stations Upgrade Phase I and Force Mains	3,498,010						3,498,010
592-02	Pump Stations Upgrade Phase II		5,428,619					5,428,619
592-03	Pump Stations Upgrade Phase III			5,407,303				5,407,303
SAW Grant Report	Sewer Open Cut - 2 Locations, 40 LF	69,000						69,000
SAW Grant Report	Sewer Point Repair - 2 locations	30,000						30,000
SAW Grant Report	Sewer Spot Liner - 15 locations, 44 LF	46,000						46,000
SAW Grant Report	Sewer Pressure Test - 12 locations	16,000						16,000
SAW Grant Report	Sewer Seal Joints - 15 locations	10,000						10,000
SAW Grant Report	Sewer Tap Repair - 1 location	1,000						1,000
SAW Grant Report	Heavy Clean, Pre Post CCTV	32,000						32,000
SAW Grant Report	Manhole Repair	25,000						25,000
SAW Grant Report	Sewer Line Pipe - 3 locations, 744 LF					69,000		69,000
SAW Grant Report	Sewer Spot Liner - 21 locations, 56 LF					51,000		51,000
SAW Grant Report	Sewer Pressure Test - 29 locations, 1,150 LF					46,000		46,000
SAW Grant Report	Sewer Seal Joints - 32 locations					22,000		22,000
SAW Grant Report	Sewer Tap Repair - 4 locations					6,000		6,000
SAW Grant Report	Heavy Clean, Pre Post CCTV					84,000		84,000
								0
								0
								0
TOTALS:		3,727,010	5,428,619	5,407,303	0	278,000	0	14,840,932

FUNDING SOURCES:

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	TOTALS	
Operating Revenue							0	
General Fund							0	
Major Streets							0	
Local Streets							0	
Police Fund							0	
Solid Waste							0	
DDA							0	
Capital Improvement							0	
DDA Bond & Property Redevelopment Fund							0	
DDA Public Infrastructure							0	
Motor Pool							0	
Water & Sewer Fund	229,000				278,000		507,000	
Cemetery Fund							0	
Bond Issue	1,313,010	4,678,619	4,657,303				10,648,932	
Grants	2,185,000	750,000	750,000				3,685,000	
Special Assessment							0	
Millage							0	
Other							0	
TOTALS:		3,727,010	5,428,619	5,407,303	0	278,000	0	14,840,932

CAPITAL IMPROVEMENT PLAN ASSUMPTIONS

ASSUMPTION:

Inflation Rate	1.04
Inflation Adjustment - 1st Year	1.04
Inflation Rate - 2nd Year	1.0816
Inflation Rate - 3rd Year	1.124864
Inflation Rate - 4th Year	1.169859
Inflation Rate - 5th Year	1.216653

DDA PUBLIC INFRASTRUCTURE FUND CONTRIBUTION WORKSHEET

Base Year (2022) DDA Captured Taxable Value:	\$37,328,840.00
Base Year (2022) DDA Captured Millages:	24.0290
Base Year (2022) Tax Revenue:	\$896,974.70
Current Year Taxable Value: 2023-24	\$49,279,170.00
less Base Year 1985 Taxable Value:	\$10,233,400.00
Current Year Captured Taxable Value:	\$39,045,770.00
Current Year Millage Rates:	24.6178
Current Year Tax Revenue	\$961,220.96
Difference in Tax Revenue from Base Year (2022)	\$64,246.26

DDA Contribution to Public Infrastructure Fund: \$48,184.70

DDA PUBLIC INFRASTRUCTURE FUND CONTRIBUTION WORKSHEET

Base Year (2022) DDA Captured Taxable Value:	\$37,328,840.00
Base Year (2022) DDA Captured Millages:	24.0290
Base Year (2022) Tax Revenue:	\$896,974.70
Current Year Taxable Value: 2024-25	\$50,331,580.00
less Base Year 1985 Taxable Value:	\$10,233,400.00
Current Year Captured Taxable Value:	\$40,098,180.00
Current Year Millage Rates:	24.8423
Current Year Tax Revenue	\$996,131.02
Difference in Tax Revenue from Base Year (2022)	\$99,156.32

DDA Contribution to Public Infrastructure Fund: \$74,367.24

- Any changes have to be approved by the Village Council and DDA Board

Council Member Cyrowski called the question.

