# CITY OF BURTON

**BURTON CITY COUNCIL MEETING**

**FEBRUARY 4, 2019**

**MINUTES**

| Council Chambers | Regular Meeting | 7:00 PM |
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**4303 S. CENTER ROAD**
**BURTON, MI 48519**

**This meeting was opened by President Steven Heffner at 7:00 PM.**

## A. INVOCATION LED BY: DANNY WELLS

## B. THE PLEDGE OF ALLEGIANCE IS LED BY: DANNY WELLS

## C. ROLL CALL

| Attendee Name | Title | Status | Arrived |
|---|---|---|---|
| Tom Martinbianco | Councilman | Present | |
| Duane Haskins | Vice President | Present | |
| Dennis O'Keefe | Councilman | Present | |
| Steven Heffner | President | Present | |
| Danny Wells | Councilman | Present | |
| Vaughn Smith | Councilman | Present | |
| Christina Conley | Councilwoman | Present | |

## D. STAFF PRESENT

Paula Zelenko, Mayor
Rik Hayman, Chief of Staff
Karen Moffitt, Controller
Mike Odette, Police Chief
Charles Abbey, Deputy DPW Director
Bob Slattery, DPW Director
Racheal Boggs, Deputy Clerk
Marv Epperson, Fire Chief

## E. APPROVAL OF MINUTES

1. City Council - Regular Meeting - Jan 22, 2019 7:00 PM

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| **RESULT:** | **ACCEPTED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

## F. ADMINISTRATIVE REPORTS

Mayor Zelenko provided the following updates:

- Representatives from the Woodhill Group should be here tonight to go over the water rate study.
- On your agenda are approvals of engineering projects and executing a contract for our next phase of TIP projects on Saginaw Street from Bristol Road to Hemphill

Road.

- You have city owned properties for sale on the agenda tonight.
- There are several budget amendments. Controller Karen Moffitt is here to answer any questions you have about that. Also she can answer questions about the mid-year review you were given at the last meeting.
- Also on the agenda are 2 second readings of an ordinance.

## G. COMMITTEE REPORTS

Mrs. Conley stated the next Parks & Recreation meeting is on February 13th at 5:30 PM. She would like to call on the community and the City Council to get involved with the Memorial Day Parade this year.

## H. AUDIENCE PARTICIPATION

Diana Johnson of Davison is here on behalf of her mother who lives on Clarice. She is concerned about people buying the city owned property in the flood area on Clarice. She stated she has been taking care of the property there and feels like she is being pushed out.

Shahid Shaikh of Toledo Business and Professional Women's Retirement Living, Inc. stated he is here regarding the sale of Kings Lane Apartments scheduled for February 13th. He would like the city to exercise their right of first refusal and select our company as the developer for this project.

Lisa Toth of Toledo Business and Professional Women's Retirement Living, Inc., provided a packet to the City Council regarding previous projects the company has done. She stated we will be providing social services to the residents at Kings Lane and a great service for the overall Burton community.

Mr. Wells stated he is interested but this is something we should have a Special Meeting to discuss.

Mr. Shaikh stated the sale is scheduled for February 13th. He encouraged the council to make a request to HUD to postpone the sale while you make a decision.

Mr. Martinbianco asked if he will be seeking Payment in Lieu of Taxes (PILOT).

Mr. Shaikh stated there wouldn't necessarily be a HUD-based mortgage on the project.

Joey Richvalsky stated he would like to be considered for a position on the Zoning Board of Appeals (ZBA). He would like to clear up a misunderstanding from the last City Council Meeting. He is a longtime resident and a voter of the City of Burton. He has a real estate business and an apartment here. He has been the Chair of Burton's Downtown Development Authority for many years. His experience is important to the ZBA.

Victoria McArthur of Burton stated she lived on Clarice when it flooded and we should be thankful they bought us out but it should be fair for everyone involved.

Edwin Johnson of Davison stated he lived on Clarice for 35 years. FEMA said it would be 100 years before anyone will be able to build on that property. He is concerned what these people are going to do with the property.

Stan Lorene of Burton stated he lives on Clarice and we were told this property would never be sold and it was supposed to be a park. Hopefully the people who bought it know you can't build there.

## I. COUNCIL DISCUSSION

Mr. Wells asked the administration if the property on Clarice is buildable.

Mr. Abbey said no, it is not. It doesn't have to be buildable to sell it. According to FEMA, it is in the 100 year floodplain and it is to remain an open green space area. From our perspective, it is about selling to an adjacent owner, someone who is contiguous with the property and who will maintain the property. We expend a lot of money maintaining properties around the city. The new owners will know this is a non-buildable property. If they are buying it to use as a side lot to their current property, it can be used as such.

Mr. Smith stated these are all owners in the area, right? They appear to be adjacent property owners. I'm not sure what the problem is.

Mr. Abbey stated this is a pretty unique property at the end of the street. The gentleman that won was the high bidder. Several neighbors in the area bid on it through the sealed bid process and some are here tonight.

Mr. Smith stated as Finance Chair, I feel compelled to share this information with everyone regarding Masud Labor Law Group. We hired Masud on May 16, 2016 to represent the city with labor and employment matters. I audited all the bills since May of 2016 to look at our return on investment. Mr. Smith provided hand-outs to the council and provided the following information:

| | 2016 | 2017 | 2018 | Total |
|---|---|---|---|---|
| Misc. Legal fees | $17,358.00 | $21,885.00 | $18,671.00 | $57,914.00 |
| Collective Bargaining | $55,480.00 | $52,552.00 | $22,994.00 | $131,026.00 |
| Total Fees | $72,437.00 | $74,437.00 | $41,665.00 | $188,940.00 |

Reduction in pension unfunded liability over the length of seven negotiated union contracts for four years, 7.75% interest on $1,200,000:

| | | Interest |
|---|---|---|
| Year 1 | $1,200,000.00 | $93,000.00 |
| Year 2 | $1,293,000.00 | $100,208.00 |
| Year 3 | $1,393,208.00 | $107,974.00 |
| Year 4 | 1,501,182.00 | $116,342.00 |

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| 4 year savings in unfunded liability interest | $417,524.00 |
| 3 year collective bargaining fees | -$131,026.00 |
| Unfunded interest savings | $286,498.00 |

Mr. Smith stated hiring Masud was a good thing. The city pays $3.3 million to retirees every year. It has taken two and a half years and hasn't been fun but it was necessary.

Mr. Smith stated he would like to let everyone know where we are currently with the water rates. He gave a hand-out with information from the Confidential Financial Report obtained through Plante Moran, the city's accounting firm. Mr. Smith explained the following:

Comparison of 2016, 2017 and 2018

- receipts from customers
- payments to vendors
- revenue/expenses
- personnel services

- principle & interest long-term debt
- purchase of capital assets
- number of water customers billed
- total consumption

Mr. Smith stated we invested approximately $21,000,000 in new pipes on the south end of Burton. It took 5 years for the project. We have to start paying interest on these bonds and pay back the principle. In 2016 our principle on that debt was $591,235.00. In 2017: $929,710 and 2018: $1,218,700. Our principle and interest has grown by over $600,000 in 2 years. Most of what we are taking in as payments from customers is going to the county. The DEQ mandated we fix these pipes. Because of the aging infrastructure, they were leaking like a sieve. This was eating up money to fix the leaks all the time. The number of customers on city water increased by around 150 from 2016-2018 and total consumption has decreased because pipes are no longer leaking. We are currently in a deficit and we aren't setting anything aside to fix aging infrastructure throughout the rest of the city. We need to be proactive. When residents get their bills they only see City of Burton and think the money is staying here; it is not. Most of that money goes to the county. If there is a major break, we may not have the money to do the repair.

Mr. Smith also went over the Water and Sewer Workshop Agenda from January 23, 2019.

Motion was moved by Mr. Martinbianco and supported by Mrs. Conley to take a brief recess; vote result was unanimous.

Council took a recess at 8:00 PM and returned at 8:10 PM.

Mr. Smith stated going forward, we are going to have to budget differently. Infrastructure development will be kept in a separate account so we can keep track of how we are doing on investing toward future infrastructure.

Mr. Martinbianco stated Mr. Smith did a great job of explaining the financial aspects of this. He was put in charge of understanding and putting the language together for both the water and sewer ordinances that address the equivalent user table that we use currently and identify the inefficiencies in it. I have been working with the people from Woodhill and hopefully at the next meeting we will have a preliminary set of circumstances and guidelines including connection charges, classification and applications for connection. We received communication from the County Water and Waste Division back in September of 2017 indicating 2, potentially 3 rate increases primarily tied to the city's new participation in the Karegnondi water system. What that amounted to was the increase in the readiness to serve charge which is a fixed cost and one of the things that is primary because commodity charges are variable but fixed cost goes into our participation with this pipeline as opposed to staying with the City of Flint or Great Lakes Water Authority. They raised the rate again in 2018 with the possibility of a further increase in 2020.

Mrs. Conley asked Mr. Smith if we were still hooked up to Detroit water for the 2016 water rate figures he discussed.

Mr. Smith stated we were on Detroit through 2017.

Mr. Heffner stated he received a letter from Plante Moran wanting to discuss the next phase of the internal control review. They are recommending we do payroll, cash receipts collections at the treasurer’s office and wire and ACH transactions. How does the council feel about this?

Council agrees with Plante Moran's recommendation.

Mr. Heffner will send Plant Moran an email confirming this. They will put an engagement letter together and we will bring it to council for a vote. He asked Mr. Hayman how long it will be before he gets the information he requested about the water department and which employees are being paid.

Mr. Hayman stated they are working on it but he is unsure of a time frame because of the BS&A system. You have received this information before in the allocation tables it just isn't in the form that you want it.

Mayor Zelenko stated BS&A doesn't have the functionality to create a report of allocations on pay of all employees that hit the water and sewer department. Each employee is their own individual allocation report. It isn't done by department so you would end up with a report of only the employees that default to the water department; the ones who work in those departments but not those who a portion of their pay comes from that department. We will need to get in contact with BS&A to see if what you are requesting is possible.

Mr. Haskins stated we used to get break-downs from the Controller with percentages of what is being paid out of the departments. We spent a lot of money for the BS&A system and it was supposed to make this easier.

Mr. Heffner stated we need this report before we start raising rates because of the deficit in the water department. It will help us look at it from another angle. Why are the water users subsidizing other departments? For an example, if 20% of Rik's pay comes from the water department, does 20% of his work come from the water department?

Mr. Abbey stated we use a formula like all other municipalities to calculate this. Only certain employees can be charged out of certain departments. They have to have a direct connection to that department and do work for it. Some employees can be charged to several departments such as the HR Director because HR touches every department. The alternative to this is they all come 100% out of General Fund and the General Fund cannot handle that.

Mr. Heffner stated everybody in the city pays for General Fund but not everybody in the city pays for water. I am questioning the formula.

Mr. Hayman stated Plante Moran suggested a consistent methodology. They haven't seen an issue with the methodology. The Controller has been working on the best methodology in terms of best accounting practices.

Mr. Abbey stated since he has been here he has had conversations with the Controller about looking at these things annually in all departments; roads, local major streets.

Mayor Zelenko stated the HR module that does the automatic look-back has helped us to see where employees actually worked and where they were charged. This helps us in preparing the proposed budget.

Mr. Wells stated he is encouraged by the work that Mr. Smith and Mr. Martinbianco are doing working with the administration on the water rates. We are all getting closer to being on the same page. The water rates went up again in April and had we been privy to this we could have put the $1.61 on there and we would be much better off. Since April 2nd, we have been losing $4,800 a month. We are on the right track. The next step I would take that we used to do all the time is the Committee Chairman would get the information and call the committee together so we are that much further ahead when we got to a council meeting. We wouldn't have 3 hour council meetings. The more we all know, the stronger we are as a city. He would like to see a special meeting to discuss Kings Lane Apartments.

Mr. Haskins stated we tried to do this years ago under a different circumstance and it didn't work out so I would be leery to try to revert something that we didn't do years ago for Blackberry Creek. If the city has to be involved with this directly whether it be financially or otherwise, without having a housing commission, I think it could cause potential problems.

Mr. Heffner stated we need to at least hear what these people have to say. We will need the attorney to look everything over.

Council decided to have a Special City Council Meeting on Thursday, February 7, 2019 at 6:00 PM for the purpose of discussion and possible action on Kings Lane Apartments.

Attorney Doyle said she will not be here for the special meeting but will see if Attorney Joliat is available.

Mr. Martinbianco stated the road crews did a masterful job during the inclement weather and snow recently. Was City Hall open during that time or ill-staffed on Wednesday and Thursday?

Mayor Zelenko said we were open the entire time.

Mr. Martinbianco said he didn't get the agenda for this meeting until 4:30 PM on Friday afternoon. With all the budget amendments on the agenda, comprehending what is going on is impossible to do over the weekend when you can't call anyone at City Hall to ask questions. We used to get agendas on Wednesday which morphed into Thursday and even that is pushing the envelope when there's an extensive agenda like this one. If it was 5-6 nondescript items that's one thing. We need to get them as soon as possible. If City Hall was open during the winter storm, we should have had the agenda on Thursday.

Mr. Heffner stated this is a shame that we get the agenda at the 11th hour on Friday sometimes at 5:30PM or 6:30 PM. Previous Clerk's back to 2007 when I was elected, we always got our agendas by Thursday at the latest. Now that we don't have a confirmed Clerk, we get agendas every time on Friday. We are being asked to make decisions on some really serious items and we need time to do our due diligence. It's wrong. Maybe we need to make a city policy to have our agendas in a timely manner. The council requests to have our agendas by no later than 2:00 PM on Thursdays.

## J. COUNCIL ACTION

1. Approve and authorize the Attorney Billing (Doyle) 1/17/2019 to 1/29/19 in the amount $3,404.00.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

2. Approve and Authorize the Mayor and Clerk to enter into an agreement with WHG, the Woodhill Group, 20145 Woodhill Dr. Northville, MI 48167, to provide assistance to the CIty associated with the water and sewer rate setting methodology and implementation of other items relating to the accounting and budgeting financial management and financial operations supporting the Department of Public Works, at rates established by said agreement but not to exceed $150 per hour. This agreement will expire upon completion of the stated objectives or upon notice of termination by either party.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

3. Approve and authorize the City Treasurer to adjust the City of Burton Readiness to Serve charge on all active domestic metered water accounts to be increased $1.60 monthly. Example - 5/8 meter will increase from $21.02 monthly to $22.62. This pass-thru adjustment is in accordance with the 2018 Readiness to Serve increase from Genesee County Water and Waste Services on our (80 equivalent meters) from $400.00 to $460.00 monthly per equivalent meter.

   Mrs. Conley stated when she came in today to get her agenda she asked for back-up and didn't get it. When she came into the meeting tonight it was laid in front of her. The wording on item # 3 regarding the amount is deceiving. I don't know what its saying. Also, it says last April and it took 8 months to bring this to us now. Why didn't it come in front of us in May or June?

   Mayor Zelenko stated this has been before the council 3 times.

   Mr. Abbey stated we had this discussion and it was council's position that we shouldn't do anything until after the rate study was complete. As you can see, it was just completed. Now you have a basis for the rate. It took 10 months because the rate study looks at a lot of things.

   Mr. Heffner asked how much of the $1.60 is to recoup what we lost in the last 10 months and will that drop back down once it is recouped or will it stay at the higher rate.

   Mr. Abbey stated that will be a discussion the council will have at a later date. We don't know what next year brings. For the next 10 months, you're making up for lost revenue that's depleting our accounts. If later you find we don't need this much money, you can always adjust the rates. This will buy you the time you need.

   Mr. Haskins stated he is not happy about this at all. Everything that has come in front of this council in the last few years has been immediate action and dire straits. Neither the council nor the administration put us here. Things have transpired that are totally out of our control: increases that have occurred with Karegnondi and Detroit always raising their water. The water and sewer projects we have done were a must. I do believe the DEQ when they say they will get involved and fine us for not being able to provide proper drinking water. Our actions have prevented problems like what Flint went through. It disgusts me to raise rates. Our resident work hard for their money. Mr. President, I understand where you were coming from with asking for the breakdown of employees in the water department but from the history we have seen, I don't think we will be able to find enough money to offset it. There may be issues we have with people working in certain positions. There was a great change in the DPW when Mr. Abbey came on board and we appreciate it. If we don’t act, we are going to end up losing everything. We fixed the infrastructure on the south end and now we have to keep continuing to move around the city because it’s all getting older as well. This hurts me and I am not big on it but I understand the travesty it would create if we don’t do it.

Mr. Wells stated we got a low income loan for the south end. We aren’t going to be able to get that other places. We have to build the surplus up to take care of the residents of the city. People may complain about the $1.60 increase but they will definitely complain when they don’t have any water or their pipes are breaking. We were elected to be leaders and we need to step up and do what’s right for the residents.

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| **RESULT:** | **CARRIED [6 TO 1]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith |
| **NAYS:** | Conley |

4. Approve and Authorize the Mayor and City Clerk to execute a contract with OHM Advisors, G3101 West Bristol Road, Flint, MI 48507, for Construction Engineering of Saginaw Street, Bristol to Hemphill (DPW Project No. 18-005-P), at an estimated cost of $113,125.35, contingent upon approval of the City Attorney.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

5. Approve and authorize the Mayor and City Clerk to execute a Contract with the Michigan Department of Transportation for hot mix asphalt cold milling and resurfacing work, including pavement repair, concrete pavement joint repair, miscellaneous concrete curb and gutter, concrete sidewalk and ramp work; and all together with necessary related work along Saginaw Street from Bristol Road northerly to Hemphill Road in the City of Burton, Genesee County (DPW project No. 18-005-P), MDOT Control Section STU 25000, Job number 130642CON, Federal Project Number 1900(197) at an estimated total cost of $1,269,200, of which the City of Burton's final cost will be approximately $235,400.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

6. Approve and authorize the sale of Vacant Lot to the highest bidder with the applicable conditions, to give final approval for the same of this improved lot, for the sum of cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate the sale as follows:

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

7. Approve and Authorize the sale of a parcel of land that contains improved structures to the highest bidder with the condition that a building inspection be completed within 15 days and repair made within 90 days of the closing, to give final approval for the same of this improved lot, for the sum of cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate the sale as follows:

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

8. Approve and authorize the following 2018-2019 budget amendment: Increase 1001-0000-573.0000 Local Community Stabilization State Revenue-General Fund by $19,300 and Increase 1001-0000-390.0000 Unappropriated Surplus-General Fund by $19,300; Increase 2006-0000-573.0000 Local Community Stabilization State Revenue-Fire Fund by $5,900 and Increase 2006-0000-390.0000 Unappropriated Surplus-Fire Fund by $5,900; Increase 2007-0000-573.0000 Local Community Stabilization State Revenue-Police Fund by $50,400 and Increase 2007-0000-390.0000 Unappropriated Surplus-Police Fund by $50,400.

   Mr. Martinbianco asked about where to find the unappropriated surplus in the police fund.

   Ms. Moffitt stated it's basically the fund balance account. If there is surplus of revenue over expenditures, it will come out of that in the budget.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

9. Approve and authorize the following 2018-2019 budget amendment in the General Fund: Decrease 1001-0000-539.0002 Grant Revenue-DNR Grant by $7,000, Decrease 1001-6090-956.6090 DNR Grant Expenditures by $10,000 and Increase 1001-0000-390.0000 Unappropriated Surplus by $3,000.

   Mr. Smith said thank you to the Controller for providing the explanations for the line items. It is very helpful and saves a lot of time.

   Mr. Haskins thanked the Controller.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

10. Approve and authorize the following 2018-2019 budget amendment in the Water Fund: Decrease 5091-0000-539.2019 DWRF #5 Grant Revenue by $70,000 and Decrease 5091-0000-390.0000 Unappropriated Surplus by $70,000.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

11. Approve and authorize the following 2018-2019 budget amendment: Increase 1001-1001-910.0000 Insurance-Council by $7,400, Increase 1001-2065-910.0000 Building Insurance-City Hall by $1,200 and Decrease 1001-0000-390.0000 Unappropriated Surplus-General Fund by $8,600; Increase 2006-2006-910.0000 Insurance-Fire by $400, Increase 2006-2006-910.7020 Building Insurance-Fire by $800 and Decrease 2006-0000-390.0000 Unappropriated Surplus-Fire by $1,200; Increase 2007-2007-910.0000 Insurance-Police by $6,600 and Decrease 2007-0000-390.0000 Unappropriated Surplus-Police Fund by $6,600.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

12. Approve and authorize the following 2018-2019 budget amendment in the General Fund: Increase 1001-1071-706.0000 Salaries Permanent-Mayor by $1,400; Increase 1001-1071-717.0000 Retirement-MERS Active-Mayor by $300; Increase 1001-1071-718.0000 Retirement-MERS Retirees-Mayor by $700; Increase 1001-1071-719.0000 Fringe Benefits-Mayor by $4,500; Increase 1001-2023-703.0000 Controller Salary-Controller by $400; Increase 1001-2023-706.0000 Salaries Permanent-Controller by $400; Increase 1001-2023-717.0000 Retirement-MERS Active-Controller by $200; Increase 1001-2023-718.0000 Retirement-MERS Retirees-Controller by $400; Increase 1001-2023-719.0000 Fringe Benefits-Controller by $2,400; Increase 1001-2065-706.0000 Salaries Permanent-City Hall by $1,300; Increase 1001-2065-717.0000 Retirement-MERS Active-City Hall by $200; Increase 1001-2065-718.0000 Retirement-MERS Retirees-City Hall by $700; Increase 1001-2065-719.0000 Fringe Benefits-City Hall by $4,900; Increase 1001-8001-706.0000 Salary Permanent-Planning by $2,900; Increase 1001-8001-718.0000 Retirement-MERS Retirees-Planning by $23,400; Increase 1001-8001-719.0000 Fringe Benefits-Planning by $500; Increase 1001-8005-706.0000 Salaries Permanent-Zoning by $2,900; Increase 1001-8005-718.0000 Retirement-MERS Retirees-Zoning by $23,400; Increase 1001-8005-719.0000 Fringe Benefits-Zoning by $500; Decrease 1001-0000-390.0000 Unappropriated Surplus by $71,400.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

13. Approve and authorize the following 2018-2019 budget amendment in the Major Streets Fund: Increase 2002-4063-708.0000 Shared Salaries-Surface Maintenance by $500; Increase 2002-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2002-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2002-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,700; Increase 2002-4082-703.0000 Administration Salaries-Administration by $900; Increase 2002-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2002-4082-718.0000 Retirement-MERS Retirees-Administration by $500; Increase 2002-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2002-0000-390.0000 Unappropriated Surplus by $6,900.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

14. Approve and authorize the following 2018-2019 budget amendment in the Local Streets Fund: Increase 2003-4063-708.0000 Shared Salaries-Surface Maintenance by $600; Increase 2003-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2003-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2003-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,900; Increase 2003-4082-703.0000 Administration Salaries-Administration by $900; Increase 2003-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2003-4082-718.0000 Retirement-MERS Retirees-Administration by $500; Increase 2003-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2003-0000-390.0000 Unappropriated Surplus by $7,200.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

15. Approve and authorize the following 2018-2019 budget amendment in the Fire Fund: Increase 2006-2006-706.0000 Salaries Permanent by $1,500; Increase 2006-2006-708.0000 Shared Salaries by $600; Increase 2006-2006-717.0000 Retirement-MERS Active by $400; Increase 2006-2006-718.0000 Retirement-MERS Retirees by $1,100; Increase 2006-2006-719.0000 Fringe Benefits by $7,500; Decrease 2006-0000-390.0000 Unappropriated Surplus by $11,100.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Christina Conley, Councilwoman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

16. Approve and authorize the following 2018-2019 budget amendment in the Police Fund: Increase 2007-2007-705.0000 Sergeants Salaries by $85,800; Increase 2007-2007-708.0000 Shared Salaries by $1,500; Increase 2007-2007-717.0000 Retirement-MERS Active by $3,300; Increase 2007-2007-718.0000 Retirement-MERS Retirees by $37,400; Increase 2007-2007-719.0000 Fringe Benefits by $64,600; Decrease 2007-0000-390.0000 Unappropriated Surplus by $192,600.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

17. Approve and authorize the following 2018-2019 budget amendment in the Building Department Fund: Increase 2049-2061-703.0000 Administration Salaries by $500; Increase 2049-2061-706.0000 Salaries Permanent by $700; Increase 2049-2061-708.0000 Shared Salaries by $500; Increase 2049-2061-717.0000 Retirement-MERS Active by $200; Increase 2049-2061-718.0000 Retirement-MERS Retirees by $5,700; Increase 2049-2061-719.0000 Fringe Benefits by $2,900; Decrease 2049-0000-390.0000 Unappropriated Surplus by $10,500.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Danny Wells, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

18. Approve and authorize the following 2018-2019 budget amendment in the Senior Citizens Center Fund: Increase 2069-2069-705.0000 Supervision Salaries by $1,900; Increase 2069-2069-708.0000 Shared Salaries by $600; Increase 2069-2069-717.0000 Retirement-MERS Active by $400; Increase 2069-2069-718.0000 Retirement-MERS Retirees by $1,300; Increase 2069-2069-719.0000 Fringe Benefits by $2,700; Decrease 2069-0000-390.0000 Unappropriated Surplus by $6,900.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

19. Approve and authorize the following 2018-2019 budget amendment to the Sewer Fund: Increase 5090-5090-703.0000 Administration Salaries by $1,400; Increase 5090-5090-708.0000 Shared Salaries by $700; Increase 5090-5090-717.0000 Retirement-MERS Active by $400; Increase 5090-5090-718.0000 Retirement-MERS Retirees by $1,000; Increase 5090-5090-719.0000 Fringe Benefits by $6,100; Decrease 5090-0000-390.0000 Unappropriated Surplus by $9,600.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

20. Approve and authorize the following 2018-2019 budget amendment to the Water Fund: Increase 5091-5091-703.0000 Administration Salaries by $900; Increase 5091-5091-708.0000 Shared Salaries by $700; Increase 5091-5091-717.0000 Retirement-MERS Active by $300; Increase 5091-5091-718.0000 Retirement-MERS Retirees by $800; Increase 5091-5091-719.0000 Fringe Benefits by $4,700; Decrease 5091-0000-390.0000 Unappropriated Surplus by $7,400.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

21. Approve and authorize the following 2018-2019 budget amendment to the Information Technology Fund: Increase 6036-6036-703.0000 Administration Salaries by $2,100; Increase 6036-6036-717.0000 Retirement-MERS Active by $400; Increase 6036-6036-718.0000 Retirement-MERS Retirees by $1,100; Increase 6036-6036-719.0000 Fringe Benefits by $6,500; Decrease 6036-0000-390.0000 Unappropriated Surplus by $10,100.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

22. Approve and authorize the following 2018-2019 budget amendment to the Motor Pool Fund: Increase 6061-6061-708.0000 Shared Salaries by $100; Increase 6061-6061-717.0000 Retirement-MERS Active by $100; Increase 6061-6061-718.0000 Retirement-MERS Retirees by $100; Increase 6061-6061-719.0000 Fringe Benefits by $200; Decrease 6061-0000-390.0000 Unappropriated Surplus by $500.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

## K. SECOND READING OF ORDINANCE

1. Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Treasurer of the City of Burton and to provide for the effective dates thereto.

| | |
|---|---|
| **RESULT:** | **CARRIED [5 TO 2]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Wells, Smith |
| **NAYS:** | Heffner, Conley |

2. Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Fire Chief of the City of Burton and to provide for the effective dates thereto.

| | |
|---|---|
| **RESULT:** | **CARRIED [5 TO 2]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Wells, Smith |
| **NAYS:** | Heffner, Conley |

Agendas and minutes may be found at www.burtonmi.gov

Meeting was adjourned at 9:21 PM.

# CITY OF BURTON

**BURTON CITY COUNCIL MEETING**

**JANUARY 22, 2019**

**MINUTES**

| Council Chambers | Regular Meeting | 7:00 PM |
|---|---|---|

**4303 S. CENTER ROAD**
**BURTON, MI 48519**

**This meeting was opened by President Steven Heffner at 7:00 PM.**

## A. INVOCATION LED BY: THOMAS MARTINBIANCO

## B. THE PLEDGE OF ALLEGIANCE IS LED BY: THOMAS MARTINBIANCO

## C. ROLL CALL

| Attendee Name | Title | Status | Arrived |
|---|---|---|---|
| Tom Martinbianco | Councilman | Present | |
| Duane Haskins | Vice President | Present | |
| Dennis O'Keefe | Councilman | Present | |
| Steven Heffner | President | Present | |
| Danny Wells | Councilman | Excused | |
| Vaughn Smith | Councilman | Present | |
| Christina Conley | Councilwoman | Present | |

## D. STAFF PRESENT

Paula Zelenko, Mayor
Amanda Doyle, Attorney
Bette Bigsby, Acting Clerk
Sue Warren, HR Director
Karen Moffitt, Controller
Charles Abbey, Deputy DPW Director
Marvin Epperson, Fire Chief
Mike Odette, Police Chief
Mike Mathiak, Police
Marshall Sabourin, Police
Sarah Conquest, Police
Hayden Prine, Police
Alex Yax, Police
Dana Ackerman, Police

## E. APPROVAL OF MINUTES

1. City Council - Committee of the Whole - Dec 3, 2018 6:00 PM

| | |
|---|---|
| **RESULT:** | **ACCEPTED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

2. City Council - Regular Meeting - Dec 3, 2018 7:00 PM

| | |
|---|---|
| **RESULT:** | **ACCEPTED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

3. City Council - Regular Meeting - Dec 17, 2018 7:00 PM

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|---|---|
| **RESULT:** | **ACCEPTED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

4. City Council - Regular Meeting - Jan 7, 2019 7:00 PM

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|---|---|
| **RESULT:** | **ACCEPTED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

## F. ADMINISTRATIVE REPORTS

Mayor Zelenko pointed out the various reports in the agenda packet as well other reports for the Council. She let them know there will be some budget reports at the February meeting. She also asked for a closed session under 8(D) before audience participation.

Mayor Zelenko asked Chief Odette to come forward and introduce the four new officers and give a brief history of each officer's education.

Chief Odette introduced and welcomed Officer Sarah Conquest, Officer Hayden Prine, Officer Dana Ackerman and Officer Adam Yax.

1. Jan 2019 Investment Report

2. Revenue and Expenditure Report as of December 31, 2018

3. Mayor Credit Card statement

4. Mid-year budget review

## G. COMMITTEE REPORTS

None.

## H. AUDIENCE PARTICIPATION

Barbara Ferris of Burton spoke about her house being foreclosed and what she can do to save it.

Tommy McHale of Burton and Charles Rogers of Burton are here to address the purchase of vacant lots. Two of the lots on the agenda we would like to purchase for our own personal use to build on. The rest of the properties, our intent is to team up with a builder and put new homes on them. We will maintain them until that happens. We have bid the properties at the city's asking price and this will be a benefit to the City of Burton.

Jim Craig of Burton stated we are creating a new Facebook page. It is burton mi.restaurants where Burton restaurants can upload their menu and specials. It is designed to create some positive publicity for these local businesses. Please go to the page and share throughout the community. Mr. Smith has the flyer for those who are interested.

## I. COUNCIL DISCUSSION

Mr. Martinbianco stated Barb's comment does not fall on deaf ears. He would like to see what options there are to keep her in her home.

Mr. Abbey stated he has been in conversation with the homeowner. He has also been talking to the county and the Land Bank. The only people that can do anything is the City Council. He suggests to be careful so we don't open pandora's box but these situations need to be looked at individually. This is one that may warrant a closer look from the council. It has to go through a clear title process. I can give you all the information I have so far and you can go from there.

Mr. Martinbianco asked what the time frame is for dealing with the Land Bank on something like this.

Mr. Abbey stated the Land Bank has reverted it back to us. So, it is our responsibility.

Mr. O'Keefe stated we need to look at the financial capacity of the homeowner as well.

Mr. Heffner stated Mr. O'Keefe asked for the results from the last election regarding the vote break down of the proposal for recreational marijuana a couple meetings ago. He would like it so he knows how the residents want them to vote.

Mayor Zelenko stated that will be in your mailboxes tomorrow. There will be an update about this at the MML Conference in March as well.

Mr. Heffner stated he would like a break down of which employees wages are being charged to the water department emailed to each Council Member.

Mayor Zelenko said she will do that.

1. Motion to go into Closed Session Under 8(D).

   Council went into closed session at 7:28 PM and returned at 7:55 PM.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Tom Martinbianco, Councilman |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

2. Motion for a Consent Agenda for Items 6-21 Sale of Vacant Properties.

   Mr. Smith is concerned about one person, Charles Rogers buying several properties for $25.00 - $50.00. What are his plans with this? He asked for the administration to go through the vacant lots that Mr. Rogers is interested in purchasing.

   Mr. Abbey stated our concern is getting the lots on the tax roll. If they have a plan to develop them or sell them for a profit, we don't have a problem with it. Under the terms and conditions in the conditional purchase agreement it states they must maintain those lots including removal of junk and debris. As long as they do this, from the city standpoint, we don't care who buys them. We don't want them coming back to the city where we have spend the money to maintain them.

   Mr. Martinbianco asked why are we only charging $50.00?

   Mr. Abbey stated some of these lots we have owned for several years and we have spent a ton of money on them over the years. At this point, they are not on the tax roll so we are losing money there. It is a win for us if they go back on the tax roll and the owner maintains them regardless of the selling price. We did offer these lots at a higher price and there were no bids.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

## J. COUNCIL ACTION

1. Approve and authorize the Attorney Billing (Doyle) 1/02/2019 to 1/15/2019 in the amount $5,392.25.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

2. Approve and authorize the payment of Attorney Billing (Masud) December 2, 2018 - December 20, 2018 in the amount $1,923.00.

Minutes Acceptance: Minutes of Jan 22, 2019 7:00 PM (APPROVAL OF MINUTES)

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Christina Conley, Councilwoman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

3. Approve and authorize the Poverty Tax Exemption guidelines and application for 2019.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

4. Approve and authorize the Park & Recreation Commission 5 year plan

   Mayor Zelenko introduced Lisa Easterwood from Fleis and Vandenbrink to give an overview of the Park & Recreation five year plan.

   Lisa Easterwood from Fleis and Vandenbrink provided a summary of the new Parks & Recreation 5 year plan. The purpose of the plan is to guide the Park & Recreation Commission through projects and budgeting over the next 5 years. This is also a tool that is used to seek out funding and is required by the DNR when applying for grants. We held a public workshop on August 8, 2018, we had an online survey available, we discussed the plan during November and December Parks and Recreation Meetings that were open to the public, we did an assessment of each park in Burton, we updated the goals and objectives and the 5 year capital improvement sections of the plan. Key projects included are the Iron Belle Trail for which we are currently working on a grant, improvements at Settlement Park, continued improvements at Kelly Lake Park, general maintenance and barrier free compliance on all parks. The 30 day review period required by the DNR was November 15, 2018 to December 15, 2018 it was advertised in the newspaper and on the city website. The plan was sent to the County and Regional Planning Commissions for review and comment. On December 12, 2018 a recommendation was made to City Council to approve the plan. Tonight there is a public comment opportunity to finish the process. It is item H on the agenda. City Council will be acting on the 5 year plan tonight as well. This is agenda item #4.

   Mr Martinbianco asked how much of the County presence that we have here in Burton was taken into account when talking about the availability of park services and how do other communities that have parks funded by the county factor into our needs that the new plan brought forth?

   Ms. Easterwood stated DNR requires us to do a park inventory where we identified all parks in the city and surrounding areas. This is a tool used by the commission to assess what recreation facilities are available to the community and what areas are lacking.

Mr. Martinbianco stated he is more concerned about the metrics involved regarding how many people went to For-Mar as opposed to Kelly Lake or other parks we provide.

Ms. Easterwood said we don't analyze the activity at the County Parks. They are just identified in the plan as a resource for recreation. The commission uses that information only to assess where recreational needs are met or not met.

Mr. Martinbianco asked if we take into account the aging community needs?

Ms. Easterwood stated demographics does come into play with these plans but a large part of it is based on community input. The age demographic is included in this plan.

Mr. Heffner congratulated the Parks and Recreation Commission on a job well done and thanked them for their hard work on this plan.

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| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

5. Approve and authorize the Council appointment of Don Jones, Burton, MI 48509 as an alternate to City of Burton Zoning Board of Appeals, term serving February 2019 through October 2022.

Mrs. Conley stated Don Jones is in the audience tonight. I don't see the other candidates. This proves he wants the job.

Mr. Haskins has a concern, without stating a name, that one of the candidates may not be a Burton Resident.

Council took a brief recess to check on the residency status of the candidate.

Mrs. Bigsby stated the candidate is registered to vote in the City of Burton.

Mr. Heffner asked the City Attorney to share information regarding serving on two boards within the city at the same time.

Attorney Doyle stated there is no inherent conflict in serving on the the city's DDA Board and the ZBA.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

6. Approve and authorize the sale of Vacant Lot – Bergin Ave., Parcel No. 59-32-501-157, to give first and final approval for the sale of this improved parcel to Michael Spencer, 4069 Barnes Ave., Burton, MI 48529 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

7. Approve and authorize the sale of Vacant Lot – Springfield, Parcel No. 59-15-552-103, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 for the sum of $1500 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

8. Approve and authorize the sale of Vacant Lot – Lapeer Rd., Parcel No. 59-14-501-001, to give first and final approval for the sale of this improved parcel to Rebecca Cousineau, 4111 Meadow Lane, Mt. Morris, MI 48458 for the sum of $500 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

9. Approve and authorize the sale of Vacant Lot – Judd Rd., Parcel No. 59-31-576-003, to give first and final approval for the sale of this improved parcel to Renee Cassidy, 1419 E. Judd Rd., Burton, MI 48529 for the sum of $5 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

10. Approve and authorize the sale of Vacant Lot – Leta St., Parcel No. 59-28-528-069, to give first and final approval for the sale of this improved parcel to Laverne Kingsbury, 3336 Leta St., Burton, MI 48529 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

11. Approve and authorize the sale of Vacant Lots – E. Bristol Rd., Parcel No. 59-26-300-020 and S. Genesee Rd., Parcel No. 59-26-300-031, to give first and final approval for the sale of this improved parcel to Thomas M. McHale Trust, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $5000 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

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|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

12. Approve and authorize the sale of Vacant Lot – Cutler Ave., Parcel No. 59-14-576-139, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $300 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

13. Approve and authorize the sale of Vacant Lot – Connell St., Parcel No. 59-30-578-245, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $25 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

14. Approve and authorize the sale of Vacant Lot – Allen St., Parcel No. 59-30-577-236, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $300 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

15. Approve and authorize the sale of Vacant Lot – Morrison Ave., Parcel No. 59-31-527-226, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $25 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

16. Approve and authorize the sale of Vacant Lot – Brady Ave., Parcel No. 59-32-551-056, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $100 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

17. Approve and authorize the sale of Vacant Lot – Schumacher Ave., Parcel No. 59-32-504-094, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

18. Approve and authorize the sale of Vacant Lot – Scottwood Ave., Parcel No. 59-32-501-034, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $25 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

19. Approve and authorize the sale of Vacant Lot – Williamson Ave., Parcel No. 59-32-504-053, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

20. Approve and authorize the sale of Vacant Lot – Williamson Ave., Parcel No. 59-32-503-316, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

21. Approve and authorize the sale of Vacant Lot – Williamson Ave., Parcel No. 59-32-503-151, to give first and final approval for the sale of this improved parcel to Charles Rogers, 4200 Springfield, Burton, MI 48509 and Thomas M. McHale, 4124 S. Belsay Rd., Burton, MI 48519 for the sum of $50 cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate this sale.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

## K. FIRST READING OF ORDINANCE

1. Approve and authorize the first reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Clerk of the City of Burton and to provide for the effective dates thereto.

   Mr. Smith asked for clarification from the City Attorney.

   Attorney Doyle stated it is her understanding that because the ordinance states "salary upon appointment" this does not apply to and interim or acting Clerk.

| | |
|---|---|
| **RESULT:** | **FAILED [3 TO 3]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Haskins, O'Keefe, Smith |
| **NAYS:** | Martinbianco, Heffner, Conley |
| **EXCUSED:** | Wells |

2. Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Treasurer of the City of Burton and to provide for the effective dates thereto.

   Mr. Martinbianco is taken back that these positions haven't been bifurcated when talking about the first reading. We didn't say we were going to divide them. In other words, item K is inclusive of 1, 2 , 3 and 4 and it was never amended to act on just number 1, 2, 3 or 4. Should we have done this prior to taking the first vote? He would like the opinion of the City Attorney about the proper procedure for this.

Attorney Doyle stated these are all first readings of an ordinance.

Board discussion regarding the proper procedure.

Mayor Zelenko stated the terminology is the same on each one of these as they were given to me from the City Attorney after review from the council. So, the amounts are all the same. It was my understanding from the last meeting that council clearly wanted them broken out so it could be voted on individually.

Mr. Heffner stated he thought after the last meeting this was a done deal. He didn't know they were going to be brought back but he is ok with it.

| | |
|---|---|
| **RESULT:** | **CARRIED [4 TO 2]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Smith |
| **NAYS:** | Heffner, Conley |
| **EXCUSED:** | Wells |

3. Approve and authorize the first reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Assessor of the City of Burton and to provide for the effective dates thereto.

   Mr. Smith asked to the City Attorney's interpretation of the hourly salary for the Assessor.

   Attorney Doyle stated the Assessor is paid hourly and this is ok as long as the pay does not exceed the annual amount identified in the ordinance.

| | |
|---|---|
| **RESULT:** | **FAILED [3 TO 3]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Haskins, O'Keefe, Smith |
| **NAYS:** | Martinbianco, Heffner, Conley |
| **EXCUSED:** | Wells |

4. Approve and authorize the first reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Fire Chief of the City of Burton and to provide for the effective dates thereto.

| | |
|---|---|
| **RESULT:** | **CARRIED [4 TO 2]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Smith |
| **NAYS:** | Heffner, Conley |
| **EXCUSED:** | Wells |

## L. SECOND READING OF ORDINANCE

1. Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Chief of Police of the City of Burton and to provide for the effective dates thereto.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Smith, Conley |
| **EXCUSED:** | Wells |

Agendas and minutes may be found at www.burtonmi.gov

Meeting was adjourned at 8:25 PM.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Clerk's Office
Category: Attorney Billing
Prepared By: Bette Bigsby
Department Head: Bette Bigsby

**AGENDA ITEM (ID # 4217)**

*DOC ID: 4217*

# Approve and authorize the Attorney Billing (Doyle) 1/17/2019 to 1/29/19 in the amount $3,404.00.

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

Burton City Council
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Mayor's Office
Category: Agreement
Prepared By: Rik Hayman
Department Head: Rik Hayman

J.2

**AGENDA ITEM (ID # 4231)**

*DOC ID: 4231*

# Approve and Authorize the Mayor and Clerk to enter into an agreement with WHG, the Woodhill Group, 20145 Woodhill Dr. Northville, MI 48167, to provide assistance to the CIty associated with the water and sewer rate setting methodology and implementation of other items relating to the accounting and budgeting financial management and financial operations supporting the Department of Public Works, at rates established by said agreement but not to exceed $150 per hour. This agreement will expire upon completion of the stated objectives or upon notice of termination by either party.

**ATTACHMENTS:**

- Woodhillagreement2019 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

WHG
ACCOUNTING. BETTER.

# SERVICE AGREEMENT

This Agreement (the "Agreement") for services is effective as of this day _________ ___, 20___ by and between The City of Burton (the "City") and The WoodHill Group (the "Company" or "WHG").

## RECITALS

The City desires to retain the Company for the purposes of providing the services described herein to the City, and the Company desires to be retained by the City in such capacity, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, agreements and understandings contained herein, the parties hereto agree as follows:

1. Engagement of Company. The City hereby retains the Company to perform the duties and services described in the Agreement upon the terms and conditions set forth herein and the Company hereby accepts such engagement.
2. Duties; Services. Company agrees to provide assistance to the City associated with the implementation of the water and sewer rate setting methodology and implementation of other items related to the accounting and budgeting financial management and financial operations supporting the Department of Public Works interfacing with the functions usually associated with the Treasurer and Controller. The Company shall devote such business time, attention and skill as shall be necessary to perform duties, services and responsibilities under this Agreement in such capacity as is mutually agreed upon by WHG and the City.
3. Term. This agreement will expire upon completion of the stated objectives or upon notice of termination by either party.
4. Compensation. WHG shall be paid by the City for services provided under this Agreement in the amount of one hundred and fifty ($150.00) dollars per hour for principal review and oversight, one hundred and twenty-five ($125.00) dollars per hour for program managers, and one hundred ($100.00) dollars per hour for other staff assignments. In addition, the City shall reimburse WHG for any reasonable time costs incurred for travel, which will be itemized and passed-through to the City at half-time.

WHG will supply vehicles, insurance, business machines, Internet access, telephones and other necessary equipment and supplies while not at City offices. WHG shall submit an itemized invoice in person or via regular mail to the City Hall at 4303 S. Center Rd, Burton, MI 48519. Said itemized invoice shall include: (i) dates worked, (ii) nature of work and (iii) staff dedicated to the work. The City agrees to pay for items on the itemized invoice due upon receipt of invoice.

5. Independent Status. WHG agrees to timely report, pay and discharge, at WHG sole expense, all tax or other liability relating to compensation paid to WHG for services rendered by WHG staff pursuant to the Agreement and otherwise comply with all applicable federal, state and local laws relating to the performance of obligations hereunder. WHG and its staff shall have no implied or actual authority to legally bind the City of to make any representation or warranty on behalf of the City.
6. Confidential and Proprietary Information.
   (a) WHG agrees and understands that given the relationship with the City, WHG staff may have access to and may receive information or materials that are considered confidential and/or proprietary by the City ("Confidential Information"). Confidential Information includes, but is not limited to, procedures and processes, documentation, personnel and human resources information, strategic plans, financial information, and proposed agreements. Confidential Information may be communicated in writing, orally, electronically, or by other means, and may or may not be identified in writing as "Confidential" or "Proprietary."
   (b) WHG agrees that, during the Term and thereafter, WHG staff will keep all Confidential Information strictly confidential and not use (except on behalf of the City) or disclose any such Confidential Information, either directly or indirectly, to any person or entity without the prior written consent of the City. This confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination of the Agreement or at any time upon the City's request, WHG will promptly deliver to the City all property either tangible or electronic which has been produced by, received by or otherwise submitted to WHG during or prior to the Term pertaining to WHG's work for the City, including, but not limited to, information which constitutes or embodies Confidential Information which is in the possession of WHG or under WHG control.
7. Standards. WHG shall adhere to the direction of the Mayor or the Mayor's delegated authority and report all pertinent information to the Council. WHG will act in good faith and in a professional, timely manner to complete all assignments.
8. Binding Effect; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the City and its successors and assigns. This Agreement shall be binding

upon and shall inure to the benefit of WHG. Neither this Agreement nor any right, interest or duty hereunder shall be assignable or transferable or delegated by WHG.

9. Miscellaneous. No provision of the Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in writing and signed by the WHG and the City. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any subsequent time. The Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, written or oral, between them as to such subject matter.
10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without reference to the conflict of laws principles thereof.
11. Indemnification. The WHG agrees to indemnify the City and its officers, council, contractors, agents and representatives from and against any and all losses, damages, liabilities, claims, costs and expenses (including, without limitation, reasonable attorneys' fees resulting from (a) any breach by the WHG of any of the provisions of the Agreement, (b) any negligent or willful acts or omissions of the WHG, and (c) any violation by the WHG of applicable federal, state, local or foreign laws, including the failure to withhold or pay taxes or other withholdings on the payment of compensation under Section 4 above.
12. The City agrees to hold harmless and indemnify WHG and its officers, staff and representatives from and against any and all losses, damages, liabilities, claims, costs and expenses (including, without limitation, reasonable attorneys' fees resulting from (a) any breach by the City of any of the provisions of the Agreement, (b) any negligent or willful acts or omissions of the City or its employees with regard to actions directed by WHG and (c) any results of actions directed by WHG and its staff or representatives.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

Authorization & Approval

| | | |
|---|---|---|
| On behalf of: | City of Burton | |
| Name: | Paula Zelenko | Bette Bigsby |
| Designation: | Mayor | Acting City Clerk |
| Date: | / / | / / |
| On behalf of: | The WoodHill Group LLC. | |
| Name: | | |
| Designation: | Principal | |
| Date: | / / | |

# Approve and authorize the City Treasurer to adjust the City of Burton Readiness to Serve charge on all active domestic metered water accounts to be increased $1.60 monthly. Example - 5/8 meter will increase from $21.02 monthly to $22.62. This pass-thru adjustment is in accordance with the 2018 Readiness to Serve increase from Genesee County Water and Waste Services on our (80 equivalent meters) from $400.00 to $460.00 monthly per equivalent meter.

**COMMENTS - Current Meeting:**

Mrs. Conley stated when she came in today to get her agenda she asked for back-up and didn't get it. When she came into the meeting tonight it was laid in front of her. The wording on item # 3 regarding the amount is deceiving. I don't know what its saying. Also, it says last April and it took 8 months to bring this to us now. Why didn't it come in front of us in May or June?

Mayor Zelenko stated this has been before the council 3 times.

Mr. Abbey stated we had this discussion and it was council's position that we shouldn't do anything until after the rate study was complete. As you can see, it was just completed. Now you have a basis for the rate. It took 10 months because the rate study looks at a lot of things.

Mr. Heffner asked how much of the $1.60 is to recoup what we lost in the last 10 months and will that drop back down once it is recouped or will it stay at the higher rate.

Mr. Abbey stated that will be a discussion the council will have at a later date. We don't know what next year brings. For the next 10 months, you're making up for lost revenue that's depleting our accounts. If later you find we don't need this much money, you can always adjust the rates. This will buy you the time you need.

Mr. Haskins stated he is not happy about this at all. Everything that has come in front of this council in the last few years has been immediate action and dire straits. Neither the council nor the administration put us here. Things have transpired that are totally out of our control: increases that have occurred with Karegnondi and Detroit always raising their water. The water and sewer projects we have done were a must. I do believe the DEQ when they say they will get involved and fine us for not being able to provide proper drinking water. Our actions have prevented problems like what Flint went through. It disgusts me to raise rates. Our resident work hard for their money. Mr. President, I understand where you were coming from with asking for the breakdown of employees in the water department but from the history we have seen, I don't think we will be able to find enough money to offset it. There may be issues we have with people working in certain positions. There was a great change in the DPW when Mr. Abbey came on board and we appreciate it. If we don’t act, we are going to end up losing everything. We fixed the infrastructure on the south end and now we have to keep continuing to move around the city because it’s all getting older as well. This hurts me and I am not big on it but I understand the travesty it would create if we don’t do it.

Mr. Wells stated we got a low income loan for the south end. We aren’t going to be able to get that other places. We have to build the surplus up to take care of the residents of the city. People may complain about the $1.60 increase but they will definitely complain when they don’t have any water or their pipes are breaking. We were elected to be leaders and we need to step up and do what’s right for the residents.

**ATTACHMENTS:**

- waterratebackup (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [6 TO 1]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith |
| **NAYS:** | Christina Conley |

City of Burton
DEPARTMENT OF PUBLIC WORKS
4093 MANOR DRIVE
BURTON, MI 48519
PHONE (810) 742-9230
FAX (810) 742-8015
www.burtonmi.gov

PAULA K. ZELENKO
*Mayor*

Rek/Bette Here
Backup for BCC Agenda
B

# Memo of Explanation

January 31, 2019

To: Paula Zelenko, Mayor

Thru: Bob Slattery, DPW Director
Charles Abbey, Deputy Director

From: Dave Marshke, Utilities Supt.

RE: Water Rate Adjustment

Madam Mayor,

Last April 2018 Genesee County Water and Waste Services increased their Readiness To Serve charge to the City by $4,800.00 monthly. This increase took the base rate from $400.00 to $460.00 monthly per equivalent meter. In capacity terms, the City of Burton has been set at 80 equivalent meters based on annual consumption by the County Agency. This increase from the County Agency is a "fixed" cost and therefore it is necessary to recover this additional expense through a "fixed" revenue mechanism. I am recommending an immediate monthly increase of $1.60 to be applied to the Readiness To Serve charge on all active domestic metered water accounts. This adjustment is designed to recover the lost revenue as well as balance this additional expense moving forward.

Sincerely,

Dave Marshke
Utilities Superintendent

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Department of Public Works
Category: Contract
Prepared By: Robert Slattery
Department Head: Robert Slattery

J.4

**AGENDA ITEM (ID # 4203)**

*DOC ID: 4203*

# Approve and Authorize the Mayor and City Clerk to execute a contract with OHM Advisors, G3101 West Bristol Road, Flint, MI 48507, for Construction Engineering of Saginaw Street, Bristol to Hemphill (DPW Project No. 18-005-P), at an estimated cost of $113,125.35, contingent upon approval of the City Attorney.