George Dandalido, 226 Bellevue, stated this is a great idea; however, three Council Members have asked for two week delay. He stated he does not see any issues with waiting two weeks and has not heard a good reason not to delay it. Ms. Dandalido stated he supports the two week delay and Council should provide the three Council Members the additional time to review the information.

Cory Johnston, Village resident, stated many questions have been raised that were not answered, including why 75%. Attorneys advise is not the only thing to consider; you should do the right thing which is different than doing what is legal. Three Council members do not understand all of the issue and asked for additional time. They should have a full understanding prior to voting on the Resolution. If Council evokes this today, it changes nothing;

Mr. Johnston asked that the Committee provide all of their information from the Committee to the three other Council Members and the Public.

MOTION 2

RESULT:	ADOPTED [5 TO 2]
MOVER:	Kenneth VanPortfliet, Council Member
SECONDER:	Carl Cyrowski, Council Member
AYES:	Cyrowski, Luchsinger, Narsh, Rutt, VanPortfliet
NAYS:	Lamb, Moshier

**VILLAGE OF LAKE ORION
COUNTY OF OAKLAND
STATE OF MICHIGAN
RESOLUTION 2022-043**

**RESOLUTION FOR DESIGNATION OF TAX INCREMENT REVENUES FROM THE
DDA TIF CAPTURE TO BE DEDICATED FOR PUBLIC FACILITY**

WHEREAS, the Village of Lake Orion is a Michigan municipal corporation duly established under The Home Rule Village Act, Public Act 278 of 1909, being MCL 78.1, *et seq.*; and

WHEREAS, the Lake Orion Downtown Development Authority is a duly established Downtown Development Authority, established by the Village of Lake Orion, pursuant to Part 2 of the Recodified Tax Increment Financing Act, Public Act 57 of 2018, being MCL 125.4201, *et seq.*; and

WHEREAS, the DDA has the authority to plan and propose for the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a “public facility,” an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the DDA Board, aids in the economic growth of the downtown district pursuant to the Recodified Tax Increment Financing Act, Public Act 57 of 2018, being MCL 125.4207; and

WHEREAS, the Village owns and has the responsibility to construct, renovate, repair, remodel, rehabilitate, restore, preserve, or reconstruct “public facilities” as defined in MCL 125.4201(x), within the DDA district, that are necessary and appropriate to the execution of the DDA Development Plan and which aid in the economic growth of the DDA district; and

WHEREAS, the DDA has met, studied and discussed the needs for ongoing maintenance and improvements to the Downtown District public facility infrastructure as a means to maintain and increase business and residential property values in the Downtown District; and,

WHEREAS, the Village has analyzed the Downtown District and concludes that the maintenance and improvements to the public facility infrastructure in the Downtown District is vital to the Downtown District and the Village as a whole; and,

WHEREAS, both the Village and the DDA have determined and agreed that the Village is best situated to address the public facility infrastructure needs of the Downtown District in coordination with the infrastructure of the entire Village; and,

WHEREAS, both the Village and the DDA have determined and agreed that a dedicated public facility infrastructure account is a viable response to the Downtown District public facility infrastructure needs, with the Village best positioned to use those funds to coordinate infrastructure construction, maintenance, and improvements to the Downtown District; and

WHEREAS, the Village and the DDA both approved the formation of a joint committee to explore the legal options regarding how to use DDA tax capture to focus on the Downtown District public facility infrastructure costs by way of a dedicated account for

the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of public facility infrastructure performed by the Village; and