**ATTACHMENTS:**

- MoE Third Party Agreement with OHM Advisors - Saginaw Street Bristol-Hemphill - CE (DOC)
- Third Party Agreement Saginaw Street CE - OHM Advisors (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Paula Zelenko, Mayor
From: Robert Slattery – DPW Director
Date: January 28, 2019

Re: Agenda Item #4203
Meeting of February 4, 2019
Construction Engineering Contract – OHM Advisors
DPW Project No. 18-005-P, Saginaw Street, Bristol to Hemphill

Madam Mayor:

**AGENDA LANGUAGE:**
**Approve and Authorize the Mayor and City Clerk to execute a contract with OHM Advisors, G3101 West Bristol Road, Flint, MI 48507, for Construction Engineering of Saginaw Street, Bristol to Hemphill (DPW Project No. 18-005-P), at an estimated cost of $113,588.49, contingent upon approval of the City Attorney.**

We have received approval to use federal aid monies to fund a portion of the Saginaw Street rehabilitation. Prior to being eligible to receive these funds, MDOT's financial operations require that we approve and execute a 3$^{rd}$ Party Agreement with our selected design engineering firm, In this case OHM Advisors, G3101 West Bristol Road, Flint MI 48507, and reserve the estimated local share of the proposed engineering fee.

The proposed fee for this work is $ ($113,588.49). I have reviewed the proposal and feel it is fair and reasonable, and within MDOT guidelines. (We have calculated the engineering fee as if OHM advisors was going to provide the bulk of the on-site inspection, but in all likelihood City of Burton will actually provide much, if not most, of the inspection.) In addition to the engineering fee, we need to include 15% ($17,038.27) for local staff to cover review and meetings. This totals $ $130,626.76. Of this amount, 80% ($104,501.41) will be covered by federal funds. **This leaves $26,125.35 to be covered with local funds**. City Council has previously committed to providing Local Match totaling $ $217,000 for the construction phase of this project.

SUBCONTRACT NO. __________
CONTROL SECTION NO.
JOB NO.

FED. PROJECT NO.
FED. ITEM NO.

THIRD PARTY AGREEMENT

CONSTRUCTION ENGINEERING

LOCAL AGENCY CONTRACT

THIS CONTRACT, made and entered into as of this date, _____________,201_ by and between Orchard, Hiltz & McCliment (OHM), 34000 Plymouth Road, Livonia, Michigan 48150, hereinafter referred to as the "CONSULTANT," and the City of Burton, 4303 South Center Road, Burton, MI 48519, hereinafter referred to as the "LOCAL AGENCY."

WHEREAS, the LOCAL AGENCY is planning to rehabilitate Saginaw Street from Bristol Road to Hemphill Road in the City of Burton, using Federal funds from the City of Burton; and WHEREAS, the LOCAL AGENCY has assigned Robert Slattery, Department of Public Works (DPW) Director, to be the designated full-time public employee to be in Responsible Charge in accordance with 23 CFR 172.9 (d).

WHEREAS, the LOCAL AGENCY desires to engage the professional services and assistance of the CONSULTANT to perform the construction engineering and other related work, said work to be hereinafter referred to as the "SERVICES," required in connection with the rehabilitation of the following Saginaw Street Rehabilitation Project, said improvements to be hereinafter referred to as the "PROJECT:"

Milling and resurfacing the roadway, concrete pavement repairs, ADA ramp upgrades, pavement markings, permanent signs and turf establishment on Saginaw Street from Bristol Road to Hemphill Road in the City of Burton, Genesee County (MDOT JN STU25000-130642A).

WHEREAS, the LOCAL AGENCY has programmed the PROJECT with the Michigan DEPARTMENT of Transportation, hereinafter referred to as the "MDOT," for the use of Federal Surface Transportation Funds administered by the United States DEPARTMENT of Transportation, Federal Highway Administration, hereinafter referred to as the "FHWA;" and

WHEREAS, the CONSULTANT is willing to render the SERVICES desired by the LOCAL AGENCY for the considerations hereinafter expressed; and

WHEREAS, the CONSULTANT was selected utilizing a qualifications based selection (QBS) process, as applicable; and CONSULTANT performance evaluations will be completed, as defined in Exhibit D.

WHEREAS, the terms and conditions of the PRIME CONTRACT between the MDOT and the LOCAL AGENCY for the PROJECT shall be incorporated by reference as part of this SUBCONTRACT to ensure that if any discrepancies occur between the PRIME CONTRACT and SUBCONTRACT, the PRIME CONTRACT shall prevail; and

WHEREAS, the parties hereto have reached an understanding as to the scope of the work and the performance of the SERVICES on the PROJECT and desire to set forth this understanding in the form of a written contract;

NOW THEREFORE, it is hereby agreed by and between the parties hereto that:

The CONSULTANT will:

1. Perform the work set forth in Exhibit A, dated December 12, 2017, attached hereto and made a part hereof (SERVICES). The LOCAL AGENCY specifically agrees that it will not perform SERVICES that are not included in the scope of SERVICES in Exhibit A – CONSULTANT Proposal.

2. Perform all SERVICES by the applicable codes, laws, and standards of the LOCAL AGENCY and the MDOT and the FHWA.

3. During the performance of the SERVICES herein provided for, be responsible for any loss or damage to the documents, owned by the LOCAL AGENCY while they are in its possession. Restoration of lost or damaged documents shall be at the CONSULTANT'S expense.

4. Furnish qualified personnel, as per 23 CFR Part 172, to assist the PROJECT Engineer/Supervisor in solving problems, when so requested.

5. Attend conferences and make such trips as necessary to the LOCAL AGENCY'S offices and to the site of the work to confer with representative of the LOCAL AGENCY and the MDOT or the FHWA as may be necessary in the carrying out of the work under THIS CONTRACT.

6. Provide and maintain public liability, property damage, and workers' compensation insurance, insuring as they may appear the interests of all parties to THIS CONTRACT against any and all claims that may arise out of the LOCAL AGENCY'S operation hereunder. In addition, provide professional liability insurance, as further defined in Exhibit B, attached hereto and made a part hereof.

7. Commence work on the PROJECT as set forth in and following execution of THIS CONTRACT only upon receipt of written notice from the PROJECT Engineer/Supervisor.

8. Submit billings to the LOCAL AGENCY as set forth in Section 17.

9. Perform all PROJECT work under the direction of the PROJECT Engineer who will be assigned by the LOCAL AGENCY as provided in Section 14.

10. Provide such reports and maintain such records of the PROJECT as are required to document the work to the satisfaction of the PROJECT Engineer, the LOCAL AGENCY, the MDOT, and the FHWA.

11. Permit the LOCAL AGENCY, the MDOT, the FHWA, and other public agencies interested in the plans and designs for the PROJECT to have full access thereto during the progress of the SERVICES being performed thereon.

12. Have their professional endorsement upon all plans, specifications, estimates, and engineering data furnished to the LOCAL AGENCY.

13. Follow standard accounting practices and permit representatives of the LOCAL AGENCY and MDOT, FHWA, U.S. DEPARTMENT OF Transportation's Inspector General, and the Controller General of the United States to audit and inspect its PROJECT books and records at any reasonable time.

    a. Such records are to be kept available for three (3) years from the date of the final payment for work conducted under THIS CONTRACT.

    b. In the event of a dispute with regard to the allowable expenses or any other issue under THIS CONTRACT, the CONSULTANT 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.

    c. In the event of a dispute with regard to the allowable expenses or any other issue under THIS CONTRACT, the CONSULTANT 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.

    d. If any part of the work is subcontracted, the conditions for the responsibilities of the CONSULTANT apply to the CONSULTANT and their SUBCONSULTANTS (or affiliates).

The LOCAL AGENCY shall:

14. Assign a PROJECT Engineer/Supervisor in responsible charge of the PROJECT.

15. For and in consideration of the SERVICES rendered by the CONSULTANT as set forth in THIS CONTRACT, pay the CONSULTANT on the basis of actual cost plus a fixed fee (profit) amount, which shall not exceed one hundred thirteen thousand five hundred eighty-eight dollars and forty-nine cents ($113,588.49). This fixed fee (profit) shall be the amount of ten thousand eight hundred seventy-one dollars and thirty-three cents ($10,871.33) and amount is included in the total amount of one hundred thirteen thousand five hundred eighty-eight dollars and forty-nine cents ($113,588.49), which as shown in Exhibit "A-1," attached hereto and made part hereof.

16. Pay for actual costs for SERVICES. Work required and performed will be determined in accordance with the following terms, subject to the cost criteria set forth in the Federal Acquisition Regulations, 48 CFR, Part 31.

    a. Direct Salary Costs: Actual labor costs of personnel performing the SERVICES work. This cost will be based on the employees' actual hourly rate of pay and the actual hours of performance on the PROJECT as supported by employee time records.

    b. Direct Costs: Actual costs of materials and SERVICES, other than salaries, as may be required hereunder but which are not normally provided as a part of the overhead of the CONSULTANT. All actual costs shall be itemized and certified as paid to specifically named firms or individuals, and shall be supported by proper receipts.

       Overhead (Indirect Costs): For A pro-rated portion of the actual overhead incurred by the CONSULTANT during performance of the PROJECT work shall be computed as set forth in 48 CFR, Federal Acquisition Regulations, Part 31, see Attachment C. The amount of overhead payment, including payroll overhead, will be calculated as a percentage of all direct labor costs related to staff personnel and members of the firm. Overhead shall include those costs, which because of their incurrence for common or joint objectives, are not readily subject to treatment as a direct cost. If a certified overhead rate, attachment C, has not been established, a provisional overhead rate, which will be applied to direct labor costs for progress payments, is set forth in Exhibit A. Use the provisional overhead rate until the actual overhead rate has been determined.

    c. Non MDOT Pre-Qualified CONSULTANT:
       It is agreed that the use of the provisional overhead rate set forth in Exhibit A sets neither a minimum nor maximum to the actual overhead costs to be paid the CONSULTANT. Any overpayments or underpayments made to the CONSULTANT for SERVICES performed resulting from usage of the provisional overhead rate, will be corrected in the first billing submitted subsequent to the CONSULTANT'S calculations of an actual overhead rate for the financial year end applicable to the reported direct labor cost. The audit at the completion of THIS CONTRACT or at such time as THIS CONTRACT is terminated, will verify the propriety of reporting overhead.

MDOT Pre-Qualified CONSULTANT:

When work occasioned at the LOCAL AGENCY'S request is contracted with the CONSULTANT to perform the SERVICES, the actual overhead costs incurred by the CONSULTANT at the MDOT-accepted rate during work, computed as set forth in 48 CFR, Federal Acquisition Regulations, Part 31, The amount of overhead payment, including payroll overhead, will be calculated as applied rates to direct labor costs. Overhead costs will include those costs that, because of their incurrence for common or joint objectives, are not readily subject to treatment as direct costs. The MDOT-accepted overhead rate is not subject to adjustment for overhead costs, but the LOCAL AGENCY and MDOT retains the right to audit the records of the CONSULTANT at any reasonable time.

Contract LOCAL AGENCY Work:

When work occasioned at the LOCAL AGENCY'S request is contracted with another LOCAL AGENCY to perform the SERVICES, the actual overhead costs incurred by the LOCAL AGENCY shall be computed as set forth in 2 CFR 200.414. The LOCAL AGENCY must submit a 2 CFR 200.414 compliant overhead (indirect) cost rate proposal/plan to MDOT, prior to claiming any overhead (indirect) costs. The LOCAL AGENCY and MDOT retains the right to audit the records of the CONSULTANT at any reasonable time.

Reimbursement for costs incurred is subject to the cost criteria set forth in 48 CFR Part 31, and/or 2 CFR 200 Subpart E-Cost Principles as applicable, is incorporated herein by reference as if the same were repeated in full herein.

d. Facilities Cost of Capital: A pro-rated portion of the actual facilities costs of capital incurred by the CONSULTANT during work is reimbursable only if the estimated facilities cost of capital was specifically identified in the cost proposal, included in the Scope of Services for this work (Exhibit A).

e. Travel and Subsistence: Actual costs in accordance with and not to exceed the amounts set forth in the State of Michigan Standardized Travel Regulations, incorporated herein by reference as if the same were repeated in full herein.

f. Fixes Fee (Profit): In addition to the payments for direct and overhead costs as hereinbefore provided, the LOCAL AGENCY agrees to pay the CONSULTANT a fixed amount for profit for the SERVICES performed. It is agreed and understood that such amount constitutes full compensation to the CONSULTANT for profit and will not vary because of any differences between the estimated cost and the actual cost for work performed, except that in the event THIS CONTRACT is terminated, payment of a fixed fee (profit) in respect to the PROJECT shall be in an amount which can be established by the CONSULTANT from its accounts and records and subject to the provisions of Section 30.

g. SUBCONSULTANT Costs: Actual costs of SUBCONSULTANTS performing SERVICES under THIS CONTRACT. Amounts for fixed fees paid by the CONSULTANT to the SUBCONSULTANT will not be considered an actual cost of the CONSULTANT, but will be considered a part of the fixed fee of the CONSULTANT.

17. Make payments to the CONSULTANT in accordance with the following procedures:

a. Progress payments may be made for reimbursement of amounts earned to date and shall include direct costs, other direct costs, calculated amounts for overhead using overhead, and facilities cost of capital using applied rates, set forth hereinbefore, plus a portion of the fixed fee. The portion of the fixed fee which may be included in progress payments shall be equal to the total fixed fee multiplied by the percentage of the work which has been completed to date of billing.

b. Partial payments will be made upon the submission by the CONSULTANT of a billing, accompanied by properly completed reporting forms and such other evidence of progress as may be required by the LOCAL AGENCY. Partial payments shall be made only one a month.

c. Final billing under THIS CONTRACT shall be submitted in a timely manner but not later than three (3) months after completion of the SERVICES. Billing for work submitted later than three (3) months after completion of SERVICES will not be paid. Final payment, including adjustments of direct salary costs, other direct costs and overhead costs, will be made upon completion of audit by the LOCAL AGENCY and/or as appropriate, by representatives of the MDOT and the FHWA.

In the event such audit indicates an overpayment, the CONSULTANT will repay the LOCAL AGENCY within sixty (60) days of the date of the invoice.

It is further agreed that:

18. Upon completion or termination of THIS CONTRACT, all documents prepared by the CONSULTANT, including tracings, drawings, estimates, specifications, field notes, investigations, studies, etc., as instruments of SERVICE, shall become property of the LOCAL AGENCY.

19. No portion of the PROJECT work, hereto before defined, shall be sublet, assigned, or otherwise disposed of except as herein provided or with the prior written consent for the LOCAL AGENCY and approval by MDOT and the FHWA. Consent to sublet, assign or otherwise dispose of any portion of the SERVICES shall not be construed to relieve the CONSULTANT of any responsibility for the fulfillment of THIS CONTRACT.

20. All questions which may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, and the interpretation of plans and

specifications shall be decided by the LOCAL AGENCY'S PROJECT Engineer/Supervisor. All questions as to the satisfactory and acceptable fulfillment of the terms of THIS CONTRACT shall be decided by the LOCAL AGENCY.

21. This agreement is to be governed by the laws of the State of Michigan. All disputes between the LOCAL AGENCY and CONSULTANT shall be resolved per the Dispute Resolution in Exhibit C.

22. Any change in SERVICES to be performed by the CONSULTANT involving extra compensation must be authorized in writing by the LOCAL AGENCY and approved by the MDOT and the FHWA prior to the performance thereof by the CONSULTANT and requires an amendment to THIS CONTRACT.

23. The CONSULTANT and the LOCAL AGENCY specifically agree that in the event problems arise that may be the result of errors and/or omissions by the CONSULTANT or due to a failure of the CONSULTANT to otherwise perform in accordance with THIS CONTRACT, the CONSULTANT will be held responsible with no cost to the LOCAL AGENCY or in accordance with Dispute Resolution in Exhibit C.

24. In addition, the CONSULTANT shall comply with, and shall require any CONTRACTOR or SUBCONTRACTOR to comply with, the following:

    a. In connection with the performance of the PROJECT under THIS CONTRACT, the CONSULTANT (hereinafter in Appendix "A" referred to as the "CONTRACTOR") agrees 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 and will require a similar covenant on the part of any CONTRACTOR or SUBCONTRACTOR employed in the performance of THIS CONTRACT.

    b. During the performance of THIS CONTRACT, the CONSULTANT, for itself, its assignees, and its successors in interest (hereinafter in Appendix B referred to as the "CONTRACTOR"), agrees to comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 USC Sections 1971, 1975a-1975d, and 2000a-2000h-6, and the Regulations of the DEPARTMENT of Transportation (49 CFR Part 21) issued pursuant to said Act, including Appendix B, dated June 2011, attached hereto and made a part hereof. This provision will be included in all subcontracts relating to THIS CONTRACT.

    c. The parties hereto further agree that they accept the MDOT'S Minority Business Enterprises/Women's Business Enterprises (MBE/WBE) Program with respect to the PROJECT and will abide by the provisions set forth in Appendix C, dated October 1, 2005, attached hereto and made a part hereof, being an excerpt from Title 42 C.F.R. Part 23, more specifically 23.43(a)(1) and (2) thereof.

25. The CONSULTANT warrants that it has not employed or retained any company or person other than bona fide employees working solely for the CONSULTANT to solicit or secure THIS CONTRACT and that it has not paid or agreed to pay any company or person other than bona fide employees working solely for the CONSULTANT any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of THIS CONTRACT. For breach or violation of this warranty, the LOCAL AGENCY will have the right to annul THIS CONTRACT without liability or, at its discretion, to deduct from the contract price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

26. The CONSULTANT specifically agrees that in the performance of the SERVICES herein enumerated, by itself, by an approved SUBCONTRACTOR, or by anyone acting on its behalf, it will comply with any and all state, federal, and local statutes, ordinances, and regulations and will obtain all permits applicable to the entry into the performance of THIS CONTRACT.

27. No charges or claims for damages shall be made by the CONSULTANT for delays or hindrances from any cause whatsoever during the progress of any portions of the SERVICES specified in THIS CONTRACT, except as hereinafter provided.

    In case of a substantial delay on the part of the LOCAL AGENCY in providing to the CONSULTANT either the necessary information or approval to proceed with the work, resulting, through no fault of the CONSULTANT, in delays of such extent as to require the CONSULTANT to perform its work under changed conditions not contemplated by the parties, the LOCAL AGENCY will consider supplemental compensation limited to increased costs incurred as a direct result of such delays. Any claim for supplemental compensation must be in writing and accompanied by substantiating data. Authorization of such supplemental compensation shall be by an amendment to THIS CONTRACT subject to prior approval by the MDOT.

    When delays are caused by circumstances or conditions beyond the control of the CONSULTANT, as determined by the LOCAL AGENCY, the CONSULTANT may be granted an extension of time for such reasonable period as may be mutually agreed upon between the parties. However, that permitting of the CONSULTANT to proceed to complete the SERVICES, or any part of them, after the date through which the time of completion may have been extended, will in no way operate as a waiver on the part of the LOCAL AGENCY of any of its rights herein set forth.

28. In case the CONSULTANT deems extra compensation will be due it for work or materials not clearly covered in THIS CONTRACT, or not ordered by the LOCAL AGENCY as a change, or due to changed conditions, the CONSULTANT shall notify the LOCAL AGENCY in writing of its intention to make claim for such extra compensation before beginning such work. Failure on the part of the CONSULTANT to give such notification will constitute a waiver of the claim for such extra compensation. The filing of such notice by the CONSULTANT shall not in any way be construed to establish the validity of the claim. Such extra compensation shall be provided only by amendment to THIS CONTRACT with approval of the MDOT and the FHWA.

29. In addition to the protection afforded by any policy of insurance, the CONSULTANT agrees to indemnify and save harmless the State of Michigan, the Michigan State Transportation Commission, LOCAL AGENCY, the FHWA, and all officers, agents, and employees thereof:

    a. From any and all claims by persons, firms, or corporations for labor, materials, supplies, or services provided to the CONSULTANT in connection with the CONSULTANT'S performance of the SERVICES; and

    b. From any and all costs or claims for additional compensation or damages, or injuries to or death of any and all persons, for loss of or damage to property, for environmental damage, degradation, response and cleanup cost, including attorney fees and related costs, caused by errors and/or omissions attributable to the CONSULTANT'S performance of the SERVICES under THIS CONTRACT unless the CONSULTANT proves that notwithstanding the error or omission, the CONSULTANT met generally accepted standards of care. In addition to excusing consultants from liability for errors or omissions that the CONSULTANT proves occurred despite its compliance with generally accepted standards of care, the CONSULTANT will only be responsible for the percentage of the damages and costs that corresponds to the proportion of the total damages and costs caused by the errors and/or omissions attributable to the CONSULTANT for which the CONSULTANT is otherwise liable under this subparagraph.

LOCAL AGENCY will not be subject to any obligations or liabilities by CONTRACTORS of the CONSULTANT or their SUBCONTRACTORS or any other person not a party to THIS CONTRACT without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.

It is expressly understood and agreed that the CONSULTANT will take no action or conduct that arises either directly or indirectly out of its obligations, responsibilities, and duties under THIS CONTRACT that results in claims being asserted against or judgments being imposed against the State of Michigan, the Michigan State Transportation Commission, LOCAL AGENCY, and/or the FHWA, as applicable. In the event that the same occurs, it will be considered as a breach of THIS CONTRACT, thereby giving the State of Michigan, the Michigan State Transportation Commission, LOCAL AGENCY, and/or the FHWA, as applicable, a right to seek and obtain any necessary relief or remedy, including, but not limited to, a judgment for money damages.

30. LOCAL AGENCY may terminate THIS CONTRACT and/or any AUTHORIZATION(S) under THIS CONTRACT for convenience or cause, as set forth below, before the SERVICES are completed. Written notice of termination will be sent to the CONSULTANT. The CONSULTANT will be reimbursed in accordance with the following:
    a. Termination for Convenience:
    FOR COSTS TO BE REIMBURSED ON AN ACTUAL COST PLUS FIXED FEE

BASIS: The CONSULTANT will be reimbursed for all costs incurred up to the termination date set forth in the notice of termination. Such reimbursement will be as set forth in Sections 16 and 17. The CONSULTANT will be reimbursed a proportionate share of the fixed fee based on the portion of the project that is complete as determined by LOCAL AGENCY. LOCAL AGENCY will receive the work product produced by the CONSULTANT under THIS CONTRACT up to the time of termination, prior to the CONSULTANT being reimbursed. In no case will the compensation paid to the CONSULTANT for partial completion of SERVICES exceed the amount the CONSULTANT would have received had the SERVICES been completed.

b. Termination for Cause:
The LOCAL AGENCY may terminate this CONTRACT whenever the CONSULTANT causes any of the following events to occur: fails to complete any of the SERVICES in a manner satisfactory to LOCAL AGENCY, and/or discloses LOCAL AGENCY'S confidential information, and/or replaces any Key People without prior written approval from LOCAL AGENCY, and/or fails to find an acceptable replacement to the Project Team within thirty (30) days, (or within the extension of time granted by LOCAL AGENCY, if any), and/or makes any public relations communications, (and/or products) that are intended for external audience without prior written approval from the LOCAL AGENCY.

AUTHORIZATION(S) pursuant to THIS CONTRACT for cause. Written notice of termination will be sent to the CONSULTANT. The CONSULTANT will be reimbursed as follows:

FOR COSTS TO BE REIMBURSED ON AN ACTUAL COST PLUS FIXED FEE BASIS: The CONSULTANT will be reimbursed for SERVICES completed up to receipt of the notice of termination. LOCAL AGENCY may pay a proportionate share for a partially completed work product. The value of such partially completed work product will be determined by LOCAL AGENCY based on actual costs incurred up to the estimated value of the work product received by LOCAL AGENCY, as determined by LOCAL AGENCY. Such actual costs will be as set forth in Section 16.

The CONSULTANT will be reimbursed a proportionate share of the fixed fee based on the portion of the project that is complete, as determined by LOCAL AGENCY. LOCAL AGENCY will receive the work product produced by the CONSULTANT under THIS CONTRACT up to the time of termination, prior to the CONSULTANT being reimbursed. In no case will the compensation paid to the CONSULTANT for partial completion of the SERVICES exceed the amount the CONSULTANT would have received had the SERVICES been completed.

The value of such partially completed work product will be determined by LOCAL

AGENCY based on actual costs incurred up to the estimated value of the work product received by LOCAL AGENCY as determined by LOCAL AGENCY.

In the event that termination by LOCAL AGENCY is necessitated by any wrongful breach, failure, default, or omission by the CONSULTANT, LOCAL AGENCY will be entitled to pursue whatever remedy is available to it, including, but not limited to, withholding funds or off-setting against funds owed to the CONSULTANT under THIS CONTRACT, as well as any other existing or future contracts between the CONSULTANT and LOCAL AGENCY, for any and all damages and costs incurred or sustained by LOCAL AGENCY as a result of its termination of THIS CONTRACT due to the wrongful breach, failure, default, or omission by the CONSULTANT.

In the event of termination of THIS CONTRACT and/or any AUTHORIZATION(S), LOCAL AGENCY may procure the professional SERVICES from other sources and hold the CONSULTANT responsible for any damages or excess costs occasioned thereby.

In the event that the CONSULTANT disagrees with LOCAL AGENCY regarding a determination of the completeness or value of SERVICES performed or the amount of reimbursement for which the CONSULTANT is eligible under the provisions of this section, the CONSULTANT may invoke the dispute process defined in Exhibit C.

31. The CONSULTANT'S signature on THIS CONTRACT constitutes the CONSULTANT'S certification of "status" under penalty of perjury under the laws of the United States with respect to 49 CFR Part 29, as amended and as relocated to 2 CFR Part 1200, pursuant to Executive Order 12549.

    The certification included as a part of THIS CONTRACT as Attachment A is Appendix A of 49 CFR Part 29 and applies to the CONSULTANT (referred to in Appendix A as "the prospective primary participant").

    The CONSULTANT is responsible for obtaining the same certification from all SUBCONTRACTORS under THIS CONTRACT by inserting the following paragraph in all subcontracts:

    "The SUBCONTRACTOR'S signature on THIS CONTRACT constitutes the SUBCONTRACTOR'S certification of 'status' under penalty of perjury under the laws of the United States with respect to 49 CFR Part 29, as amended and as relocated to 2 CFR Part 1200, pursuant to Executive Order 12549. The certification included as a part of THIS CONTRACT as Attachment B is Appendix B of 49 CFR Part 29."

    This certification is required of all SUBCONTRACTORS, testing laboratories, and other lower tier participants with whom the CONSULTANT enters into a written arrangement for the procurement of goods or services provided for in THIS CONTRACT.

32. The CONSULTANT'S signature on THIS CONTRACT constitutes the CONSULTANT'S certification that to the best of his or her knowledge and belief no

federal appropriated funds have been paid or will be paid by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, removal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

The CONULTANT will require that the language of this certification be included in the award documents for all third-party agreements (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients will certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification will be subject to a civil penalty of not less than Ten Thousand Dollars ($10,000.00) and not more than One Hundred Thousand Dollars ($100,000.00) for each such failure.

33. The CONSULTANT agrees to pay each SUBCONTRACTOR for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the CONSULTANT receives from MDOT. This requirement is also applicable to all sub-tier SUBCONTRACTORS and will be made a part of all subcontract agreements.

This prompt payment provision is a requirement of 49 CFR Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a SUBCONTRACTOR against MDOT. This provision applies to both DBE and non-DBE SUBCONTRACTORS.

The CONSULTANT further agrees that it will comply with 49 CFR Part 26, as amended, and will report any and all DBE SUBCONTRACTOR payments to MDOT semi-annually in the format set forth in Appendix G, dated July 2015, attached hereto and made a part hereof, or any other format acceptable to MDOT.

34. The CONSULTANT agrees that the costs reported to LOCAL AGENCY for THIS CONTRACT will represent only those items that are properly chargeable in accordance with THIS CONTRACT. The CONSULTANT 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.

The following exhibits, appendices, and attachments are included on page 14 of THIS CONTRACT, IN WITNESS WHEREOF, the parties hereto have set their hands and seals by their duty authorized agents and representative the day and year first above written.

CITY OF BURTON

By: ______________________________________

PAULA ZELENKO
TITLE: MAYOR

By: ______________________________________

BETTE BIGSBY
TITLE: ACTING CITY CLERK

OHM ADVISORS

By: __________________________________

PATRICK G. WINGATE, PE
TITLE: DIRECTOR OF TRANSPORTATION

List of Exhibits/Appendixes/Attachments

**Exhibit A** – CONSULTANT Proposal: Scope of Services

**Exhibit B** – Professional Liability Insurance

**Exhibit C** – The Dispute Resolution Process

**Exhibit D** – Consultant Performance Evaluations

**Appendix A** – Prohibition of Discrimination in State Contracts

**Appendix B** – TITLE VI Assurance

**Appendix C** – Assurances that Recipients and Contractors Must Make

**Appendix D** – Local Consultant Conflict of Interest

**Appendix E** – Public Relations Communications, and Use of Project Information for External Audiences

**Appendix G** – Prime Consultant State of DBE Sub-Consultant Payments

**Attachment A** – Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions

**Attachment B** – Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusions-Lower Tier Covered Transactions

**Attachment C** – Transportation Certification of Indirect Rate

# EXHIBIT A

## CONSULTANT Proposal: Scope of Services

Michigan Department of Transportation
5101A-1 (11.7.18)

## SUMMARY OF TOTAL PROJECT COSTS BY JOB NUMBER

EXHIB

All Prime and Subconsultant Costs for ALL JOB NUMBERS (including phases). For amendment or revision, complete this form showing all job number for all services provided. Report Tier 2 Subconsultant costs with Tier 1 Subconsultants. For use with all Priced Proposals. Use additional pages as necessary.

**MDOT CONTROL SECTION(S) - JOB NUMBER(S):** CS 25000 - JN 130642

**CONTRACT / AUTHORIZATION NUMBER:**

**PRIME CONSULTANT NAME:** Orchard, Hiltz & McCliment, Inc.

**DBE Goal:**

**PROJECT DESCRIPTION:** Construction Engineering for Saginaw St from Bristol Rd to Hemphill Rd, City of Burton

| Consultant | Firm Role: | Contracted to: | Payment Method: | Job Number 130642 | Job Number | Job Number | Job Number | DBE (Y/N) | Total | % of Contr |
|---|---|---|---|---|---|---|---|---|---|---|
| **HOURS** | | | | **1,334** | **-** | **-** | **-** | | **1,334** | |
| Orchard, Hiltz & McCliment, Inc. | P | MDOT | ACFF | 1,334 | - | - | - | | 1,334 | |
| **LABOR** | | | | **$ 35,354.62** | **$ -** | **$ -** | **$ -** | | **$ 35,354.62** | |
| Orchard, Hiltz & McCliment, Inc. | P | MDOT | ACFF | $ 35,354.62 | $ - | $ - | $ - | | $ 35,354.62 | |
| **OVERHEAD** | | | | **$ 63,475.68** | **$ -** | **$ -** | **$ -** | | **$ 63,475.68** | |
| Orchard, Hiltz & McCliment, Inc. | P | MDOT | ACFF | $ 63,475.68 | $ - | $ - | $ - | | $ 63,475.68 | |
| **F.C.C.M.** | | | | **$ 236.88** | **$ -** | **$ -** | **$ -** | | **$ 236.88** | |
| Orchard, Hiltz & McCliment, Inc. | P | MDOT | ACFF | $ 236.88 | $ - | $ - | $ - | | $ 236.88 | |
| **LSUM / MILE / UNIT COSTS** | | | | **$ 3,649.98** | **$ -** | **$ -** | **$ -** | | **$ 3,649.98** | |
| SMAC Testing, Inc. | T1 | | ACFF | $ 3,649.98 | $ - | $ - | $ - | | $ 3,649.98 | |
| **FIXED FEE** | | | | **$ 10,871.33** | **$ -** | **$ -** | **$ -** | | **$ 10,871.33** | |
| Orchard, Hiltz & McCliment, Inc. | P | MDOT | ACFF | $ 10,871.33 | $ - | $ - | $ - | | $ 10,871.33 | |

**TOTAL COSTS SUMMARY**

| Consultant Totals | Firm Role: | Contracted to: | Payment Method: | Job Number 130642 | Job Number | Job Number | Job Number | DBE (Y/N) | Total | % of Contr |
|---|---|---|---|---|---|---|---|---|---|---|
| **Orchard, Hiltz & McCliment, Inc.** | **P** | **MDOT** | **ACFF** | **$ 109,938.51** | **$ -** | **$ -** | **$ -** | **N** | **$ 109,938.51** | **96.8** |
| SMAC Testing, Inc. | T1 | | ACFF | $ 3,649.98 | $ - | $ - | $ - | | $ 3,649.98 | 3.2 |
| Firm Role Key: P = Prime Firm, T1 = Tier 1 Sub, T2 = Tier 2 Sub | | | | | | | | | | |
| **TOTAL COSTS** | | | | **$ 113,588.49** | **$ -** | **$ -** | **$ -** | | **$ 113,588.49** | 100.0 |

# DERIVATION OF PRIME CONSULTANT COSTS



Summary of all Prime Costs for ALL JOB NUMBERS (including phases) for all services provided. Use additional pages as necessary.

| MDOT CONTROL SECTION(S) - JOB NUMBER(S): | CONTRACT / AUTHORIZATION #: | FIRM ROLE: |
|---|---|---|
| CS 25000 - JN 130642 | | Prime Firm |
| PRIME CONSULTANT NAME: Orchard, Hiltz & McCliment, Inc. | PROJECT DESCRIPTION: Construction Engineering for Saginaw St from Bristol Rd to Hemphill Rd, City of Burton | |

**PRIME LABOR:**

| *CLASSIFICATION* | *HOURS* | *x* | *RATE/HR* | = | *LABOR COST* |
|---|---|---|---|---|---|
| Prof Eng/Arch IV | 12 | x | $ 51.09 | = | $ 613.08 |
| Prof Eng/Arch III | 32 | x | $ 44.09 | = | $ 1,410.88 |
| Prof Eng/Arch I | 24 | x | $ 33.31 | = | $ 799.44 |
| Technician IV | 204 | x | $ 38.36 | = | $ 7,825.44 |
| Technician II | 864 | x | $ 23.62 | = | $ 20,407.68 |
| Prof Surveyor III | 6 | x | $ 46.63 | = | $ 279.78 |
| Surveyor III | 24 | x | $ 29.44 | = | $ 706.56 |
| Surveyor II | 24 | x | $ 22.67 | = | $ 544.08 |
| Technician I | 144 | x | $ 19.22 | = | $ 2,767.68 |
| Total Hours: | **1334** | | | **Total Labor** | **$ 35,354.62** |

**PRIME OVERHEAD:** (Total Labor x Overhead Rate)

Overhead Rate: **179.54%** — **Total Overhead $ 63,475.68**

**PRIME FACILITIES CAPITAL COST OF MONEY (F.C.C.M.):** (Total Labor x F.C.C.M. Rate)

F.C.C.M. Rate: **0.67%** — **Total F.C.C.M. $ 236.88**

**PRIME FIXED FEE FOR PROFIT:** ((Total Labor + Total Overhead) x 11%)

Fixed Fee Rate: 11% — **Total Fixed Fee $ 10,871.33**

**TOTAL PRIME FIRM COSTS $ 109,938.51**

*Firm Role: Prime Firm* *Note: Payment Method = ACFF*

Michigan Department
of Transportation
5101C (11.7.18)

## DERIVATION OF SUBCONSULTANT COSTS

Exhib

Summary of all Sub Costs for ALL JOB NUMBERS (including phases) for all services provided. Use additional pages as necessary.

| MDOT CONTROL SECTION(S) - JOB NUMBER(S): | CONTRACT / AUTHORIZATION #: | FIRM ROLE: |
|---|---|---|
| **CS 25000 - JN 130642** | | **Tier 1 Sub** |

| SUBCONSULTANT NAME: | PROJECT DESCRIPTION: |
|---|---|
| **SMAC Testing, Inc.** | **Construction Engineering for Saginaw St from Bristol Rd to Hemphill Rd, City of Burton** |

**SUB LSUM / MILE / UNIT COSTS:**

| Items | Quantity | @ | Bid Price | Unit | | Item Price |
|---|---|---|---|---|---|---|
| HMA Materials Testing | 6.00 | @ | $ 608.330 | Per Day | = | $ 3,649.98 |
| | | | | | **Total Unit Costs** | **$ 3,649.98** |

**TOTAL SUBCONSULTANT COSTS $ 3,649.98**

*Firm Role: Tier 1 Sub to*

*Note: Payment Method = ACFF*

# EXHIBIT B

## PROFESSIONAL LIABILITY INSURANCE
**June 27, 1996**

The CONSULTANT specifically agrees to maintain professional liability insurance for protection from claims arising out of the performance of SERVICES under THIS CONTRACT.

This insurance will be maintained in an amount not less than One Million Dollars ($1,000,000.00) per claim and annual aggregate. Such insurance will be in effect for the life of THIS CONTRACT and for the period through the construction and DEPARTMENT acceptance of such construction, resulting from the SERVICES provided by THIS CONTRACT, whichever is later.

As evidence of said coverage, the CONSULTANT will submit to the DEPARTMENT certificates of insurance. All required insurance will be in effect and all documents required by this section will be submitted to the DEPARTMENT prior to the commencement of the SERVICES. All such approvals will include a provision for a cancellation notice of not less than thirty (30) days, directed to the DEPARTMENT. The CONSULTANT specifically agrees to immediately provide written notification of any change to its professional liability insurance coverage.

# EXHIBIT C

## THE DISPUTE RESOLUTION PROCESS
**November, 2015**

**BACKGROUND**

During the design and construction phases of projects, there are quality assurance and quality assessment procedures required of CONSULTANTS and the LOCAL AGENCY that are intended to minimize the occurrence of errors and/or omissions. Even so, there are often valid changes required during construction in order to complete the project. These changes may or may not be the result of the Design or Construction Engineering Consultant's errors or omissions.

Some of the changes may be due to errors and/or omissions in the Design Plans or Construction Engineering Services resulting in cost increases to the project or degradation of quality of the road project. When changes to a project result in errors or omissions and cause additional costs or reduction in quality, an assessment must be made to determine the extent of the Design and/or Construction Engineering consultant's responsibility for the errors and/or omissions, including the CONSULTANT'S share of the additional costs.

LOCAL AGENCY personnel must keep in mind that Design Plans and Construction Engineering Services will normally contain minor deficiencies that do not materially (*an issue is considered material when the perceived cost of the error and/or omission is greater than the administrative cost of the dispute resolution process)* affect the cost or quality of the project. The steps to assign responsibility are intended to be used in those cases where LOCAL AGENCY personnel have reason to believe that, in their professional judgment, a Design and/or Construction Engineering CONSULTANT did not adhere to recognized professional standards of care in the performance of its duties, resulting in substantial additional costs to the LOCAL AGENCY.

It is also important to understand that the cost of correcting an error and/or omission should be compared to the estimated first-time cost that would have been incurred had the services or contract documents been correct to begin with. For example, the omission of a pay item that has to be added during construction will cause an increase in the construction cost, but the cost would have been higher had the pay item been included from the beginning. In this case, the cost of the omission depends on how much more it costs to include the item during construction than it would have cost had the item been included when the project was bid. This is known as premium cost. Premium costs are the additional cost of a contract that would not have been incurred if the work had been included in the original contract. More specifically, premium costs are dollar amounts paid for non value added work. Delays, inefficiencies, rework, or extra work as shown below, other than those caused by the CONTRACTOR or his or her SUBCONTRACTORs or suppliers, will be considered as non-value added work. Non-value added work can occur in three distinct situations.

- Work delays or inefficiencies. The premium costs are the total delay/ inefficiencies damages paid to the CONTRACTOR.
- Rework. The premium costs are the dollar amounts paid for the original items of work that have to be removed plus the costs to remove these items.
- Extra work. The premium costs are the net difference between the final, agreed-upon price paid to the CONTRACTOR and the Engineer's Estimate i.e., what the cost would have been had the extra work been included in the original bid at letting.

Premium costs associated with Errors and Omissions shall be Federal-aid Non-Participating.

Another example is improper or missing testing documentation. In this case, the cost of the omission depends on whether or not the Federal Aid or State participation will remain as the quality of the construction may not be able to be determined and was affected by the missing or improper acceptance documentation to support payment.

**THE PROCESS – OVERVIEW**

PROJECTS will be built as designed and let. Furthermore, field staff will not revise the design for purposes of enhancement or personal choice. In the event the PROJECT cannot be practically built or let as designed, due to omissions or errors, then the steps of this procedure will govern.

There are three (3) possible categories of potential errors, omissions, or questions of a material nature.

**Category 1 – Design Issues** The first category is when potential errors, omissions, or questions of a material nature are related to the Design Plans only. These events will be referred to as "Design Issues" until such time as the cause, effect, and responsibility have been determined. *[Any issue is material when the cost of the error and/or omission is perceived to be greater than the administrative cost of the dispute resolution process.]*

**Category 2 – Design/Construction Engineering Issues** The second category is when it cannot be determined whether the potential errors, omissions, or questions of a material nature are encountered in the Construction Engineering Services or in the Design Plans.. These events will be referred to as "Construction Engineering/Design Issues" until such time as the cause, effect, and responsibility have been determined.

**Category 3 – Construction Engineering Issues** The third category is when the potential errors, omissions, or questions of a material nature are encountered in Construction Engineering Services and not related to the Design Plans. These events will be referred to as "Construction Engineering Issues" until such time as the cause, effect, and responsibility have been determined.

In the event that t**he MDOT TSC Construction Engineer** decides that the Design and/or Construction Engineering Issue is not material, the Local Agency Project Supervisor will proceed unilaterally. A copy of the Design Issue decision, changes, and/or other relevant documents must be sent immediately to the **LOCAL AGENCY**, and the Construction Engineering CONSULTANT, if applicable. Typically, this will be a e-mail of the work order. The LOCAL AGENCY will forward these decisions, changes, and/or other documents to the Design Consultant. This step is important for two reasons. First, the Design CONSULTANT, and/or the **LOCAL AGENCY** will have an opportunity to review the change and take action if they disagree. Second, this will give an opportunity for everyone to learn of the deficiencies in order to improve the product in the future.

In the event that the MDOT **TSC Construction Engineer** is uncertain regarding the designer's intent, he/she must contact the **LOCAL AGENCY** to determine the intent. The **LOCAL AGENCY** will contact the CONSULTANT staff when appropriate.

The process will initially focus on solving the problem with the objective of minimizing the impact on construction. After that, the process will focus on responsibility according to the multi-step procedure that follows. The step of determining responsibility must be taken any time the Design and/or Construction Engineering CONSULTANT is brought into the process and incurs costs. These steps must also be taken any time errors and/or omissions in consultant prepared Design Plans or Construction Engineering Services result in increased cost during construction or decrease in the quality of the project.

The determination of the degree of responsibility for substandard work must include a review of the CONSULTANT'S scope of work, the standards in effect when the work was done, design information provided to the CONSULTANT, and directions provided by the LOCAL AGENCY. In making this determination, the LOCAL AGENCY must discuss the error and/or omission with the CONSULTANT and any involved LOCAL AGENCY personnel to obtain all information and points of view. The LOCAL AGENCY is to make a record of conversations and other documentation that support whatever determination is made and then place copies of those records in the project files. Separate budgets will be created for payment to Design and Construction Engineering CONSULTANTS for their correction of Design or Construction Engineering Issues that are judged not to be their responsibility and for changes by the LOCAL AGENCY for their activities during this process.

**PROCESS – DISPUTE RESOLUTION**

For levels one and two of these proceedings, the first focus should be on resolving the Design or Construction Engineering Issue in order to minimize the impact on construction. The LOCAL AGENCY and the consultant will attempt to jointly determine the solution. In the event that such agreement cannot be reached, the LOCAL AGENCY alone will decide on the appropriate solution. In the event that the Design and/or Construction Engineering CONSULTANT does not agree with any of these decisions, it may appeal its financial responsibility to the next level. After the Design or Construction Engineering Issue is resolved, the focus shifts to responsibility and financial implications. All decisions must be completely agreed upon by the representatives of the LOCAL AGENCY.

**Level 1 – Omissions and Errors Identification and Correction**

**Step A** – Notify the Design or Construction Engineering CONSULTANT of the first notice of the issue in either design or construction.

**Step B** – The LOCAL AGENCY and CONSULTANT personnel will collaborate on the safest, cost efficient solution to construct the project within the character of the scope of work. If consensus cannot be reached the LOCAL AGENCY is then charged with determining the appropriate resolution to the issue to get the project back under design or construction. This issue resolution should be discussed with the MDOT TSC Construction Engineer with regards to appropriateness and potential project financial participation implications prior to any final decisions being made.

**Step C** – Issue Work Order/Contract Modification that resolves issue so that design or construction work may continue. Processes for contract modifications will follow those set forth in the MDOT Construction Manual or other guidance documents pertaining to revisions to the contract.

**Level 2 – Cost Responsibility Determination**

**Step A** – Mutually determine, between the LOCAL AGENCY and the CONSULTANT, if the issue was caused by a plan error or omission.
If it is determined that a plan error created the issue, the financial responsibility for the correction and associated design and construction costs will be borne 100% by the CONSULTANT.

If it is determined that an omission created the issue, only the premium cost above what the LOCAL AGENCY would have expected to pay, if the work was included in the original bid construction documents, will be borne by the CONSULTANT.

**Step B** – If the CONSULTANT disagrees with the determination in Step 2 A, then the disputed items are sent to the mutually agreed upon review PANEL for a recommendation of cost responsibility. The LOCAL AGENCY will facilitate the development of the members of the review PANEL.

The LOCAL AGENCY and the CONSULTANT will each select a member of their choosing, the two selected members will then mutually agree to select one more member. The review PANEL will be made up of three members. The LOCAL AGENCY will then notify, a PANEL of impartial and non-interested individuals to mediate a resolution to the issue. The cost for the PANEL members should be shared between the LOCAL AGENCY and the CONSULTANT. Example participants could be members ACEC, CRA, MML, etc. The PANEL will guide the LOCAL AGENCY and the CONSULTANT toward an agreement. The staff from MDOT may also be present as observers. At such time as the PANEL determines that the LOCAL AGENCY and the CONSULTANT are not making reasonable progress toward resolving one or more issues, the PANEL will render a non-binding written decision of those issues. In the event the non-binding written decision is not acceptable to either party, then other legal remedies may be sought.

**Level 3 – Cost Recovery or Payment**

Upon the conclusion of the level 2 process, the LOCAL AGENCY will do one of the following in accordance with the results of this process:

**Cost Recovery** The LOCAL AGENCY will prepare a billing to the Design or Construction Engineering Consultant for its share of the costs incurred for work performed during this process plus its share of any increased costs of construction, in accordance with the Design Consultant's determined share of responsibility; or

**Payment** The LOCAL AGENCY will prepare a payment to the Design or Construction Engineering Consultant for a share of its costs incurred for work performed during this process in accordance with its determined share of responsibility.

Upon the conclusion of this process, the LOCAL AGENCY will do one of the following in accordance with the results of this process:

a. The LOCAL AGENCY will prepare a billing to the Design or Construction Engineering Consultant for its share of the costs incurred for work performed during this process plus its share of any increased costs of construction, in accordance with the Design Consultant's determined share of responsibility; or

b. The LOCAL AGENCY will prepare a payment to the Design or Construction Engineering Consultant for a share of its costs incurred for work performed during this process in accordance with its determined share of responsibility.

# EXHIBIT D

## CONSULTANT PERFORMANCE EVALUATIONS

May 20, 2015

The purpose of the Consultant Performance Evaluation process is to: provide CONSULTANTS documented feedback of their performance on local federal-aid projects; promote project management/consultant communication; identify and document areas of potential improvements of CONSULTANT performance, improve the overall quality of local projects, and to obtain ratings for use in future project selections.

The performance evaluation process is required for all types of CONSULTANT services utilizing federal-aid. An evaluation must be prepared for the prime vendor, as well as separate evaluations for each sub-vendor. Evaluations of both prime and SUB-CONSULTANTS are critical because their evaluation scores affect future selection scoring and ranking. The performance evaluation should include, but not be limited to, an assessment of timely completion of work, adherence to contract scope and budget, and the quality of the work conducted. .

The LOCAL AGENCY specifically agrees to complete and maintain CONSULTANT performance evaluations at the end of THIS CONTRACT and submit them to MDOT before the final reimbursement will be processed in LARS.

# 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.

<u>Revised June 2011</u>

# APPENDIX B TITLE VI

## ASSURANCE

During the performance of THIS CONTRACT, the CONTRACTOR, for itself, its assignees, and its successors in interest (hereinafter referred to as the "CONTRACTOR"), agrees as follows:

1. **Compliance with Regulations**: For all federally assisted programs, the CONTRACTOR shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of THIS CONTRACT.

2. **Nondiscrimination**: The CONTRACTOR, with regard to the work performed under THE CONTRACT, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of SUBCONTRACTORs, including procurements of materials and leases of equipment. The CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the CONTRACTOR covers a program set forth in Appendix B of the Regulations.

3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment**: All solicitations made by the CONTRACTOR, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential SUBCONTRACTOR or supplier of the CONTRACTOR'S obligations under the Contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports**: The CONTRACTOR shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the DEPARTMENT or the United States DEPARTMENT of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish the required information, the CONTRACTOR shall certify to the DEPARTMENT or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.

5. **Sanctions for Noncompliance**: In the event of the CONTRACTOR'S noncompliance with the nondiscrimination provisions of THIS CONTRACT, the DEPARTMENT shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:

   a. Withholding payments to the CONTRACTOR until the CONTRACTOR complies; and/or b.

   b. Canceling, terminating, or suspending THE CONTRACT, in whole or in part.

6. **Incorporation of Provisions**: The CONTRACTOR shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The CONTRACTOR shall take such action with respect to any subcontract or procurement as the DEPARTMENT or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a CONTRACTOR becomes involved in or is threatened with litigation from a SUBCONTRACTOR or supplier as a result of such direction, the CONTRACTOR may request the DEPARTMENT to enter into such litigation to protect the interests of the state. In addition, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

# APPENDIX C

## Assurances that Recipients and CONTRACTORs Must Make

(Excerpts from US DOT Regulation 49 CFR § 26.13)

1. 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.).

2. Each contract MDOT signs with a CONTRACTOR (and each subcontract the prime CONTRACTOR signs with a SUBCONTRACTOR) must include the following assurance:

   The CONTRACTOR, subrecipient 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.

(Revised October 1, 2005)

## APPENDIX D

## LOCAL CONSULTANT CONFLICT OF INTEREST

The CONSULTANT and its Affiliates agree not to have any public or private interest, and shall not acquire directly or indirectly any such interest in connection with the project, that would conflict or appear to conflict in any manner with the performance of SERVICES under THIS CONTRACT. "Affiliate" means a corporate entity linked to the CONSULTANT through common ownership. The CONSULTANT and its Affiliates agree not to provide any services to a construction CONTRACTOR or any entity that may have an adversarial interest in a project for which it has provided services to the MDOT OR LOCAL AGENCY. The CONSULTANT and its Affiliates agree to disclose to the LOCAL AGENCY and the MDOT all other interests that the prime or SUBCONSULTANT have or contemplate having during each phase of the project. The phases of the PROJECT include, but are not limited to, planning, scoping, early preliminary engineering, design engineering, real estate acquisition, and construction engineering. In all situations, the MDOT will decide if a conflict of interest exists. If the MDOT concludes that a conflict of interest exists, it will inform the LOCAL AGENCY and CONSULTANT and its Affiliates. If the CONSULTANT and its Affiliates choose to retain the interest constituting the conflict, the MDOT may require the LOCAL AGENCY to terminate the Contract for cause if a conflict of interest finding is upheld.

## Appendix E

## Public Relations Communications, and Use of Project Information for External Audiences

Any public relations communications and/or products pertaining to this CONTRACT or the SERVICES hereunder that are intended for an external audience will not be made without prior written approval from LOCAL AGENCY, and then only in accordance with explicit instructions from LOCAL AGENCY. Examples of public relations communications and/or products may include the following:

Use of the LOCAL AGENCY logo;

Brochures, flyers, invitations, programs, or any other printed materials intended for external audiences;

Posting on social media sites or web sites;

New or updated video, digital versatile disk (DVD), or video sharing productions;

Exhibits or presentations.

A violation of this provision will be considered a breach of this CONTRACT, and LOCAL AGENCY may terminate this CONTRACT under provisions of Section 30(b).