WHEREAS, the joint committee has reviewed the issues and the available data and is recommending that the Village adopt a budgetary resolution to provide that 75% of all future tax increment revenues captured from the DDA TIF, from all newly realized Captured Taxable Value commencing from the execution of this Resolution and corresponding DDA Resolution, be transferred to a dedicated DDA District Public Facility Infrastructure account for the Village to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct any and all “public facilities” within the defined boundaries of the DDA District on behalf of the DDA, and further, that the DDA retain the remainder of the 25% of all future tax increment revenues from the DDA TIF, from all newly realized Captured Taxable Value commencing from the execution of this Resolution and corresponding DDA Resolution, which shall be utilized in any lawful manner by the DDA as determined by the DDA.

NOW, THEREFORE, BE IT RESOLVED, by the Village Council of the Village of Lake Orion, County of Oakland, State of Michigan, that the Village has the responsibility to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct “public facilities,” as defined by MCL 125.4201(x), within the DDA District, which is necessary and appropriate to the execution of the DDA Development Plan and aids in the economic growth of the DDA District and the Village as a whole; and

BE IT FURTHER RESOLVED, that as part of the DDA budget, the DDA shall transfer to a dedicated public facility infrastructure account, 75% of all future tax increment revenues captured from the DDA TIF, from all new realized Captured Taxable Value commencing from the adoption of this Resolution and corresponding Resolution of the DDA, on a monthly basis; and

BE IT FURTHER RESOLVED that the Village shall invoice the DDA to utilize the funds, to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct any and all “public facilities” as defined in MCL 125.4201(x), within the defined boundaries of the DDA district on behalf of the DDA; and

BE IT FURTHER RESOLVED that the current tax increment revenues from the DDA TIF capture, shall remain with the DDA, in its general fund, and that the residual 25% of the future tax increment revenues captured from the DDA TIF, from all new realized Captured Taxable Value commencing from the adoption of this Resolution and corresponding DDA Resolution, shall be retained by the DDA, in its general fund, and utilized by the DDA as provided for by law; and

BE IT FURTHER RESOLVED that this Resolution shall remain effective through the duration of the currently approved DDA Tax Increment Financing and Development Plan ending December 2039 and, if the DDA Tax Increment Financing and Development Plan is extended, the term of this Resolution shall be extended to the same term; and

BE IT FURTHER RESOLVED that nothing in this Resolution shall be construed or shall have any impact on the current Agreement between the parties for the provisions of Village services to the DDA.

3. Appointment of Council Members to Boards, Commission and Committees

Motion to Confirm Village Council President Jerry Narsh's appointments to the Planning Commission and Downtown Development Authority for terms to expire November 9, 2024.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Kenneth VanPortfliet, Council Member
SECONDER:	Teresa L Rutt, President Pro Tem
AYES:	Cyrowski, Lamb, Luchsinger, Moshier, Narsh, Rutt, VanPortfliet

Motion to appoint Council Member Kenneth Van Portfliet as the Village Council representative to the Village of Lake Orion Planning Commission two a two-year term to expire November 9, 2024.

RESULT:	DEFEATED [2 TO 5]
MOVER:	Kenneth VanPortfliet, Council Member
SECONDER:	Carl Cyrowski, Council Member
AYES:	Carl Cyrowski, Kenneth VanPortfliet
NAYS:	Lamb, Luchsinger, Moshier, Narsh, Rutt

Motion to appoint Council Member Michael Lamb Village Council representative to the Village of Lake Orion Planning Commission two a two-year term to expire November 9, 2024.

RESULT:	ADOPTED [6 TO 1]
MOVER:	Sarah Luchsinger, Council Member
SECONDER:	Nancy Moshier, Council Member
AYES:	Cyrowski, Lamb, Luchsinger, Moshier, Narsh, Rutt
NAYS:	VanPortfliet