# Appendix G

## Prime Consultant State of DBE Sub-Consultant Payments

## ATTACHEMENT A

(This is a reproduction of Appendix A of 49 CFR Part 29)
**Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions**

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the DEPARTMENT or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the DEPARTMENT or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the DEPARTMENT or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DEPARTMENT or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the DEPARTMENT or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DEPARTMENT or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transaction," provided by the DEPARTMENT

or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DEPARTMENT or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

   a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal DEPARTMENT or agency;
   b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
   c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
   d. Have not within a three year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

[60 FR 33042, 33064, June 26, 1995]

# ATTACHMENT B

[This is a reproduction of Appendix B of 49 CFR Part 29]
**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION--LOWER TIER COVERED TRANSACTIONS**

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the DEPARTMENT or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms “covered transaction”, “debarred”, “suspended”, “ineligible”, “lower tier covered transaction”, “participant”, “person”, “primary covered transaction”, “principal”, “proposal”, and “voluntarily excluded”, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DEPARTMENT or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion--Lower Tier Covered Transaction”, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification

is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (Telephone No. (517) 335-2513 or (517) 335-2514).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DEPARTMENT, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-
- Lower
Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal DEPARTMENT or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

[Federal Register Doc. 88-11561 Filed 5-25-88; 8:45 a.m.] March 9, 1989

Michigan Department
Of Transportation
5108L (01/11)

# CERTIFICATION OF INDIRECT (OVERHEAD) RATE

This Certification is required according to U.S. Department of Transportation, Federal Highway Administration (FHWA) Order 4470.1A, dated October 27, 2010. FHWA has issued this new policy to be effective January 1, 2011. This policy requires consultants to certify that costs used to establish indirect (overhead) cost rates applicable to Federal-aid engineering and design related services contracts do not include any costs which are expressly unallowable, and that the indirect (overhead) rate was established based only on allowable costs.

This certification is to provide assurance that the indirect (overhead) cost rate was calculated in accordance with the applicable cost principles contained in the Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31.

This form shall be completed and submitted by the prime consultant, for the prime contract as well as for each subcontract (first and second tier subconsultant(s)) proposed to be included as part of this priced proposal, where an indirect (overhead) rate is proposed. Please note that the Certifying Official is defined as the firm's Executive (Vice President, President or equivalent) or Chief Financial Officer.

## PROJECT INFORMATION

| MDOT CONTROL SECTION(S) – JOB NUMBERS(S): | CONTRACT / AUTHORIZATION NUMBER: |
|---|---|

LOCAL AGENCY:
City of Burton

PROJECT DESCRIPTION:
Rehabilitate Saginaw Street from Bristol Road to Hemphill Road in the City of Burton

## DECLARATION OF CERTIFICATION

**INDIRECT (OVERHEAD) COST RATE:** 179.54

**DATE OF INDIRECT (OVERHEAD) COST RATE DETERMINATION (mm/dd/yyyy):** 07/10/2018

**FISCAL PERIOD COVERED (mm/dd/yyyy to mm/dd/yyyy):** 08/01/2018 **to** 07/31/2019

**I, the undersigned, certify that I have reviewed the indirect (overhead) rate calculation for the fiscal period as specified above and to the best of my knowledge and belief:**

1) All costs included to establish the above rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) of Title 48, Code of Federal Regulation (CFR), part 31.

2) This indirect (overhead) cost rate does not include any costs which are expressly unallowable under the cost principles of the FAR of 48 CFR 31.

**All known material transactions or events that have occurred affecting the firm’s ownership, organization, and indirect (overhead) cost rates have been disclosed.**

## CONSULTANT INFORMATION

ROLE
☑ Prime ☐ Tier 1 Sub ☐ Tier 2 Sub

| LEGAL BUSINESS NAME: | FEDERAL ID NUMBER (Must match prequalification file): |
|---|---|
| Orchard, Hiltz & McCliment, Inc. | 38-1691323 |

| COMPANY ADDRESS: | CITY: | STATE: | ZIP CODE: |
|---|---|---|---|
| 34000 Plymouth Road | Livonia | MI | 48150 |

| EMAIL ADDRESS: | PHONE NO.: |
|---|---|
| pat.wingate@ohm-advisors.com | (734) 522-6711 |

## CERTIFYING OFFICIAL

| NAME OF CERTIFYING OFFICIAL (Print Name and Title): | SIGNATURE OF CERTIFYING OFFICIAL: |
|---|---|
| Patrick G. Wingate, PE - Director of Transportation | Patrick G. Wingate, PE Patrick Gregory Wingate Jan 22 2019 1:51 PM cosign |

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Department of Public Works
Category: Contract
Prepared By: Robert Slattery
Department Head: Robert Slattery

**AGENDA ITEM (ID # 4204)**

*DOC ID: 4204*

# Approve and authorize the Mayor and City Clerk to execute a Contract with the Michigan Department of Transportation for hot mix asphalt cold milling and resurfacing work, including pavement repair, concrete pavement joint repair, miscellaneous concrete curb and gutter, concrete sidewalk and ramp work; and all together with necessary related work along Saginaw Street from Bristol Road northerly to Hemphill Road in the City of Burton, Genesee County (DPW project No. 18-005-P), MDOT Control Section STU 25000, Job number 130642CON, Federal Project Number 1900(197) at an estimated total cost of $1,269,200, of which the City of Burton's final cost will be approximately $235,400.

**ATTACHMENTS:**

- Resolution - Adoption of MDOT Contract for Saginaw Street Bristol-Hemphill Construction (DOCX)
- MDOT Contract - Saginaw Street Bristol-Hemphill - Construction (PDF)
- MoE - MDOT Contract - Saginaw Street Bristol-Hemphill Construction (DOC)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

**RESOLUTION_____________**
CITY OF BURTON
GENESEE COUNTY MICHIGAN

RESOLUTION

RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF BURTON, A MUNICIPAL CORPORATION OF GENESEE COUNTY, DOES HEREBY:

**__________________ moved and _________________ seconded the following:**

Approve and authorize the Mayor and City Clerk to execute a Contract with the Michigan Department of Transportation for the resurfacing work along Saginaw Street from Bristol Road northerly to Hemphill Road in the City of Burton, (DPW project No. 18-005-P), MDOT Control Section STU 25000, Job number 130642CON, Federal Project Number 1900(197), and all together with necessary related work

CERTIFICATION

I, Bette Bigsby, Acting City Clerk of Burton, do certify that the above Resolution was duly adopted in conformance with Act 267 Public Acts of Michigan, 1976, at a Regular Council Meeting of the City of Burton Council held at Burton City Hall, February 4, 2019 by the following vote:

Ayes:
Nays:
Absent:

**THIS RESOLUTION IS DECLARED ADOPTED**

Dated: ________________________

___________________________________
Bette Bigsby, Acting City Clerk
Prepared by: Bette Bigsby
City of Burton
4303 S. Center Rd.
Burton, MI 48519

STP DA

| | |
|---|---|
| Control Section | STU 25000 |
| Job Number | 130642CON |
| Project | 1900(197) |
| CFDA No. | 20.205 (Highway Research Planning & Construction) |
| Contract No. | 18-5560 |

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of ________________________, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF BURTON, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in the City of Burton, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated December 27, 2018, attached hereto and made a part hereof:

PART A - FEDERAL PARTICIPATION
Hot mix asphalt cold milling and resurfacing work along Saginaw Street from Bristol Road northerly to Hemphill Road; including pavement repair, concrete pavement joint repair, miscellaneous concrete curb and gutter, and concrete sidewalk and ramp work; and all together with necessary related work.

PART B - NO FEDERAL PARTICIPATION
Audio-visual survey and drainage structure cleaning work within the limits as described in PART A; 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 I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

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 costs incurred by the DEPARTMENT and the REQUESTING PARTY for construction engineering, construction materials testing, and inspection and any other costs incurred by the DEPARTMENT as a result of this contract.

Costs for construction engineering, construction materials testing, and inspection incurred by the DEPARTMENT and the REQUESTING PARTY including any other costs by the DEPARTMENT as a result of this contract, will be at PROJECT COST. Costs for construction engineering and inspection incurred by the REQUESTING PARTY for the PART A portion of the PROJECT shall be limited to the lesser of: (1) 100 percent of the actual costs for construction engineering, construction materials testing, and inspection for the PART A portion of the PROJECT, or (2) 15 percent of the actual contracted physical construction costs for the PART A portion of the PROJECT.

The costs incurred by the REQUESTING PARTY for construction engineering, construction materials testing, and inspection for the PART B portion of the PROJECT, preliminary engineering 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 portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

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

4. The REQUESTING PARTY, under the terms of this contract, shall:

A. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.

B. At PROJECT COST, perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PART A portion of the PROJECT.

C. At no cost to the PROJECT

(1). Design or cause to be designed the plans for the PROJECT.

(2). Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PART B portion of the PROJECT.

5. The PROJECT COST shall be met in accordance with the following:

<u>PART A</u>
Federal Surface Transportation Funds shall be applied to the eligible items of the PART A portion of the PROJECT COST at the established Federal participation ratio equal to 81.85 percent. The balance of the PART A portion 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.

<u>PART B</u>
The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent 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. A working capital deposit by the REQUESTING PARTY will not be required for this PROJECT.

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 II that are applicable to a Federally funded project.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail

Buy America Requirements (23 CFR 635.410) shall apply to the PROJECT and will be adhere to, as applicable, by the parties hereto.

9. The REQUESTING PARTY certifies that a) it is a person under the Natural Resources and Environmental Protection Act, MCL 324.20101 et seq., as amended, (NREPA) and is not aware of and has no reason to believe that the property is a facility as defined in the NREPA; b) the REQUESTING PARTY further certifies that it has completed the tasks required by MCL 324.20126 (3)(h); c) it conducted a visual inspection of property within the existing right of way on which construction is to be performed to determine if any hazardous substances were present; and at sites on which historically were located businesses that involved hazardous substances, it performed a reasonable investigation to determine whether hazardous substances exist. This reasonable investigation should include, at a minimum, contact with local, state and federal environmental agencies to determine if the site has been identified as, or potentially as, a site containing hazardous substances; d) it did not cause or contribute to the release or threat of release of any hazardous substance found within the PROJECT limits.

The REQUESTING PARTY also certifies that, in addition to reporting the presence of any hazardous substances to the Department of Environmental Quality, it has advised the DEPARTMENT of the presence of any and all hazardous substances which the REQUESTING PARTY found within the PROJECT limits, as a result of performing the investigation and visual inspection required herein. The REQUESTING PARTY also certifies that it has been unable to identify any entity who may be liable for the cost of remediation. As a result, the REQUESTING PARTY has included all estimated costs of remediation of such hazardous substances in its estimated cost of construction of the PROJECT.

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 the Department of Environmental Quality, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall 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 Department of Environmental Quality 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 state and/or 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.

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.

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 the day and year first above written.

CITY OF BURTON

By________________________
Title:

By________________________
Title:

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By________________________
Department Director MDOT

REVIEWED
By Larry Doyle at 3:35 pm, 1/10/19

December 27, 2018

EXHIBIT I

| | |
|---|---|
| CONTROL SECTION | STU 25000 |
| JOB NUMBER | 130642CON |
| PROJECT | 1900(197) |

ESTIMATED COST

CONTRACTED WORK

| | PART A | PART B | TOTAL |
|---|---|---|---|
| Estimated Cost | $1,098,300 | $6,200 | $1,104,500 |
| CONSTRUCTION ENGINEERING, CONSTRUCTION MATERIALS TESTING, & INSPECTION (REQUESTING PARTY) | $164,700 | $ -0- | $ 164,700 |
| GRAND TOTAL | $1,263,000 | $6,200 | $1,269,200 |

COST PARTICIPATION

| | | | |
|---|---|---|---|
| GRAND TOTAL ESTIMATED COST | $1,263,000 | $6,200 | $1,269,200 |
| Less Federal Funds | $1,033,800 | $ -0 | $1,033,800 |
| BALANCE (REQUESTING PARTY'S SHARE) | $ 229,200 | $6,200 | $ 235,400 |

NO DEPOSIT

DOT

TYPE B
BUREAU OF HIGHWAYS
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

# SECTION I

## 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 and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.

1. Engineering

   a. FAPG (6012.1): Preliminary Engineering

   b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts

   c. FAPG (23 CFR 635A): Contract Procedures

   d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments–Allowable Costs

2. Construction

   a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims

   b. FAPG (23 CFR 140B): Construction Engineering Costs

   c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies

   d. FAPG (23 CFR 635A): Contract Procedures

   e. FAPG (23 CFR 635B): Force Account Construction

   f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)

h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways

i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments–Allowable Costs

3. Modification Or Construction Of Railroad Facilities

a. FAPG (23 CFR 140I): Reimbursement for Railroad Work

b. FAPG (23 CFR 646B): Railroad Highway Projects

C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of $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 is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.

2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control 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 of the receipt of any advice 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 List of Violating Facilities.

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 II

## 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 therefor. 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 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 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 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. 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 $100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (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 Railroad Safety & Tariffs Division 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 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives 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 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 III

## 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 at least 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 responsible Bureau 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 and, (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. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. 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, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

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

a. Agencies expending a total of $500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

The Reporting Package
The Data Collection Form
The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than $500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Education
Accounting Service Center
Hannah Building
608 Allegan Street
Lansing, MI 48909

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

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

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

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 FAPG Directives and Guidelines of the FHWA.

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 FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than $1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number _______", or "Final Billing".

4. 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.

5. 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.

6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly 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 working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge 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 $1,000.00 will be made unless it is a final or end of fiscal year billing. 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.

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 therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.

2. 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 in PART I and PART II. 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 and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency 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.

3. 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.

4. 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 Section C(1).

5. 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 IV

## 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 FAPG (23 CFR 645B): 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.

C. On projects for the construction of bikeways, 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 bikeways or walkways constructed as the PROJECT except those for maintenance purposes.

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 V

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. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) 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 preliminary engineering.

C. 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.

D. 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. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 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.

E. 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.

# 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 June 2011

# APPENDIX B
# TITLE VI ASSURANCE

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

1. **Compliance with Regulations**: For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.

2. **Nondiscrimination**: The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.

3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment**: All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports**: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.

5. **Sanctions for Noncompliance**: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:

   a. Withholding payments to the contractor until the contractor complies; and/or

   b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions**: The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

# 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)

**A.** 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.).

**B.** 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.

# INTEROFFICE MEMORANDUM

To: Paula Zelenko, Mayor
From: Robert Slattery – DPW Director
Date: January 28, 2019

Re: Re: Memo of Explanation for Agenda ID # 4204
MDOT Contract for Rehabilitation of Saginaw Street, from Bristol to Hemphill
Regular Council Meeting of February 4, 2019

Madam Mayor:

**AGENDA LANGUAGE:**
**Approve and authorize the Mayor and City Clerk to execute a Contract with the Michigan Department of Transportation for hot mix asphalt cold milling and resurfacing work, including pavement repair, concrete pavement joint repair, miscellaneous concrete curb and gutter, concrete sidewalk and ramp work; and all together with necessary related work along Saginaw Street from Bristol Road northerly to Hemphill Road in the City of Burton, Genesee County (DPW project No. 18-005-P), MDOT Control Section STU 25000, Job number 130642CON, Federal Project Number 1900(197) at an estimated total cost of $1,269,200, of which the City of Burton's final cost will be approximately $235,400.**

The construction plans and specifications for Saginaw Street have been completed and a letting date has been scheduled. Prior to the state executing a contract for construction on our behalf, MDOT's financial operations require that we approve and execute a contract with MDOT, and reserve the estimated local share of the proposed construction costs. **The sole purpose of this contract is to enable the City of Burton to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the U.S. Code.**

City Council has previously committed to providing Local Match totaling $217,000 for the construction phase of this project.

# Approve and authorize the sale of Vacant Lot to the highest bidder with the applicable conditions, to give final approval for the same of this improved lot, for the sum of cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate the sale as follows:

Parcel 59-02-501-022, Vacant Lot on Stockbridge, to Gary & Dina Chron 2458 Stockbridge Ave. Burton, MI 48509 for the amount of $775.00 with the condition that the property must be combined with parcel number 59-02-501-021

Parcel 59-02-501-040, Vacant Lot on Stockbridge, to Daniel & Deanna Verbeck 2461 Stockbridge Ave. Burton, MI 48509 for the amount of $2,100.00 with the condition that the property must be combined with parcel number 59-02-501-039

Parcel 59-27-628-015, Vacant Lot on Condor Ct., to Dakota Stack, 10023 Fish Lake Holly, MI 48442 for the amount of $3,500.00

Parcel 59-28-528-043 and 59-28-528-044, Vacant Lot on Burroughs Ave. to Judith Pierce 3072 S. Term St. Burton, MI 48529 for the amount of $600.00 with the condition that the property must be combined with parcel number 59-28-528-234

Parcel 59-28-529-016, Vacant Lot on Clarice Ave., to Samuel & Sharon Dekelata 4026 W. Court St. Flint, MI 48532 for the amount of $2,100.00 with the condition that the property must be combined with parcel number 59-28-529-032

Parcel 59-28-529-021, Vacant Lot on Clarice, to Evelyn Leach 1428 Lasalle Ave. Burton, MI 48509 for the amount of $300.00 with the condition that the property must be combined with parcel number 59-28-529-020

Parcel 59-28-529-024, Vacant Lot on Clarice, to Michael Telgenhof 3054 Clarice Ave. Burton, MI 48529 for the amount of $110.00 with the condition that the property must be combined with parcel number 59-28-529-023 and 59-28-529-022

Parcel 59-28-529-025, Vacant Lot on Clarice, to Michael Telgenhof 3054 Clarice Ave. Burton, MI 48529 for the amount of $110.00 with the condition that the property must be combined with parcel number 59-28-529-023 and 59-28-529-022

Parcel 59-30-576-034, Vacant Lot on Allen St., to Deana Palmer 1325 Allen St. Burton, MI 48529 for the amount of $50.00 with the condition that the property must be combined with parcel number 59-30-576-035

Parcel 59-30-576-219, Vacant Lot on Norton St., to Dale & Darlene Walters 1328 Norton St.. Burton, MI 48529 for the amount of $777.00 with the condition that the property must be combined with parcel number 59-30-576-218

Parcel 59-31-576-088, Vacant Lot on Gram St., to Stanley Williams 1473 Proper Ave. Burton, MI 48529 for the amount of $25.00 with the condition that the property must be combined with parcel number 59-31-576-124

**ATTACHMENTS:**

- Total Bid Tab (PDF)
- Blank (DOCX)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

| | Parcel | Address | Min Bid | Highest Bidder | Bid Amount | Recommended bid | Bid Amount | Comments |
|---|---|---|---|---|---|---|---|---|
| 1 | 59-02-501-022 | Stockbridge | $750 | Gary & Dina Chron<br>2458 Stockbridge Ave.<br>Burton, MI 48509 | $775.00 | Gary & Dina Chron<br>2458 Stockbridge Ave.<br>Burton, MI 48509 | $775.00 | Must combine with 59-02-501-021 |
| 2 | 59-02-501-040 | Stockbridge | $1,000 | Daniel & Deanna Verbeck<br>2461 Stockbridge Ave.<br>Burton, MI 48509 | $2,100.00 | Daniel & Deanna Verbeck<br>2461 Stockbridge Ave.<br>Burton, MI 48509 | $2,100.00 | Must combine with 59-02-501-039 |
| 3 | 59-13-529-027 | 1205 Rinn St. | $5,000.00 | Constance Barron<br>10206 Van Vleet Rd.<br>Gaines, MI 48436 | $5,000.00 | Constance Barron<br>10206 Van Vleet Rd.<br>Gaines, MI 48436 | $5,000.00 | |
| 4 | 59-27-628-015 | Condor Ct. | $3,000 | Dakota Stack<br>10023 Fish Lake<br>Holly, MI 48442 | $3,500.00 | Dakota Stack<br>10023 Fish Lake<br>Holly, MI 48442 | $3,500.00 | |
| 5 | 59-28-528-043<br>59-28-528-044 | Burroughs<br>Burroughs | $500 | Judith Pierce<br>3072 S. Term<br>Burton, MI 48529 | $600.00 | Judith Pierce<br>3072 S. Term<br>Burton, MI 48529 | $600.00 | Must combine with 59-28-528-23 |
| 6 | 59-28-529-016 | Clarice Ave. | $100 | Samuel P. & Sharon A. Dekelata<br>4026 W. Court St.<br>Flint, MI 48532 | $2,100.00 | Samuel P. & Sharon A. Dekelata<br>4026 W. Court St.<br>Flint, MI 48532 | $2,100.00 | Must combine with 59-28-529-032 |
| 7 | 59-28-529-021 | Clarice Ave. | $100 | Evelyn Leach<br>1428 LaSalle Ave.<br>Burton, MI 48509 | $300.00 | Evelyn Leach<br>1428 LaSalle Ave.<br>Burton, MI 48509 | $300.00 | Must combine with 59-28-529-020 |
| 8 | 59-28-529-024 | Clarice Ave. | $100 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Must combine with 59-28-529-023 and 59-28-529-022 |
| 9 | 59-28-529-025 | Clarice Ave. | $100 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Must combine with 59-28-529-023 and 59-28-529-022 |
| 10 | 59-30-576-034 | Allen St. | $50 | Deana Palmer<br>1325 Allen St.<br>Burton, MI 48529 | $50.00 | Deana Palmer<br>1325 Allen St.<br>Burton, MI 48529 | $50.00 | Must combine with 59-30-576-035 |

Attachment: Total Bid Tab (4207 : Sale of City-Owned Property)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 11 | 59-30-576-219 | Norton St. | $50 | Dale & Darlene Walters<br>1328 Norton<br>Burton, MI 48529 | $777.00 | Dale & Darlene Walters<br>1328 Norton<br>Burton, MI 48529 | $777.00 | Must combine with 59-30-576-21[illegible] |
| 12 | 59-31-576-088 | Gram St. | $25 | Stanley Williams<br>1473 Proper Ave.<br>Burton, MI 48529 | $25.00 | Stanley Williams<br>1473 Proper Ave.<br>Burton, MI 48529 | $25.00 | Must combine with 59-31-576-12[illegible] |
| | | | | Total Bids | $15,447.00 | Total of Recommended Bid | $15,447.00 | |
| | Difference between taking the high bid and taking the recommended bids based on the bids of the adjoining property owners | | | | | | | $0.[illegible] |

| Summary of the bid tab | |
|---|---|
| Properties that are vacant lots being sold to someone other than an adjoining property owner. Potential for new development | 1 |
| Existing Structures to sell with the requirement of inspections within 15 days and repairs within 90 days. | 1 |
| Vacant lots when the adjoining property owner is the high bid. They are required to combine with their parcel. | 10 |
| **Total Properties Sold** | **12** |

# CONDITIONAL PURCHASE AGREEMENT

**Conditioned upon City Council Approvals with possible Combination with Adjacent Parcel**

Section 11.3 of the Burton City Charter requires the Burton City Council to approve all land sales by an affirmative vote of five of the seven council members. No sale can be finalized without these approvals.

For valuable consideration **THE CITY OF BURTON**, a municipal corporation, of 4303 S. Center Road, Burton, Michigan 48519, as Seller and _________________________, husband and wife/a single man/woman, of _______________________, ______________, Michigan 48___, as Purchaser(s), agree to purchase, the following described real property located in the City of Burton, Genesee County, Michigan being legally described as:

Legal Description(s) _______________________________________________________

More commonly known as:_________________________________________________

Permanent Parcel #:_______________________________________________________

together with all improvements, appurtenances, hereditament now on the premises.

1. **PURCHASE PRICE:**
   The Purchase Price for the above described property shall be $________________ payable in cash or certified funds at closing.

2. **DEPOSIT:**
   In the event that the Purchaser is submitting this Purchase Agreement for City Council consideration, an earnest money deposit in the amount of Ten (10%) percent of the price being offered is hereby submitted with this Purchase Agreement.

3. **CLOSING**:
   a. Purchaser acknowledges that all sales of City owned property must be approved by the Burton City Council. If the Council fails to approve this sale, then and in that event this Agreement will be deemed null and void and Seller shall forthwith return Purchaser's earnest money deposit.

   a. Closing shall take place within fifteen (15) business days of the City Council approval of this sale. At which time Purchaser will pay to Seller the balance of the purchase price in cash or certified funds and Seller shall convey a Quit Claim Deed to purchaser in a form suitable for recording. **Purchaser will be responsible for recording the Quit Claim Deed**.

   b.

4. **Supplemental Conditions**:
   a. Purchaser acknowledges and stipulates that Purchaser shall be solely responsible for the maintenance of the property from the date of closing forward, this shall include lawn mowing, tree upkeep, junk removal, brush, and any other violations of the City of Burton Ordinances.
   b. Purchaser further acknowledges and stipulates that said maintenance shall be at the sole expense of the Purchaser and Seller shall not bear any liability therefrom.

c. Purchaser further acknowledges that if they are the adjacent property owner, they must combine the purchased parcel with their principle parcel within 30 days of the date of closing. (as set forth in section 5 of the agreement)

5. **<u>COMBINATION OF PARCELS/ Reversionary Clause/ Election of Remedies</u>**:
    a. Purchaser acknowledges and stipulates that Purchaser shall cause to be combined the purchased parcel that is the subject of the Agreement and the adjacent principle parcel within 30 days of compliance with paragraph 4, above.
    b. Purchaser further acknowledges and stipulates that said parcel combination shall be the sole responsibility and at the sole expense of the Purchaser and Seller shall not bear any liability therefrom.
    c. Purchaser further acknowledges and stipulates that in the event that the subject parcels have not been combined as set forth in subparagraph 5(a), irrespective of compliance with paragraph 4, above, the property shall either revert back to the Seller and any and all money deposited by Purchaser shall be retained by the Seller or the City may institute legal action to compel combination of the parcels, at the City's sole election. ***Purchaser shall be responsible for all fees**, legal and otherwise, associated with the reversion of the property to the Seller in the event Purchaser does not voluntarily transfer title back to the Seller and legal proceedings are necessary to obtain title or in the event legal proceedings are necessary to compel specific performance of the combining of the parcels.

6. **<u>TITLE</u>:**
    a. Seller does not warrant title. Purchaser is responsible to obtain evidence of satisfactory title. Seller will not provide title insurance.
    b. In the event that Purchaser's title search discloses title defects, Purchaser shall have twenty (20) days from the date of the execution of this Agreement to rescind this transaction by written notification to the City Clerk. Upon termination within the twenty (20) day period, Seller shall return the earnest money deposit to Purchaser and this Agreement shall be null and void.

7. **<u>CONDITION OF PREMISES</u>:**
    Purchaser acknowledges, notwithstanding paragraph 4, above, that the premises is being sold "AS IS" and that Seller has made absolutely no representations to Purchaser regarding the condition of the premises or any personal property which may be located within or upon the premises. There are no warranties of any type, expressed or implied being given by Seller to Purchaser.

8. **<u>TAXES</u>:**
    Seller makes no representations regarding the status of either real or personal property taxes pertaining to the property above described. There shall be no proration of taxes as Purchaser shall be solely responsible for all unpaid taxes, assessments, and fees which may or may not be a lien against the premises at the time of closing. In addition to being solely responsible for all taxes, both past due and current, Purchaser is also responsible to pay any tax certification, revenue stamp and recording fees which may be associated with the recording of the deed.

9. **<u>ENTIRE CONTRACT</u>**:
    Seller and Purchaser agree that they have read this document, that they understand its terms and agree to be bound thereby, and that there are no other agreements in writing or otherwise between them concerning the subject of this contract, and that this contract embodies the complete and entire agreement between them concerning the subject of this contract.

10. **BINDING EFFECT**:

Seller and Purchaser agree that the covenants and undertakings of this contract shall also bind their heirs, personal representatives, administrators, executors, assigns and successors; and that said covenants and undertakings as expressed herein shall continue to bind the parties subsequent to the final closing.

11. **MISCELLANEOUS PROVISIONS:**

a. Each party shall be responsible to pay their respective attorney fees.
b. All parties acknowledge receipt of a signed copy of this Purchase Agreement.

**SIGNED IN THE PRESENCE OF:** **SELLER:**
**THE CITY OF BURTON**

| | | |
|---|---|---|
| ____________________ | ______________________________ | __________ |
| **BRENDA S. MOULTON** | **BY: PAULA ZELENKO, MAYOR** | **DATE** |
| | ______________________________ | __________ |
| | **BY: BETTE BIGSBY, ACTING CLERK** | **DATE** |

**PURCHASER:**

______________________________ ______________
**Name:** **DATE**

**Address:** ______________________________

______________________________

**Phone:** ______________________________

______________________________ ______________
**Name:** **DATE**

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Department of Public Works
Category: Resolution
Prepared By: Amber Abbey
Department Head: Bette Bigsby

**AGENDA ITEM (ID # 4209)**

*DOC ID: 4209*

# Approve and Authorize the sale of a parcel of land that contains improved structures to the highest bidder with the condition that a building inspection be completed within 15 days and repair made within 90 days of the closing, to give final approval for the same of this improved lot, for the sum of cash or its equivalent and authorizing the Mayor and the Clerk to execute any and all documents required to effectuate the sale as follows:

Parcel 59-13-529-027, 1205 Rinn St. to Constance Barron 10206 Van Vleet Rd. Gaines, MI 48436 for the amount of $5,000.00

**ATTACHMENTS:**

- Total Bid Tab (PDF)
- 59-13-529-027 - 1205 Rinn (DOCX)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

| | Parcel | Address | Min Bid | Highest Bidder | Bid Amount | Recommended bid | Bid Amount | Comments |
|---|---|---|---|---|---|---|---|---|
| 1 | 59-02-501-022 | Stockbridge | $750 | Gary & Dina Chron<br>2458 Stockbridge Ave.<br>Burton, MI 48509 | $775.00 | Gary & Dina Chron<br>2458 Stockbridge Ave.<br>Burton, MI 48509 | $775.00 | Must combine with 59-02-501-021 |
| 2 | 59-02-501-040 | Stockbridge | $1,000 | Daniel & Deanna Verbeck<br>2461 Stockbridge Ave.<br>Burton, MI 48509 | $2,100.00 | Daniel & Deanna Verbeck<br>2461 Stockbridge Ave.<br>Burton, MI 48509 | $2,100.00 | Must combine with 59-02-501-039 |
| 3 | 59-13-529-027 | 1205 Rinn St. | $5,000.00 | Constance Barron<br>10206 Van Vleet Rd.<br>Gaines, MI 48436 | $5,000.00 | Constance Barron<br>10206 Van Vleet Rd.<br>Gaines, MI 48436 | $5,000.00 | |
| 4 | 59-27-628-015 | Condor Ct. | $3,000 | Dakota Stack<br>10023 Fish Lake<br>Holly, MI 48442 | $3,500.00 | Dakota Stack<br>10023 Fish Lake<br>Holly, MI 48442 | $3,500.00 | |
| 5 | 59-28-528-043<br>59-28-528-044 | Burroughs<br>Burroughs | $500 | Judith Pierce<br>3072 S. Term<br>Burton, MI 48529 | $600.00 | Judith Pierce<br>3072 S. Term<br>Burton, MI 48529 | $600.00 | Must combine with 59-28-528-23 |
| 6 | 59-28-529-016 | Clarice Ave. | $100 | Samuel P. & Sharon A. Dekelata<br>4026 W. Court St.<br>Flint, MI 48532 | $2,100.00 | Samuel P. & Sharon A. Dekelata<br>4026 W. Court St.<br>Flint, MI 48532 | $2,100.00 | Must combine with 59-28-529-032 |
| 7 | 59-28-529-021 | Clarice Ave. | $100 | Evelyn Leach<br>1428 LaSalle Ave.<br>Burton, MI 48509 | $300.00 | Evelyn Leach<br>1428 LaSalle Ave.<br>Burton, MI 48509 | $300.00 | Must combine with 59-28-529-020 |
| 8 | 59-28-529-024 | Clarice Ave. | $100 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Must combine with 59-28-529-023 and 59-28-529-022 |
| 9 | 59-28-529-025 | Clarice Ave. | $100 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Michael Telgenhof<br>3054 Clarice<br>Burton, MI 48529 | $110.00 | Must combine with 59-28-529-023 and 59-28-529-022 |
| 10 | 59-30-576-034 | Allen St. | $50 | Deana Palmer<br>1325 Allen St.<br>Burton, MI 48529 | $50.00 | Deana Palmer<br>1325 Allen St.<br>Burton, MI 48529 | $50.00 | Must combine with 59-30-576-035 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 11 | 59-30-576-219 | Norton St. | $50 | Dale & Darlene Walters<br>1328 Norton<br>Burton, MI 48529 | $777.00 | Dale & Darlene Walters<br>1328 Norton<br>Burton, MI 48529 | $777.00 | Must combine with 59-30-576-218 |
| 12 | 59-31-576-088 | Gram St. | $25 | Stanley Williams<br>1473 Proper Ave.<br>Burton, MI 48529 | $25.00 | Stanley Williams<br>1473 Proper Ave.<br>Burton, MI 48529 | $25.00 | Must combine with 59-31-576-124 |
| | | | | Total Bids | $15,447.00 | Total of Recommended Bid | $15,447.00 | |
| | Difference between taking the high bid and taking the recommended bids based on the bids of the adjoining property owners | | | | | | | $0.0 |

| **Summary of the bid tab** | |
|---|---|
| Properties that are vacant lots being sold to someone other than an adjoining property owner. Potential for new development | 1 |
| Existing Structures to sell with the requirement of inspections within 15 days and repairs within 90 days. | 1 |
| Vacant lots when the adjoining property owner is the high bid. They are required to combine with their parcel. | 10 |
| **Total Properties Sold** | **12** |

# CONDITIONAL PURCHASE AGREEMENT
## Conditioned upon City Council Approvals with Inspection and Repairs/Demolition Requirements

Section 11.3 of the Burton City Charter requires the Burton City Council to approve all land sales by an affirmative vote of five of the seven council members. No sale can be finalized without these approvals.

For valuable consideration **THE CITY OF BURTON**, a municipal corporation, of 4303 S. Center Road, Burton, Michigan 48519, as Seller and ___________________________________, husband and wife/a single man/woman, of ___________________________________, ___________________, Michigan 48___________, as Purchaser(s), agree to purchase, the following described real property located in the City of Burton, Genesee County, Michigan being legally described as:

Legal Description(s) __N 1/2 OF LOT 24 RINN ACRES__________________________

More commonly known as:__1205 Rinn__________________________________

Permanent Parcel #:__59-13-529-027__________________________________

together with all improvements, appurtenances, hereditament now on the premises.

1. **PURCHASE PRICE:**
The Purchase Price for the above described property shall be $_________________ payable in cash or certified funds at closing.

2. **DEPOSIT:**
In the event that the Purchaser is submitting this Purchase Agreement for City Council consideration, an earnest money deposit in the amount of Ten (10%) percent of the price being offered is hereby submitted with this Purchase Agreement.

3. **CLOSING**:
   a. Purchaser acknowledges that all sales of City owned property must be approved by the Burton City Council. If the Council fails to approve this sale, then and in that event this Agreement will be deemed null and void and Seller shall forthwith return Purchaser's earnest money deposit.

   b. Closing shall take place within fifteen (15) business days of the City Council approval of this sale. At which time Purchaser will pay to Seller the balance of the purchase price in cash or certified funds and Seller shall convey a Covenant Deed to purchaser in a form suitable for recording. **Purchaser will be responsible for recording the Covenant Deed**.

4. **Supplemental Conditions**:
   a. Purchaser acknowledges and stipulates that Purchaser shall be solely responsible for the maintenance of the property from the date of closing forward, this shall include lawn mowing, tree upkeep, junk removal, brush, and any other violations of the City of Burton Ordinances.
   b. Purchaser further acknowledges and stipulates that said maintenance shall be at the sole expense of the Purchaser and Seller shall not bear any liability therefrom.
   c. Purchaser further acknowledges that they will get an inspection conducted by the City of Burton Building Inspector on the house and any accessory structures within 15 days and will pay the $100.00 inspections fee so associated.

d. Purchaser further acknowledges they will make any and all repairs or demolish as required by the inspection mentioned above (c) within 90 days and will be responsible for all such costs associated therewith.

5. **Repair of Structure/ Reversionary Clause/ Election of Remedies**:
   a. Purchaser acknowledges and stipulates that Purchaser shall cause to be repair or demolished the house and any accessory structures that is the subject of the agreement within 90 days of compliance with paragraph 4, above.
   b. Purchaser further acknowledges and stipulates that said repairs/demolitions shall be the sole responsibility and at the sole expense of the Purchaser and Seller shall not bear any liability therefrom.
   c. Purchaser further acknowledges and stipulates that in the event that the subject house and accessory structures have not been repaired/demolished as set forth in subparagraph 5(a), irrespective of compliance with paragraph 4, above, the property shall either revert back to the Seller and any and all money deposited by Purchaser shall be retained by the Seller or the City may institute legal action to compel the repairs/demolitions, at the City's sole election. ***Purchaser shall be responsible for all fees**, legal and otherwise, associated with the reversion of the property to the Seller in the event Purchaser does not voluntarily transfer title back to the Seller and legal proceedings are necessary to obtain title or in the event legal proceedings are necessary to compel specific performance of the repair/demolition of the house and any accessory structures.

6. **TITLE:**
   a. Seller has obtained title to the above described property through a Circuit Court Quiet Title Action. Seller does not warrant title. Purchaser is responsible to obtain evidence of satisfactory title. Seller will not provide title insurance.
   b. In the event that Purchaser's title search discloses title defects, Purchaser shall have twenty (20) days from the date of the execution of this Agreement to rescind this transaction by written notification to the City Clerk. Upon termination within the twenty (20) day period, Seller shall return the earnest money deposit to Purchaser and this Agreement shall be null and void.
   c. Seller will convey its interest in the property, which it has obtained by a Genesee County Circuit Court Judgment Quieting Title to Purchaser by Covenant Deed.

7. **CONDITION OF PREMISES:**
   Purchaser acknowledges, notwithstanding paragraph 4, above, that the premises is being sold "AS IS" and that Seller has made absolutely no representations to Purchaser regarding the condition of the premises or any personal property which may be located within or upon the premises. There are no warranties of any type, expressed or implied being given by Seller to Purchaser.

8. **TAXES:**
   Seller makes no representations regarding the status of either real or personal property taxes pertaining to the property above described. There shall be no proration of taxes as Purchaser shall be solely responsible for all unpaid taxes, assessments, and fees which may or may not be a lien against the premises at the time of closing. In addition to being solely responsible for all taxes, both past due and current, Purchaser is also responsible to pay any tax certification, revenue stamp and recording fees which may be associated with the recording of the deed.

9. **ENTIRE CONTRACT**:
Seller and Purchaser agree that they have read this document, that they understand its terms and agree to be bound thereby, and that there are no other agreements in writing or otherwise between them concerning the subject of this contract, and that this contract embodies the complete and entire agreement between them concerning the subject of this contract.

10. **BINDING EFFECT**:
Seller and Purchaser agree that the covenants and undertakings of this contract shall also bind their heirs, personal representatives, administrators, executors, assigns and successors; and that said covenants and undertakings as expressed herein shall continue to bind the parties subsequent to the final closing.

11. **MISCELLANEOUS PROVISIONS:**
   a. Each party shall be responsible to pay their respective attorney fees.
   b. All parties acknowledge receipt of a signed copy of this Purchase Agreement.
   c. In the event that the property being conveyed herein was subject to a Circuit Court Title Action, all parties acknowledge receipt of a copy of the Genesee County Circuit Court Judgment Quieting Title or an Order Conveying Title to the City of Burton.

**SIGNED IN THE PRESENCE OF:** **SELLER:**
**THE CITY OF BURTON**

| | | |
|---|---|---|
| ______________________ | ______________________ | ______________________ |
| **BRENDA S. MOULTON** | **BY: PAULA ZELENKO, MAYOR** | **DATE** |
| | ______________________ | ______________________ |
| | **BY: BETTE BIGSBY, ACTING CLERK** | **DATE** |

**PURCHASER:**

______________________ ______________________
**Name:** **DATE**

**Address:** ______________________

______________________

**Phone:** ______________________

______________________ ______________________
**Name:** **DATE**

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4205)**

*DOC ID: 4205*

# Approve and authorize the following 2018-2019 budget amendment: Increase 1001-0000-573.0000 Local Community Stabilization State Revenue-General Fund by $19,300 and Increase 1001-0000-390.0000 Unappropriated Surplus-General Fund by $19,300; Increase 2006-0000-573.0000 Local Community Stabilization State Revenue-Fire Fund by $5,900 and Increase 2006-0000-390.0000 Unappropriated Surplus-Fire Fund by $5,900; Increase 2007-0000-573.0000 Local Community Stabilization State Revenue-Police Fund by $50,400 and Increase 2007-0000-390.0000 Unappropriated Surplus-Police Fund by $50,400.

**COMMENTS - Current Meeting:**

Mr. Martinbianco asked about where to find the unappropriated surplus in the police fund.

Ms. Moffitt stated it's basically the fund balance account. If there is surplus of revenue over expenditures, it will come out of that in the budget.

**ATTACHMENTS:**

- BA 4205 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/2019

Madam Mayor:

**I am requesting that Council approve a budget amendment within the General Fund Budget as follows: Increase 1001-0000-573.0000 Local Community Stabilization State Revenue by $19,300 and Increase 1001-0000-390.0000 Unappropriated Surplus by $19,300; in the Fire Fund as follows: Increase 2006-0000-573.0000 Local Community Stabilization State Revenue by $5,900 and Increase 2006-0000-390.0000 Unappropriated Surplus by $5,900; and in the Police Fund as follows: Increase 2007-0000-573.0000 Local Community Stabilization State Revenue by $50,400 and Increase 2007-0000-390.0000 Unappropriated Surplus by $50,400.**

This budget amendment is needed to reflect the increase in reimbursement revenue received this year from the State for personal property taxes.

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.



| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BD US |
|---|---|---|---|---|---|---|
| Fund 1001 - GENERAL FUND | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 1001-0000-403.0000 | CURRENT REAL/PERSONAL TAXES | 2,250,300.00 | 2,077,134.99 | 7,674.43 | 173,165.01 | 92.3 |
| 1001-0000-404.0000 | TAX CHARGEBACKS | (75,000.00) | 0.00 | 0.00 | (75,000.00) | 0.0 |
| 1001-0000-407.0000 | DELINQUENT REAL TAXES | 3,200.00 | (2.82) | 0.00 | 3,202.82 | (0.0 |
| 1001-0000-446.0000 | INTEREST & PENALTIES ON TAXES | 120,000.00 | 29,798.61 | 4,970.35 | 90,201.39 | 24.8 |
| 1001-0000-450.0000 | ALL PERMITS & LICENSE FEES | 6,000.00 | 3,172.50 | 0.00 | 2,827.50 | 52.8 |
| 1001-0000-453.0000 | FRANCHISE FEES | 450,000.00 | 105,264.02 | 0.00 | 344,735.98 | 23.3 |
| 1001-0000-454.0000 | LEASE FEES | 41,600.00 | 23,055.83 | 3,293.69 | 18,544.17 | 55.4 |
| 1001-0000-539.0002 | GRANT REVENUE (STATE) - DNR GRANT | 7,000.00 | 0.00 | 0.00 | 7,000.00 | 0.0 |
| 1001-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) +19,300 | 30,400.00 | 49,683.00 | 0.00 | (19,283.00) | 163.4 |
| 1001-0000-574.0000 | STATE SHARED REVENUES | 2,731,274.00 | 987,867.00 | 493,155.00 | 1,743,407.00 | 36.1 |
| 1001-0000-576.0000 | LIQUOR FEES | 18,100.00 | 18,971.15 | 0.00 | (871.15) | 104.8 |
| 1001-0000-608.0000 | BOARD OF APPEALS | 8,000.00 | 5,160.00 | 1,150.00 | 2,840.00 | 64.5 |
| 1001-0000-618.0000 | ADMINISTRATION FEES-TAXES | 273,000.00 | 212,977.92 | 15,022.83 | 60,022.08 | 78.0 |
| 1001-0000-622.0000 | ZONING FEES | 11,000.00 | 6,420.00 | 230.00 | 4,580.00 | 58.3 |
| 1001-0000-627.0000 | COPY FEES | 1,500.00 | 1,248.31 | 88.38 | 251.69 | 83.2 |
| 1001-0000-666.0000 | INTEREST INCOME | 15,000.00 | 68,093.93 | 0.00 | (53,093.93) | 453.9 |
| 1001-0000-669.0000 | INVESTMENT GAINS AND LOSSES | 0.00 | (14,165.07) | 0.00 | 14,165.07 | 100.0 |
| 1001-0000-673.0000 | SALE OF ASSETS | 5,800.00 | 406,474.71 | 1,280.00 | (400,674.71) | 7,008.1 |
| 1001-0000-674.0000 | PARKS AND REC DONATIONS | 3,000.00 | 1,500.00 | 0.00 | 1,500.00 | 50.0 |
| 1001-0000-675.0000 | REFUNDS & REBATES | 14,000.00 | 0.00 | 0.00 | 14,000.00 | 0.0 |
| 1001-0000-678.0000 | REIMBURSEMENT INCOME | 20,000.00 | 8,380.62 | 32.14 | 11,619.38 | 41.9 |
| 1001-0000-691.0653 | MEMORIAL DAY PARADE DONATIONS | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| 1001-0000-694.0000 | OTHER REVENUES | 15,000.00 | 1,838.37 | 150.00 | 13,161.63 | 12.2 |
| Total Dept 0000 | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| TOTAL REVENUES | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| Expenditures | | | | | | |
| Dept 1001 - COUNCIL | | | | | | |
| 1001-1001-703.0000 | SALARY | 67,000.00 | 33,500.10 | 0.00 | 33,499.90 | 50.0 |
| 1001-1001-710.0000 | BOARD OF REVIEW | 2,700.00 | 525.00 | 0.00 | 2,175.00 | 19.4 |
| 1001-1001-719.0000 | FRINGE BENEFITS | 67,500.00 | 28,705.07 | 0.00 | 38,794.93 | 42.5 |
| 1001-1001-727.0000 | OFFICE SUPPLIES | 1,000.00 | 155.77 | 0.00 | 844.23 | 15.5 |
| 1001-1001-728.0000 | INFORMATION TECH ALLOCATION | 34,600.00 | 0.00 | 0.00 | 34,600.00 | 0.0 |
| 1001-1001-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 22,000.00 | 16,859.28 | 0.00 | 5,140.72 | 76.6 |
| 1001-1001-818.0000 | CONTRACTUAL SERVICES | 5,000.00 | 400.00 | 0.00 | 4,600.00 | 8.0 |
| 1001-1001-818.0001 | MASTER PLAN | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-818.0002 | SPEC INTERNAL CONTROL REVIEW | 50,000.00 | 11,625.00 | 0.00 | 38,375.00 | 23.2 |
| 1001-1001-826.0000 | LEGAL | 100,000.00 | 24,745.00 | 1,218.75 | 75,255.00 | 24.7 |
| 1001-1001-828.0000 | MEMBERSHIP & DUES | 12,000.00 | 10,423.00 | 0.00 | 1,577.00 | 86.8 |
| 1001-1001-864.0000 | TRAINING | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-900.0000 | NOTICES | 5,000.00 | 482.88 | 0.00 | 4,517.12 | 9.6 |
| 1001-1001-910.0000 | INSURANCE | 105,000.00 | 93,289.17 | 0.00 | 11,710.83 | 88.8 |
| 1001-1001-956.0000 | MISCELLANEOUS | 500.00 | 34.99 | 0.00 | 465.01 | 7.0 |
| 1001-1001-956.0003 | CITY COUNCIL NEWSLETTER | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.0 |
| Total Dept 1001 - COUNCIL | | 497,300.00 | 220,745.26 | 1,218.75 | 276,554.74 | 44.39 |

Dept 1071 - MAYOR

Attachment: BA 4205 (4205 : Budget Amendment (Budget #))

01/15/2019 11:12 AM
User: moffittk
DB: Burton

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.



| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BDGT USED |
|---|---|---|---|---|---|---|
| Fund 2006 - FIRE DEPARTMENT | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 2006-0000-403.0000 | CURRENT REAL/PERSONAL TAXES | 562,200.00 | 519,025.15 | 1,917.56 | 43,174.85 | 92.3 |
| 2006-0000-404.0000 | TAX CHARGEBACKS | (2,400.00) | 0.00 | 0.00 | (2,400.00) | 0.0 |
| 2006-0000-407.0000 | DELINQUENT PERSONAL TAXES | 200.00 | (0.60) | 0.00 | 200.60 | (0.3 |
| 2006-0000-501.0010 | FEDERAL AFG FEMA FIRE GRANT | 1,300.00 | 1,237.91 | 0.00 | 62.09 | 95.2 |
| 2006-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) | +5,900 6,500.00 | 12,420.75 | 0.00 | (5,920.75) | 191.0 |
| 2006-0000-630.0000 | FIRE RECOVERY FEES | 18,700.00 | 16,644.61 | 2,160.00 | 2,055.39 | 89.0 |
| 2006-0000-631.0000 | FIRE INSPECTION FEES | 3,000.00 | 1,850.00 | 75.00 | 1,150.00 | 61.6 |
| 2006-0000-633.0000 | SITE PLAN REVIEW | 500.00 | 600.00 | 0.00 | (100.00) | 120.0 |
| 2006-0000-634.0000 | FIRE ALARM REVIEWS & PERMITS | 0.00 | 1,225.00 | 0.00 | (1,225.00) | 100.0 |
| 2006-0000-635.0000 | FIRE SUPPRESSION REVIEWS & PERMITS | 0.00 | 6,117.00 | 0.00 | (6,117.00) | 100.0 |
| 2006-0000-666.0000 | INTEREST INCOME | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.0 |
| 2006-0000-673.0000 | SALE OF ASSETS | 1,500.00 | 1,025.00 | 200.00 | 475.00 | 68.3 |
| 2006-0000-675.0000 | REFUNDS & REBATES | 3,000.00 | 0.00 | 0.00 | 3,000.00 | 0.0 |
| 2006-0000-678.0000 | REIMBURSEMENT INCOME | 2,000.00 | 2,261.66 | 0.00 | (261.66) | 113.0 |
| 2006-0000-691.1001 | TRANSFER FROM GENERAL FUND | 879,200.00 | 0.00 | 0.00 | 879,200.00 | 0.0 |
| 2006-0000-694.0000 | OTHER REVENUES | 2,000.00 | 1,500.00 | 0.00 | 500.00 | 75.0 |
| Total Dept 0000 | | 1,479,200.00 | 563,906.48 | 4,352.56 | 915,293.52 | 38.1 |
| TOTAL REVENUES | | 1,479,200.00 | 563,906.48 | 4,352.56 | 915,293.52 | 38.1 |
| Expenditures | | | | | | |
| Dept 2006 - FIRE DEPARTMENT EXPENDITURES | | | | | | |
| 2006-2006-703.0000 | SALARY | 61,400.00 | 33,047.72 | 2,360.55 | 28,352.28 | 53.8 |
| 2006-2006-706.0000 | SALARIES PERMANENT | 93,800.00 | 48,351.15 | 3,543.63 | 45,448.85 | 51.5 |
| 2006-2006-707.0000 | PART-TIME FIREMEN | 215,425.00 | 80,423.27 | 6,529.59 | 135,001.73 | 37.3 |
| 2006-2006-708.0000 | SHARED SALARIES | 40,000.00 | 18,085.72 | 1,337.66 | 21,914.28 | 45.2 |
| 2006-2006-709.0000 | OVERTIME | 4,500.00 | 943.91 | 45.28 | 3,556.09 | 20.9 |
| 2006-2006-717.0000 | RETIREMENT - MERS ACTIVE | 23,700.00 | 11,593.66 | 826.46 | 12,106.34 | 48.9 |
| 2006-2006-718.0000 | RETIREMENT - MERS RETIREES | 47,200.00 | 22,293.27 | 1,444.12 | 24,906.73 | 47.2 |
| 2006-2006-719.0000 | FRINGE BENEFITS | 135,000.00 | 57,642.29 | 1,353.63 | 77,357.71 | 42.7 |
| 2006-2006-727.0000 | OFFICE SUPPLIES | 1,500.00 | 300.15 | 35.50 | 1,199.85 | 20.0 |
| 2006-2006-728.0000 | INFORMATION TECH ALLOCATION | 32,200.00 | 0.00 | 0.00 | 32,200.00 | 0.0 |
| 2006-2006-744.0000 | SAFETY WEAR & HEALTH | 44,000.00 | 2,900.15 | 0.00 | 41,099.85 | 6.5 |
| 2006-2006-757.0000 | OPERATING EXPENDITURES | 18,000.00 | 9,161.93 | 133.47 | 8,838.07 | 50.9 |
| 2006-2006-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 3,000.00 | 2,298.99 | 0.00 | 701.01 | 76.6 |
| 2006-2006-818.0000 | CONTRACTUAL SERVICES | 15,000.00 | 8,222.70 | 0.00 | 6,777.30 | 54.8 |
| 2006-2006-826.0000 | LEGAL | 3,000.00 | 1,046.75 | 0.00 | 1,953.25 | 34.8 |
| 2006-2006-828.0000 | MEMBERSHIP & DUES | 6,000.00 | 4,332.50 | 0.00 | 1,667.50 | 72.2 |
| 2006-2006-863.0000 | AUTO REPAIR | 53,000.00 | 12,075.47 | 0.00 | 40,924.53 | 22.7 |
| 2006-2006-864.0000 | TRAINING & CERTIFICATIONS | 3,500.00 | 1,344.68 | 0.00 | 2,155.32 | 38.4 |
| 2006-2006-867.0000 | GAS & OIL | 10,000.00 | 6,013.57 | 0.00 | 3,986.43 | 60.1 |
| 2006-2006-910.0000 | INSURANCE | 25,000.00 | 21,052.96 | 0.00 | 3,947.04 | 84.2 |
| 2006-2006-910.7020 | BUILDING INSURANCE | 2,000.00 | 2,246.86 | 0.00 | (246.86) | 112.3 |
| 2006-2006-920.0000 | UTILITIES | 39,000.00 | 15,415.50 | 0.00 | 23,584.50 | 39.5 |
| 2006-2006-921.0000 | SEWER PAYMENTS | 5,000.00 | 2,065.07 | 0.00 | 2,934.93 | 41.3 |
| 2006-2006-934.0000 | EQUIPMENT REPAIR | 9,000.00 | 1,308.81 | 0.00 | 7,691.19 | 14.5 |
| 2006-2006-937.0000 | BUILDING MAINT & SUPPLIES | 65,000.00 | 34,660.51 | 23,306.93 | 30,339.49 | 53.3 |
| 2006-2006-943.0000 | EQUIPMENT RENTAL | 14,500.00 | 2,359.20 | 0.00 | 12,140.80 | 16.27 |
| 2006-2006-956.0000 | MISCELLANEOUS | 500.00 | 0.00 | 0.00 | 500.00 | 0.00 |
| 2006-2006-962.0000 | TRAINING & MATERIALS | 16,200.00 | 1,401.10 | 0.00 | 14,[illegible] | [illegible] |

| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BD US |
|---|---|---|---|---|---|---|
| Fund 2007 - POLICE FUND | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 2007-0000-403.0000 | CURRENT TAXES | 4,773,000.00 | 4,405,669.76 | 16,277.66 | 367,330.24 | 92.3 |
| 2007-0000-404.0000 | TAX CHARGEBACKS | (34,000.00) | 0.00 | 0.00 | (34,000.00) | 0.0 |
| 2007-0000-407.0000 | DELINQUENT PERSONAL TAXES | 2,300.00 | (5.08) | 0.00 | 2,305.08 | (0.2 |
| 2007-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) | +50,400 55,000.00 | 105,422.37 | 0.00 | (50,422.37) | 191.6 |
| 2007-0000-629.7773 | F.A.N.G. CHARGES | 90,000.00 | 41,250.00 | 0.00 | 48,750.00 | 45.8 |
| 2007-0000-629.7792 | HIDTA GRANT REVENUE (FANG) | 15,000.00 | 829.88 | 0.00 | 14,170.12 | 5.5 |
| 2007-0000-629.7798 | DCESP HEMP GRANT REVENUE (FANG) | 5,000.00 | 430.80 | 0.00 | 4,569.20 | 8.6 |
| 2007-0000-629.7808 | PT-10-20 OHSP SAFE COMMUNITIES GRANT | 5,000.00 | 1,166.20 | 0.00 | 3,833.80 | 23.3 |
| 2007-0000-629.7815 | OCDETF POINT BLANK GRANT | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.0 |
| 2007-0000-660.0000 | DISTRICT COURT FEES | 60,000.00 | 18,585.61 | 2,853.05 | 41,414.39 | 30.9 |
| 2007-0000-661.0000 | POLICE FEES | 16,600.00 | 13,750.00 | 700.00 | 2,850.00 | 82.8 |
| 2007-0000-663.0000 | S.O. REGISTRY ANNUAL FEE REVENUE | 2,000.00 | 750.00 | 400.00 | 1,250.00 | 37.5 |
| 2007-0000-666.0000 | INTEREST INCOME | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| 2007-0000-673.0000 | SALE OF ASSETS | 0.00 | 783.00 | 0.00 | (783.00) | 100.0 |
| 2007-0000-675.0000 | REFUNDS & REBATES | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 2007-0000-678.0000 | REIMBURSEMENT INCOME | 35,000.00 | 21,166.02 | 7,026.10 | 13,833.98 | 60.4 |
| 2007-0000-691.1001 | TRANSFER FROM GENERAL FUND | 252,000.00 | 0.00 | 0.00 | 252,000.00 | 0.0 |
| 2007-0000-691.5013 | TRANSFER FROM DDA | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.0 |
| 2007-0000-694.0000 | OTHER REVENUES | 10,000.00 | 7,500.05 | 699.00 | 2,499.95 | 75.0 |
| Total Dept 0000 | | 5,307,900.00 | 4,617,298.61 | 27,955.81 | 690,601.39 | 86.9 |
| TOTAL REVENUES | | 5,307,900.00 | 4,617,298.61 | 27,955.81 | 690,601.39 | 86.9 |
| Expenditures | | | | | | |
| Dept 2007 - POLICE FUND EXPENSES | | | | | | |
| 2007-2007-703.0000 | ADMINISTRATIVE SALARIES | 70,200.00 | 48,309.05 | 2,698.83 | 21,890.95 | 68.8 |
| 2007-2007-704.0000 | LIEUTENANTS SALARIES | 134,300.00 | 66,344.21 | 5,607.60 | 67,955.79 | 49.4 |
| 2007-2007-705.0000 | SERGEANTS SALARIES | 369,800.00 | 163,530.90 | 13,139.24 | 206,269.10 | 44.2 |
| 2007-2007-706.0000 | SALARIES PERMANENT | 1,395,900.00 | 725,746.84 | 48,019.40 | 670,153.16 | 51.9 |
| 2007-2007-708.0000 | SHARED SALARIES | 132,200.00 | 67,566.32 | 4,951.58 | 64,633.68 | 51.1 |
| 2007-2007-709.0000 | OVERTIME | 174,200.00 | 83,147.93 | 19,813.71 | 91,052.07 | 47.7 |
| 2007-2007-709.2007 | OVERTIME - BACK TO THE BRICKS | 13,000.00 | 12,935.28 | 0.00 | 64.72 | 99.5 |
| 2007-2007-717.0000 | RETIREMENT - MERS ACTIVE | 86,500.00 | 42,430.37 | 2,741.89 | 44,069.63 | 49.0 |
| 2007-2007-718.0000 | RETIREMENT - MERS RETIREES | 952,800.00 | 459,522.01 | 29,015.68 | 493,277.99 | 48.2 |
| 2007-2007-719.0000 | FRINGE BENEFITS | 1,330,000.00 | 561,363.97 | 9,507.83 | 768,636.03 | 42.2 |
| 2007-2007-727.0000 | OFFICE SUPPLIES | 6,000.00 | 1,830.17 | 55.53 | 4,169.83 | 30.5 |
| 2007-2007-728.0000 | INFORMATION TECH ALLOCATION | 75,200.00 | 0.00 | 0.00 | 75,200.00 | 0.0 |
| 2007-2007-731.0000 | POSTAGE | 1,000.00 | 319.65 | 0.00 | 680.35 | 31.9 |
| 2007-2007-741.0000 | AMMUNITION & WEAPONS | 15,000.00 | 97.88 | 0.00 | 14,902.12 | 0.6 |
| 2007-2007-744.0000 | UNIFORMS | 15,000.00 | 7,027.28 | 0.00 | 7,972.72 | 46.8 |
| 2007-2007-757.0000 | OPERATING EXPENDITURES | 12,000.00 | 7,250.31 | 223.07 | 4,749.69 | 60.4 |
| 2007-2007-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 3,200.00 | 2,452.26 | 0.00 | 747.74 | 76.6 |
| 2007-2007-811.7773 | F.A.N.G. PROJECT OFFICERS | 180,000.00 | 79,271.39 | 2,240.00 | 100,728.61 | 44.0 |
| 2007-2007-811.7777 | DEA OVERTIME GRANT | 0.00 | 1,178.00 | 981.67 | (1,178.00) | 100.0 |
| 2007-2007-811.7792 | HIDTA GRANT EXPENSE (FANG) | 15,000.00 | 4,764.27 | 378.00 | 10,235.73 | 31.7 |
| 2007-2007-811.7798 | HEMP GRANT EXPENSE (FANG) | 5,000.00 | 483.25 | 0.00 | 4,516.75 | 9.6 |
| 2007-2007-811.7808 | PT-10-20 OHSP SAFE COMMUNITIES GRANT | 5,000.00 | 377.97 | 0.00 | 4,622.03 | 7.56 |
| 2007-2007-811.7815 | OCDETF POINT BLANK GRANT | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.00 |
| 2007-2007-818.0000 | CONTRACTUAL SERVICE | 50,000.00 | 27,023.73 | 1,110.00 | 22,976.27 | 54.05 |
| 2007-2007-818.7170 | NARCOTICS INVESTIGATION | 26,600.00 | 26,516.26 | 0.00 | | |

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.9

**AGENDA ITEM (ID # 4206)**

*DOC ID: 4206*

# Approve and authorize the following 2018-2019 budget amendment in the General Fund: Decrease 1001-0000-539.0002 Grant Revenue-DNR Grant by $7,000, Decrease 1001-6090-956.6090 DNR Grant Expenditures by $10,000 and Increase 1001-0000-390.0000 Unappropriated Surplus by $3,000.

**COMMENTS - Current Meeting:**

Mr. Smith said thank you to the Controller for providing the explanations for the line items. It is very helpful and saves a lot of time.

Mr. Haskins thanked the Controller.

**ATTACHMENTS:**

- BA 4206 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/2019

Madam Mayor:

**I am requesting that Council approve a budget amendment within the General Fund Budget as follows: Decrease 1001-0000-539.0002 Grant Revenue-DNR Grant by $7,000, Decrease 1001-6090-956.6090 DNR Grant Expenditures by $10,000 and Increase 1001-0000-390.0000 Unappropriated Surplus by $3,000.**

This budget amendment removes the revenue and expenditure budgets for the DNR Grant. The DNR Grant funds were spent just prior to June 30, 2018 on scoping for the Iron Belle Trail path plan. Therefore, the revenue and expenditures were reflected in the 2017-18 year and do not need to be budgeted in the 2018-19 year.

| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BDGT USED |
|---|---|---|---|---|---|---|
| Fund 1001 - GENERAL FUND | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 1001-0000-403.0000 | CURRENT REAL/PERSONAL TAXES | 2,250,300.00 | 2,077,134.99 | 7,674.43 | 173,165.01 | 92.3 |
| 1001-0000-404.0000 | TAX CHARGEBACKS | (75,000.00) | 0.00 | 0.00 | (75,000.00) | 0.0 |
| 1001-0000-407.0000 | DELINQUENT REAL TAXES | 3,200.00 | (2.82) | 0.00 | 3,202.82 | (0.0 |
| 1001-0000-446.0000 | INTEREST & PENALTIES ON TAXES | 120,000.00 | 29,798.61 | 4,970.35 | 90,201.39 | 24.8 |
| 1001-0000-450.0000 | ALL PERMITS & LICENSE FEES | 6,000.00 | 3,172.50 | 0.00 | 2,827.50 | 52.8 |
| 1001-0000-453.0000 | FRANCHISE FEES | 450,000.00 | 105,264.02 | 0.00 | 344,735.98 | 23.3 |
| 1001-0000-454.0000 | LEASE FEES | 41,600.00 | 23,055.83 | 3,293.69 | 18,544.17 | 55.4 |
| 1001-0000-539.0002 | GRANT REVENUE (STATE) - DNR GRANT | −7,000 7,000.00 | 0.00 | 0.00 | 7,000.00 | 0.0 |
| 1001-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) | 30,400.00 | 49,683.00 | 0.00 | (19,283.00) | 163.4 |
| 1001-0000-574.0000 | STATE SHARED REVENUES | 2,731,274.00 | 987,867.00 | 493,155.00 | 1,743,407.00 | 36.1 |
| 1001-0000-576.0000 | LIQUOR FEES | 18,100.00 | 18,971.15 | 0.00 | (871.15) | 104.8 |
| 1001-0000-608.0000 | BOARD OF APPEALS | 8,000.00 | 5,160.00 | 1,150.00 | 2,840.00 | 64.5 |
| 1001-0000-618.0000 | ADMINISTRATION FEES-TAXES | 273,000.00 | 212,977.92 | 15,022.83 | 60,022.08 | 78.0 |
| 1001-0000-622.0000 | ZONING FEES | 11,000.00 | 6,420.00 | 230.00 | 4,580.00 | 58.3 |
| 1001-0000-627.0000 | COPY FEES | 1,500.00 | 1,248.31 | 88.38 | 251.69 | 83.2 |
| 1001-0000-666.0000 | INTEREST INCOME | 15,000.00 | 68,093.93 | 0.00 | (53,093.93) | 453.9 |
| 1001-0000-669.0000 | INVESTMENT GAINS AND LOSSES | 0.00 | (14,165.07) | 0.00 | 14,165.07 | 100.0 |
| 1001-0000-673.0000 | SALE OF ASSETS | 5,800.00 | 406,474.71 | 1,280.00 | (400,674.71) | 7,008.1 |
| 1001-0000-674.0000 | PARKS AND REC DONATIONS | 3,000.00 | 1,500.00 | 0.00 | 1,500.00 | 50.0 |
| 1001-0000-675.0000 | REFUNDS & REBATES | 14,000.00 | 0.00 | 0.00 | 14,000.00 | 0.0 |
| 1001-0000-678.0000 | REIMBURSEMENT INCOME | 20,000.00 | 8,380.62 | 32.14 | 11,619.38 | 41.9 |
| 1001-0000-691.0653 | MEMORIAL DAY PARADE DONATIONS | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| 1001-0000-694.0000 | OTHER REVENUES | 15,000.00 | 1,838.37 | 150.00 | 13,161.63 | 12.2 |
| Total Dept 0000 | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| TOTAL REVENUES | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| Expenditures | | | | | | |
| Dept 1001 - COUNCIL | | | | | | |
| 1001-1001-703.0000 | SALARY | 67,000.00 | 33,500.10 | 0.00 | 33,499.90 | 50.0 |
| 1001-1001-710.0000 | BOARD OF REVIEW | 2,700.00 | 525.00 | 0.00 | 2,175.00 | 19.4 |
| 1001-1001-719.0000 | FRINGE BENEFITS | 67,500.00 | 28,705.07 | 0.00 | 38,794.93 | 42.5 |
| 1001-1001-727.0000 | OFFICE SUPPLIES | 1,000.00 | 155.77 | 0.00 | 844.23 | 15.5 |
| 1001-1001-728.0000 | INFORMATION TECH ALLOCATION | 34,600.00 | 0.00 | 0.00 | 34,600.00 | 0.0 |
| 1001-1001-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 22,000.00 | 16,859.28 | 0.00 | 5,140.72 | 76.6 |
| 1001-1001-818.0000 | CONTRACTUAL SERVICES | 5,000.00 | 400.00 | 0.00 | 4,600.00 | 8.0 |
| 1001-1001-818.0001 | MASTER PLAN | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-818.0002 | SPEC INTERNAL CONTROL REVIEW | 50,000.00 | 11,625.00 | 0.00 | 38,375.00 | 23.2 |
| 1001-1001-826.0000 | LEGAL | 100,000.00 | 24,745.00 | 1,218.75 | 75,255.00 | 24.7 |
| 1001-1001-828.0000 | MEMBERSHIP & DUES | 12,000.00 | 10,423.00 | 0.00 | 1,577.00 | 86.8 |
| 1001-1001-864.0000 | TRAINING | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-900.0000 | NOTICES | 5,000.00 | 482.88 | 0.00 | 4,517.12 | 9.6 |
| 1001-1001-910.0000 | INSURANCE | 105,000.00 | 93,289.17 | 0.00 | 11,710.83 | 88.8 |
| 1001-1001-956.0000 | MISCELLANEOUS | 500.00 | 34.99 | 0.00 | 465.01 | 7.0 |
| 1001-1001-956.0003 | CITY COUNCIL NEWSLETTER | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.0 |
| Total Dept 1001 - COUNCIL | | 497,300.00 | 220,745.26 | 1,218.75 | 276,554.74 | 44.39 |

Dept 1071 - MAYOR

| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BI US |
|---|---|---|---|---|---|---|
| Fund 1001 - GENERAL FUND | | | | | | |
| Expenditures | | | | | | |
| 1001-2071-926.0000 | STREET LIGHTING | 435,000.00 | 180,337.01 | 692.26 | 254,662.99 | 41.4 |
| 1001-2071-959.7654 | DISASTER AID | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-2071-959.7660 | HOLIDAY DECORATIONS/LABOR COST | 5,000.00 | 178.68 | 178.68 | 4,821.32 | 3.5 |
| 1001-2071-961.0000 | WEED CUTTING - TAX REVERTED PROP. | 37,000.00 | 20,975.11 | 114.88 | 16,024.89 | 56.6 |
| Total Dept 2071 - PUBLIC SERVICE | | 581,000.00 | 284,017.38 | 1,128.72 | 296,982.62 | 48.8 |
| Dept 6090 - PARKS & RECREATION | | | | | | |
| 1001-6090-705.0000 | RECREATION DIRECTOR STIPEND | 10,000.00 | 5,124.16 | 364.58 | 4,875.84 | 51.2 |
| 1001-6090-706.0000 | SALARIES PERMANENT | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.0 |
| 1001-6090-709.0000 | OVERTIME | 600.00 | 159.91 | 0.00 | 440.09 | 26.6 |
| 1001-6090-710.0000 | COMMISSION SALARIES | 3,900.00 | 1,400.00 | 280.00 | 2,500.00 | 35.9 |
| 1001-6090-717.0000 | RETIREMENT - MERS ACTIVE | 200.00 | 0.00 | 0.00 | 200.00 | 0.0 |
| 1001-6090-718.0000 | RETIREMENT - MERS RETIREES | 1,300.00 | 690.28 | 0.00 | 609.72 | 53.1 |
| 1001-6090-719.0000 | FRINGE BENEFITS | 2,000.00 | 1,094.88 | 49.11 | 905.12 | 54.7 |
| 1001-6090-728.0000 | INFORMATION TECH ALLOCATION | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.0 |
| 1001-6090-731.0000 | POSTAGE | 1,000.00 | 628.35 | 0.00 | 371.65 | 62.8 |
| 1001-6090-757.0000 | OPERATING EXPENDITURES | 3,000.00 | 1,229.84 | 0.00 | 1,770.16 | 40.9 |
| 1001-6090-818.0000 | CONTRACTUAL SERVICES | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-6090-938.0000 | MAINT OF GROUNDS | 12,800.00 | 7,338.71 | 0.00 | 5,461.29 | 57.3 |
| 1001-6090-943.0000 | EQUIPMENT RENTAL | 12,700.00 | 10,176.60 | 0.00 | 2,523.40 | 80.1 |
| 1001-6090-956.0000 | MISCELLANEOUS | 700.00 | 0.00 | 0.00 | 700.00 | 0.0 |
| 1001-6090-956.6090 | DNR GRANT EXPENDITURES —10,000 | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-6090-959.7674 | MEMORIAL DAY PARADE | 20,000.00 | 0.00 | 0.00 | 20,000.00 | 0.0 |
| 1001-6090-962.0000 | TRAINING & MEMBERSHIPS | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| 1001-6090-973.0000 | P & R COMMUNITY EVENTS | 5,000.00 | 156.00 | 0.00 | 4,844.00 | 3.1 |
| 1001-6090-973.1000 | EASTER EGG HUNT | 2,000.00 | 0.00 | 0.00 | 2,000.00 | 0.0 |
| 1001-6090-973.1200 | TRICK OR TREAT TRAIL | 4,500.00 | 2,266.79 | 0.00 | 2,233.21 | 50.3 |
| 1001-6090-973.1400 | PIZZA WITH SANTA | 2,500.00 | 1,115.00 | 0.00 | 1,385.00 | 44.6 |
| Total Dept 6090 - PARKS & RECREATION | | 106,200.00 | 31,380.52 | 693.69 | 74,819.48 | 29.5 |
| Dept 8001 - PLANNING | | | | | | |
| 1001-8001-706.0000 | SALARIES PERMANENT | 24,900.00 | 13,038.01 | 956.40 | 11,861.99 | 52.3 |
| 1001-8001-709.0000 | OVERTIME | 1,100.00 | 352.91 | 0.00 | 747.09 | 32.0 |
| 1001-8001-710.0000 | COMMISSION SALARIES | 3,600.00 | 1,280.00 | 200.00 | 2,320.00 | 35.5 |
| 1001-8001-717.0000 | RETIREMENT - MERS ACTIVE | 300.00 | 0.00 | 0.00 | 300.00 | 0.0 |
| 1001-8001-718.0000 | RETIREMENT - MERS RETIREES | 1,400.00 | 14,670.43 | 847.82 | (13,270.43) | 1,047.8 |
| 1001-8001-719.0000 | FRINGE BENEFITS | 16,500.00 | 7,149.93 | 114.95 | 9,350.07 | 43.3 |
| 1001-8001-727.0000 | SUPPLIES & POSTAGE | 700.00 | 104.61 | 0.00 | 595.39 | 14.9 |
| 1001-8001-826.0000 | LEGAL | 10,000.00 | 781.25 | 0.00 | 9,218.75 | 7.8 |
| 1001-8001-828.0000 | MEMBERSHIP & DUES | 200.00 | 152.50 | 0.00 | 47.50 | 76.2 |
| 1001-8001-864.0000 | TRAINING | 1,000.00 | 499.99 | 0.00 | 500.01 | 50.0 |
| 1001-8001-900.0000 | NOTICES | 600.00 | 161.33 | 0.00 | 438.67 | 26.8 |
| Total Dept 8001 - PLANNING | | 60,300.00 | 38,190.96 | 2,119.17 | 22,109.04 | 63.3 |
| Dept 8005 - ZONING | | | | | | |
| 1001-8005-706.0000 | SALARIES PERMANENT | 24,900.00 | 13,178.07 | 956.35 | 11,721.93 | 52.92 |
| 1001-8005-709.0000 | OVERTIME | 700.00 | 328.81 | 86.16 | | |

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4208)**

*DOC ID: 4208*

# Approve and authorize the following 2018-2019 budget amendment in the Water Fund: Decrease 5091-0000-539.2019 DWRF #5 Grant Revenue by $70,000 and Decrease 5091-0000-390.0000 Unappropriated Surplus by $70,000.

**ATTACHMENTS:**

- BA 4208 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/2019

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Water Fund Budget as follows: Decrease 5091-0000-539.2019 DWRF #5 Grant Revenue by $70,000 and Decrease 5091-0000-390.0000 Unappropriated Surplus by $70,000.**

This budget amendment decreases the DWRF #5 Grant Revenue account to reflect the amount of loan forgiveness expected to be received during the year. The total loan forgiveness for DWRF #5 is $800,000. We received $370,042 in loan forgiveness in 2017-18 so $429,958 is expected for 2018-19.

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 12/31/2018 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 12/31/2018 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BD US |
|---|---|---|---|---|---|---|
| Fund 5091 - WATER DEPARTMENT | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 5091-0000-539.2019 | DWRF #5 GRANT REVENUE -70,000 | 500,000.00 | (0.04) | 0.00 | 500,000.04 | 0.0 |
| 5091-0000-610.0000 | CITY TAP-IN FEES | 100,000.00 | 111,575.00 | 75.00 | (11,575.00) | 111.5 |
| 5091-0000-610.0625 | FRONT FOOT FEE REVENUE | 4,000.00 | 3,988.47 | 66.15 | 11.53 | 99.7 |
| 5091-0000-611.0000 | USAGE FEES | 5,700,000.00 | 3,506,124.32 | 534,954.31 | 2,193,875.68 | 61.5 |
| 5091-0000-625.0000 | INSPECTION & APPROVAL FEES | 55,000.00 | 44,310.80 | 80.00 | 10,689.20 | 80.5 |
| 5091-0000-631.0000 | SERVICE CHARGES | 55,000.00 | 29,985.71 | 8,699.01 | 25,014.29 | 54.5 |
| 5091-0000-632.0000 | WATER TURN ON/SHUT OFF REVENUE | 45,000.00 | 23,720.00 | 800.00 | 21,280.00 | 52.7 |
| 5091-0000-649.0000 | MATERIAL, REPAIRS & MAINTENANCE | 35,000.00 | 53,370.00 | 15,042.55 | (18,370.00) | 152.4 |
| 5091-0000-661.0000 | LATE CHARGES | 105,000.00 | 64,510.28 | 7,168.43 | 40,489.72 | 61.4 |
| 5091-0000-666.0000 | INTEREST INCOME | 10,300.00 | 2,589.18 | 0.00 | 7,710.82 | 25.1 |
| 5091-0000-667.0000 | TAP IN INTEREST | 800.00 | 159.98 | 157.92 | 640.02 | 20.0 |
| 5091-0000-675.0000 | REFUNDS & REBATES | 2,000.00 | 0.00 | 0.00 | 2,000.00 | 0.0 |
| 5091-0000-678.0000 | REIMBURSEMENT INCOME | 2,000.00 | 4,240.44 | 4,240.44 | (2,240.44) | 212.0 |
| 5091-0000-694.0000 | MISCELLANEOUS | 1,400.00 | 0.00 | 0.00 | 1,400.00 | 0.0 |
| 5091-0000-694.0002 | FIRE HYDRANT METER DEPOSIT REVENUE | 4,000.00 | 1,000.00 | 0.00 | 3,000.00 | 25.0 |
| Total Dept 0000 | | 6,619,500.00 | 3,845,574.14 | 571,283.81 | 2,773,925.86 | 58.0 |
| TOTAL REVENUES | | 6,619,500.00 | 3,845,574.14 | 571,283.81 | 2,773,925.86 | 58.0 |
| Expenditures | | | | | | |
| Dept 5091 - WATER EXPENSES | | | | | | |
| 5091-5091-703.0000 | ADMINISTRATION SALARIES | 29,500.00 | 15,033.18 | 2,336.90 | 14,466.82 | 50.9 |
| 5091-5091-705.0000 | SUPERVISION SALARIES | 60,000.00 | 28,627.31 | 4,562.41 | 31,372.69 | 47.7 |
| 5091-5091-706.0000 | SALARIES PERMANENT | 320,000.00 | 120,013.80 | 20,849.42 | 199,986.20 | 37.5 |
| 5091-5091-706.2005 | SALARIES PROJECT FUSION | 0.00 | 3,143.54 | 3,143.54 | (3,143.54) | 100.0 |
| 5091-5091-708.0000 | SHARED SALARIES | 45,000.00 | 19,083.73 | 2,952.23 | 25,916.27 | 42.4 |
| 5091-5091-709.0000 | OVERTIME | 35,000.00 | 5,808.76 | 181.06 | 29,191.24 | 16.6 |
| 5091-5091-717.0000 | RETIREMENT - MERS ACTIVE | 28,200.00 | 4,722.78 | 724.27 | 23,477.22 | 16.7 |
| 5091-5091-718.0000 | RETIREMENT - MERS RETIREES | 120,000.00 | 50,920.69 | 8,102.98 | 69,079.31 | 42.4 |
| 5091-5091-719.0000 | FRINGE BENEFITS | 274,000.00 | 93,634.34 | 15,116.90 | 180,365.66 | 34.1 |
| 5091-5091-719.1000 | OPEB EXPENSE | 100,000.00 | 0.00 | 0.00 | 100,000.00 | 0.0 |
| 5091-5091-727.0000 | OFFICE SUPPLIES | 1,500.00 | 444.38 | 13.18 | 1,055.62 | 29.6 |
| 5091-5091-728.0000 | INFORMATION TECH ALLOCATION | 50,200.00 | 0.00 | 0.00 | 50,200.00 | 0.0 |
| 5091-5091-731.0000 | POSTAGE | 13,000.00 | 5,845.06 | 871.69 | 7,154.94 | 44.9 |
| 5091-5091-757.0000 | OPERATING EXPENDITURES | 28,000.00 | 13,465.33 | 8,056.73 | 14,534.67 | 48.0 |
| 5091-5091-776.0000 | REPAIR & MAINTENANCE | 45,000.00 | 9,300.63 | 1,176.92 | 35,699.37 | 20.6 |
| 5091-5091-782.0000 | SAND & GRAVEL | 1,800.00 | 0.00 | 0.00 | 1,800.00 | 0.0 |
| 5091-5091-789.0000 | PIPE & FITTING | 80,000.00 | 19,246.95 | 2,210.00 | 60,753.05 | 24.0 |
| 5091-5091-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 8,000.00 | 10,250.65 | 4,422.11 | (2,250.65) | 128.1 |
| 5091-5091-814.0000 | BILLING CHARGES | 5,000.00 | 2,036.31 | 603.38 | 2,963.69 | 40.7 |
| 5091-5091-816.0000 | CHARGES | 3,738,000.00 | 1,577,844.81 | 362,735.90 | 2,160,155.19 | 42.2 |
| 5091-5091-818.0000 | CONTRACTUAL SERVICE | 150,000.00 | 69,353.26 | 1,000.00 | 80,646.74 | 46.2 |
| 5091-5091-818.1000 | CONTRACTUAL - WATER TESTING | 15,000.00 | 5,913.00 | 2,951.00 | 9,087.00 | 39.4 |
| 5091-5091-826.0000 | LEGAL | 500.00 | 0.00 | 0.00 | 500.00 | 0.0 |
| 5091-5091-828.0000 | DUES & MEMBERSHIPS | 1,100.00 | 1,015.00 | 95.00 | 85.00 | 92.2 |
| 5091-5091-864.0000 | TRAINING | 6,000.00 | 81.46 | 0.00 | 5,918.54 | 1.3 |
| 5091-5091-875.0000 | PENSION EXPENSE | 200,000.00 | 0.00 | 0.00 | 200,000.00 | 0.00 |
| 5091-5091-910.0000 | INSURANCE | 23,000.00 | 15,329.74 | 0.00 | 7,670.26 | 66.65 |
| 5091-5091-920.0000 | UTILITIES | 10,000.00 | 2,570.36 | 211.99 | 7,429.64 | 25.70 |
| 5091-5091-943.0000 | EQUIPMENT RENTAL | 125,000.00 | 37,786.35 | 0.00 | 87[illegible] | [illegible] |

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**ADOPTED**

**AGENDA ITEM (ID # 4210)**

*DOC ID: 4210*

# Approve and authorize the following 2018-2019 budget amendment: Increase 1001-1001-910.0000 Insurance-Council by $7,400, Increase 1001-2065-910.0000 Building Insurance-City Hall by $1,200 and Decrease 1001-0000-390.0000 Unappropriated Surplus-General Fund by $8,600; Increase 2006-2006-910.0000 Insurance-Fire by $400, Increase 2006-2006-910.7020 Building Insurance-Fire by $800 and Decrease 2006-0000-390.0000 Unappropriated Surplus-Fire by $1,200; Increase 2007-2007-910.0000 Insurance-Police by $6,600 and Decrease 2007-0000-390.0000 Unappropriated Surplus-Police Fund by $6,600.

**ATTACHMENTS:**

- BA 4210 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/2019

Madam Mayor:

**I am requesting that Council approve a budget amendment within the General Fund Budget as follows: Increase 1001-1001-910.0000 Insurance by $7,400, Increase 1001-2065-910.0000 Building Insurance by $1,200 and Decrease 1001-0000-390.0000 Unappropriated Surplus by $8,600; in the Fire Fund as follows: Increase 2006-2006-910.0000 Insurance by $400, Increase 2006-2006-910.7020 Building Insurance by $800 and Decrease 2006-0000-390.0000 Unappropriated Surplus by $1,200; and in the Police Fund as follows: Increase 2007-2007-910.0000 Insurance by $6,600 and Decrease 2007-0000-390.0000 Unappropriated Surplus by $6,600.**

This budget amendment increases the insurance expense account budgets to reflect a 10% increase in property & liability insurance costs this year through April 30, 2019, and an estimated cost increase for May and June of 2019.

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.





| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BI US |
|---|---|---|---|---|---|---|
| Fund 1001 - GENERAL FUND | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 1001-0000-403.0000 | CURRENT REAL/PERSONAL TAXES | 2,250,300.00 | 2,077,134.99 | 7,674.43 | 173,165.01 | 92.3 |
| 1001-0000-404.0000 | TAX CHARGEBACKS | (75,000.00) | 0.00 | 0.00 | (75,000.00) | 0.0 |
| 1001-0000-407.0000 | DELINQUENT REAL TAXES | 3,200.00 | (2.82) | 0.00 | 3,202.82 | (0.0 |
| 1001-0000-446.0000 | INTEREST & PENALTIES ON TAXES | 120,000.00 | 29,798.61 | 4,970.35 | 90,201.39 | 24.8 |
| 1001-0000-450.0000 | ALL PERMITS & LICENSE FEES | 6,000.00 | 3,172.50 | 0.00 | 2,827.50 | 52.8 |
| 1001-0000-453.0000 | FRANCHISE FEES | 450,000.00 | 105,264.02 | 0.00 | 344,735.98 | 23.3 |
| 1001-0000-454.0000 | LEASE FEES | 41,600.00 | 23,055.83 | 3,293.69 | 18,544.17 | 55.4 |
| 1001-0000-539.0002 | GRANT REVENUE (STATE) - DNR GRANT | 7,000.00 | 0.00 | 0.00 | 7,000.00 | 0.0 |
| 1001-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) | 30,400.00 | 49,683.00 | 0.00 | (19,283.00) | 163.4 |
| 1001-0000-574.0000 | STATE SHARED REVENUES | 2,731,274.00 | 987,867.00 | 493,155.00 | 1,743,407.00 | 36.1 |
| 1001-0000-576.0000 | LIQUOR FEES | 18,100.00 | 18,971.15 | 0.00 | (871.15) | 104.8 |
| 1001-0000-608.0000 | BOARD OF APPEALS | 8,000.00 | 5,160.00 | 1,150.00 | 2,840.00 | 64.5 |
| 1001-0000-618.0000 | ADMINISTRATION FEES-TAXES | 273,000.00 | 212,977.92 | 15,022.83 | 60,022.08 | 78.0 |
| 1001-0000-622.0000 | ZONING FEES | 11,000.00 | 6,420.00 | 230.00 | 4,580.00 | 58.3 |
| 1001-0000-627.0000 | COPY FEES | 1,500.00 | 1,248.31 | 88.38 | 251.69 | 83.2 |
| 1001-0000-666.0000 | INTEREST INCOME | 15,000.00 | 68,093.93 | 0.00 | (53,093.93) | 453.9 |
| 1001-0000-669.0000 | INVESTMENT GAINS AND LOSSES | 0.00 | (14,165.07) | 0.00 | 14,165.07 | 100.0 |
| 1001-0000-673.0000 | SALE OF ASSETS | 5,800.00 | 406,474.71 | 1,280.00 | (400,674.71) | 7,008.1 |
| 1001-0000-674.0000 | PARKS AND REC DONATIONS | 3,000.00 | 1,500.00 | 0.00 | 1,500.00 | 50.0 |
| 1001-0000-675.0000 | REFUNDS & REBATES | 14,000.00 | 0.00 | 0.00 | 14,000.00 | 0.0 |
| 1001-0000-678.0000 | REIMBURSEMENT INCOME | 20,000.00 | 8,380.62 | 32.14 | 11,619.38 | 41.9 |
| 1001-0000-691.0653 | MEMORIAL DAY PARADE DONATIONS | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| 1001-0000-694.0000 | OTHER REVENUES | 15,000.00 | 1,838.37 | 150.00 | 13,161.63 | 12.2 |
| Total Dept 0000 | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| TOTAL REVENUES | | 5,950,174.00 | 3,992,873.07 | 527,046.82 | 1,957,300.93 | 67.1 |
| Expenditures | | | | | | |
| Dept 1001 - COUNCIL | | | | | | |
| 1001-1001-703.0000 | SALARY | 67,000.00 | 33,500.10 | 0.00 | 33,499.90 | 50.0 |
| 1001-1001-710.0000 | BOARD OF REVIEW | 2,700.00 | 525.00 | 0.00 | 2,175.00 | 19.4 |
| 1001-1001-719.0000 | FRINGE BENEFITS | 67,500.00 | 28,705.07 | 0.00 | 38,794.93 | 42.5 |
| 1001-1001-727.0000 | OFFICE SUPPLIES | 1,000.00 | 155.77 | 0.00 | 844.23 | 15.5 |
| 1001-1001-728.0000 | INFORMATION TECH ALLOCATION | 34,600.00 | 0.00 | 0.00 | 34,600.00 | 0.0 |
| 1001-1001-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 22,000.00 | 16,859.28 | 0.00 | 5,140.72 | 76.6 |
| 1001-1001-818.0000 | CONTRACTUAL SERVICES | 5,000.00 | 400.00 | 0.00 | 4,600.00 | 8.0 |
| 1001-1001-818.0001 | MASTER PLAN | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-818.0002 | SPEC INTERNAL CONTROL REVIEW | 50,000.00 | 11,625.00 | 0.00 | 38,375.00 | 23.2 |
| 1001-1001-826.0000 | LEGAL | 100,000.00 | 24,745.00 | 1,218.75 | 75,255.00 | 24.7 |
| 1001-1001-828.0000 | MEMBERSHIP & DUES | 12,000.00 | 10,423.00 | 0.00 | 1,577.00 | 86.8 |
| 1001-1001-864.0000 | TRAINING | 10,000.00 | 0.00 | 0.00 | 10,000.00 | 0.0 |
| 1001-1001-900.0000 | NOTICES | 5,000.00 | 482.88 | 0.00 | 4,517.12 | 9.6 |
| 1001-1001-910.0000 | INSURANCE | +7,400 105,000.00 | 93,289.17 | 0.00 | 11,710.83 | 88.8 |
| 1001-1001-956.0000 | MISCELLANEOUS | 500.00 | 34.99 | 0.00 | 465.01 | 7.0 |
| 1001-1001-956.0003 | CITY COUNCIL NEWSLETTER | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 0.0 |
| Total Dept 1001 - COUNCIL | | 497,300.00 | 220,745.26 | 1,218.75 | 276,554.74 | 44.39 |

Dept 1071 - MAYOR

Attachment: BA 4210 (4210 : Budget Amendment (Budget #))

01/15/2019 11:08 AM
User: moffittk
DB: Burton

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.



| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BDUS |
|---|---|---|---|---|---|---|
| Fund 1001 - GENERAL FUND | | | | | | |
| Expenditures | | | | | | |
| 1001-2053-709.0000 | OVERTIME | 200.00 | 4.04 | 1.74 | 195.96 | 2.0 |
| 1001-2053-717.0000 | RETIREMENT - MERS ACTIVE | 2,200.00 | 1,118.32 | 79.88 | 1,081.68 | 50.8 |
| 1001-2053-718.0000 | RETIREMENT - MERS RETIREES | 1,000.00 | 282.49 | 20.92 | 717.51 | 28.2 |
| 1001-2053-719.0000 | FRINGE BENEFITS | 10,600.00 | 4,176.22 | 79.39 | 6,423.78 | 39.4 |
| 1001-2053-727.0000 | OFFICE SUPPLIES | 600.00 | 347.56 | 0.00 | 252.44 | 57.9 |
| 1001-2053-728.0000 | INFORMATION TECH ALLOCATION | 2,400.00 | 0.00 | 0.00 | 2,400.00 | 0.0 |
| 1001-2053-731.0000 | POSTAGE | 15,000.00 | 5,584.83 | 0.00 | 9,415.17 | 37.2 |
| 1001-2053-757.0000 | OPERATING EXPENDITURES | 200.00 | 0.00 | 0.00 | 200.00 | 0.0 |
| 1001-2053-818.0000 | CONTRACTUAL SERVICE | 2,600.00 | 105.04 | 0.00 | 2,494.96 | 4.0 |
| 1001-2053-827.0000 | TAX ROLL EXPENSE | 7,500.00 | 4,517.23 | 0.00 | 2,982.77 | 60.2 |
| 1001-2053-828.0000 | MEMBERSHIP & DUES | 175.00 | 50.00 | 0.00 | 125.00 | 28.5 |
| 1001-2053-864.0000 | TRAINING | 1,500.00 | 52.32 | 0.00 | 1,447.68 | 3.4 |
| 1001-2053-956.3000 | BANKING SUPPLIES | 500.00 | 174.98 | 0.00 | 325.02 | 35.0 |
| 1001-2053-984.0000 | OFFICE EQUIPMENT | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.0 |
| Total Dept 2053 - TREASURER | | 69,575.00 | 28,858.39 | 1,084.09 | 40,716.61 | 41.4 |
| Dept 2065 - CITY HALL | | | | | | |
| 1001-2065-706.0000 | SALARIES PERMANENT | 45,200.00 | 24,639.74 | 1,703.16 | 20,560.26 | 54.5 |
| 1001-2065-709.0000 | OVERTIME | 300.00 | 85.80 | 0.00 | 214.20 | 28.6 |
| 1001-2065-717.0000 | RETIREMENT - MERS ACTIVE | 6,800.00 | 3,714.06 | 265.29 | 3,085.94 | 54.6 |
| 1001-2065-718.0000 | RETIREMENT - MERS RETIREES | 21,600.00 | 11,638.96 | 819.15 | 9,961.04 | 53.8 |
| 1001-2065-719.0000 | FRINGE BENEFITS | 33,800.00 | 9,738.67 | 132.47 | 24,061.33 | 28.8 |
| 1001-2065-727.0000 | OFFICE SUPPLIES | 6,000.00 | 1,806.60 | 0.00 | 4,193.40 | 30.1 |
| 1001-2065-728.0000 | INFORMATION TECH ALLOCATION | 110,100.00 | 0.00 | 0.00 | 110,100.00 | 0.0 |
| 1001-2065-757.0000 | OPERATING EXPENDITURES | 200.00 | 95.70 | 0.00 | 104.30 | 47.8 |
| 1001-2065-818.0000 | CONTRACTUAL SERVICE | 5,700.00 | 2,838.87 | 0.00 | 2,861.13 | 49.8 |
| 1001-2065-825.0000 | JANITORIAL | 10,000.00 | 5,115.00 | 795.00 | 4,885.00 | 51.1 |
| 1001-2065-826.0000 | LEGAL | 27,000.00 | 4,365.00 | 31.25 | 22,635.00 | 16.1 |
| 1001-2065-910.0000 | BUILDING INSURANCE +1,200 | 4,700.00 | 4,823.53 | 0.00 | (123.53) | 102.6 |
| 1001-2065-920.0000 | UTILITIES | 45,000.00 | 17,006.61 | 0.00 | 27,993.39 | 37.7 |
| 1001-2065-937.0000 | BUILDING MAINT & SUPPLIES | 25,000.00 | 4,742.31 | 291.00 | 20,257.69 | 18.9 |
| 1001-2065-937.8000 | ADA BLDG/MAINT & SUPPLIES | 4,800.00 | 825.14 | 0.00 | 3,974.86 | 17.1 |
| 1001-2065-938.0000 | MAINT OF GROUNDS | 5,700.00 | 2,225.09 | 38.78 | 3,474.91 | 39.0 |
| 1001-2065-943.0000 | EQUIPMENT RENTAL | 8,000.00 | 2,777.75 | 0.00 | 5,222.25 | 34.7 |
| 1001-2065-956.0401 | PAYMENT ON PENSION UAL | 1,000,000.00 | 1,000,000.00 | 0.00 | 0.00 | 100.0 |
| 1001-2065-975.0000 | BOILER REPLACEMENT | 58,000.00 | 0.00 | 0.00 | 58,000.00 | 0.0 |
| 1001-2065-975.0001 | ROOF REPLACEMENT | 30,000.00 | 0.00 | 0.00 | 30,000.00 | 0.0 |
| 1001-2065-977.7089 | NEW EQUIPMENT | 3,000.00 | 0.00 | 0.00 | 3,000.00 | 0.0 |
| 1001-2065-977.7090 | CITY HALL EXPANSION/LEASE DEBT SERVICE | 142,100.00 | 4,258.65 | 0.00 | 137,841.35 | 3.0 |
| Total Dept 2065 - CITY HALL | | 1,593,000.00 | 1,100,697.48 | 4,076.10 | 492,302.52 | 69.1 |
| Dept 2071 - PUBLIC SERVICE | | | | | | |
| 1001-2071-718.0000 | RETIREMENT - MERS RETIREES | 0.00 | 111.96 | 111.96 | (111.96) | 100.0 |
| 1001-2071-719.0000 | FRINGE BENEFITS | 0.00 | 30.94 | 30.94 | (30.94) | 100.0 |
| 1001-2071-879.0000 | PUBLIC RELATIONS | 1,200.00 | 0.00 | 0.00 | 1,200.00 | 0.0 |
| 1001-2071-880.0000 | ECONOMIC DEVELOPMENT-NEXT CORP | 3,000.00 | 0.00 | 0.00 | 3,000.00 | 0.0 |
| 1001-2071-922.0000 | DRAINS AT LARGE | 46,000.00 | 39,502.00 | 0.00 | 6,498.00 | 85.87 |
| 1001-2071-922.0001 | GILKEY CREEK PRINCIPAL | 39,000.00 | 38,923.00 | 0.00 | 77.00 | 99.80 |
| 1001-2071-922.0002 | GILKEY CREEK INTEREST | 4,800.00 | 3,958.68 | 0.00 | [illegible] | [illegible] |

01/15/2019 11:12 AM
User: moffittk
DB: Burton

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.



| GL NUMBER | DESCRIPTION | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BD US |
|---|---|---|---|---|---|---|
| Fund 2006 - FIRE DEPARTMENT | | | | | | |
| Revenues | | | | | | |
| Dept 0000 | | | | | | |
| 2006-0000-403.0000 | CURRENT REAL/PERSONAL TAXES | 562,200.00 | 519,025.15 | 1,917.56 | 43,174.85 | 92.3 |
| 2006-0000-404.0000 | TAX CHARGEBACKS | (2,400.00) | 0.00 | 0.00 | (2,400.00) | 0.0 |
| 2006-0000-407.0000 | DELINQUENT PERSONAL TAXES | 200.00 | (0.60) | 0.00 | 200.60 | (0.3 |
| 2006-0000-501.0010 | FEDERAL AFG FEMA FIRE GRANT | 1,300.00 | 1,237.91 | 0.00 | 62.09 | 95.2 |
| 2006-0000-573.0000 | LOC COMM STABILIZ SHR APPROPR (STATE) | 6,500.00 | 12,420.75 | 0.00 | (5,920.75) | 191.0 |
| 2006-0000-630.0000 | FIRE RECOVERY FEES | 18,700.00 | 16,644.61 | 2,160.00 | 2,055.39 | 89.0 |
| 2006-0000-631.0000 | FIRE INSPECTION FEES | 3,000.00 | 1,850.00 | 75.00 | 1,150.00 | 61.6 |
| 2006-0000-633.0000 | SITE PLAN REVIEW | 500.00 | 600.00 | 0.00 | (100.00) | 120.0 |
| 2006-0000-634.0000 | FIRE ALARM REVIEWS & PERMITS | 0.00 | 1,225.00 | 0.00 | (1,225.00) | 100.0 |
| 2006-0000-635.0000 | FIRE SUPPRESSION REVIEWS & PERMITS | 0.00 | 6,117.00 | 0.00 | (6,117.00) | 100.0 |
| 2006-0000-666.0000 | INTEREST INCOME | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.0 |
| 2006-0000-673.0000 | SALE OF ASSETS | 1,500.00 | 1,025.00 | 200.00 | 475.00 | 68.3 |
| 2006-0000-675.0000 | REFUNDS & REBATES | 3,000.00 | 0.00 | 0.00 | 3,000.00 | 0.0 |
| 2006-0000-678.0000 | REIMBURSEMENT INCOME | 2,000.00 | 2,261.66 | 0.00 | (261.66) | 113.0 |
| 2006-0000-691.1001 | TRANSFER FROM GENERAL FUND | 879,200.00 | 0.00 | 0.00 | 879,200.00 | 0.0 |
| 2006-0000-694.0000 | OTHER REVENUES | 2,000.00 | 1,500.00 | 0.00 | 500.00 | 75.0 |
| Total Dept 0000 | | 1,479,200.00 | 563,906.48 | 4,352.56 | 915,293.52 | 38.1 |
| TOTAL REVENUES | | 1,479,200.00 | 563,906.48 | 4,352.56 | 915,293.52 | 38.1 |
| Expenditures | | | | | | |
| Dept 2006 - FIRE DEPARTMENT EXPENDITURES | | | | | | |
| 2006-2006-703.0000 | SALARY | 61,400.00 | 33,047.72 | 2,360.55 | 28,352.28 | 53.8 |
| 2006-2006-706.0000 | SALARIES PERMANENT | 93,800.00 | 48,351.15 | 3,543.63 | 45,448.85 | 51.5 |
| 2006-2006-707.0000 | PART-TIME FIREMEN | 215,425.00 | 80,423.27 | 6,529.59 | 135,001.73 | 37.3 |
| 2006-2006-708.0000 | SHARED SALARIES | 40,000.00 | 18,085.72 | 1,337.66 | 21,914.28 | 45.2 |
| 2006-2006-709.0000 | OVERTIME | 4,500.00 | 943.91 | 45.28 | 3,556.09 | 20.9 |
| 2006-2006-717.0000 | RETIREMENT - MERS ACTIVE | 23,700.00 | 11,593.66 | 826.46 | 12,106.34 | 48.9 |
| 2006-2006-718.0000 | RETIREMENT - MERS RETIREES | 47,200.00 | 22,293.27 | 1,444.12 | 24,906.73 | 47.2 |
| 2006-2006-719.0000 | FRINGE BENEFITS | 135,000.00 | 57,642.29 | 1,353.63 | 77,357.71 | 42.7 |
| 2006-2006-727.0000 | OFFICE SUPPLIES | 1,500.00 | 300.15 | 35.50 | 1,199.85 | 20.0 |
| 2006-2006-728.0000 | INFORMATION TECH ALLOCATION | 32,200.00 | 0.00 | 0.00 | 32,200.00 | 0.0 |
| 2006-2006-744.0000 | SAFETY WEAR & HEALTH | 44,000.00 | 2,900.15 | 0.00 | 41,099.85 | 6.5 |
| 2006-2006-757.0000 | OPERATING EXPENDITURES | 18,000.00 | 9,161.93 | 133.47 | 8,838.07 | 50.9 |
| 2006-2006-808.0000 | AUDIT & OTHER PROFESSIONAL SERVICES | 3,000.00 | 2,298.99 | 0.00 | 701.01 | 76.6 |
| 2006-2006-818.0000 | CONTRACTUAL SERVICES | 15,000.00 | 8,222.70 | 0.00 | 6,777.30 | 54.8 |
| 2006-2006-826.0000 | LEGAL | 3,000.00 | 1,046.75 | 0.00 | 1,953.25 | 34.8 |
| 2006-2006-828.0000 | MEMBERSHIP & DUES | 6,000.00 | 4,332.50 | 0.00 | 1,667.50 | 72.2 |
| 2006-2006-863.0000 | AUTO REPAIR | 53,000.00 | 12,075.47 | 0.00 | 40,924.53 | 22.7 |
| 2006-2006-864.0000 | TRAINING & CERTIFICATIONS | 3,500.00 | 1,344.68 | 0.00 | 2,155.32 | 38.4 |
| 2006-2006-867.0000 | GAS & OIL | 10,000.00 | 6,013.57 | 0.00 | 3,986.43 | 60.1 |
| 2006-2006-910.0000 | INSURANCE +400 | 25,000.00 | 21,052.96 | 0.00 | 3,947.04 | 84.2 |
| 2006-2006-910.7020 | BUILDING INSURANCE +800 | 2,000.00 | 2,246.86 | 0.00 | (246.86) | 112.3 |
| 2006-2006-920.0000 | UTILITIES | 39,000.00 | 15,415.50 | 0.00 | 23,584.50 | 39.5 |
| 2006-2006-921.0000 | SEWER PAYMENTS | 5,000.00 | 2,065.07 | 0.00 | 2,934.93 | 41.3 |
| 2006-2006-934.0000 | EQUIPMENT REPAIR | 9,000.00 | 1,308.81 | 0.00 | 7,691.19 | 14.5 |
| 2006-2006-937.0000 | BUILDING MAINT & SUPPLIES | 65,000.00 | 34,660.51 | 23,306.93 | 30,339.49 | 53.32 |
| 2006-2006-943.0000 | EQUIPMENT RENTAL | 14,500.00 | 2,359.20 | 0.00 | 12,140.80 | 16.27 |
| 2006-2006-956.0000 | MISCELLANEOUS | 500.00 | 0.00 | 0.00 | 500.00 | 0.00 |
| 2006-2006-962.0000 | TRAINING & MATERIALS | 16,200.00 | 1,401.10 | 0.00 | 14,[illegible] | [illegible] |

REVENUE AND EXPENDITURE REPORT FOR CITY OF BURTON
PERIOD ENDING 01/31/2019
% Fiscal Year Completed: 58.90
*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.





| GL NUMBER | DESCRIPTION | | 2018-19 AMENDED BUDGET | YTD BALANCE 01/31/2019 NORMAL (ABNORMAL) | ACTIVITY FOR MONTH 01/31/2019 INCREASE (DECREASE) | AVAILABLE BALANCE NORMAL (ABNORMAL) | % BDG USED |
|---|---|---|---|---|---|---|---|
| Fund 2007 - POLICE FUND | | | | | | | |
| Expenditures | | | | | | | |
| 2007-2007-826.0000 | LEGAL | | 90,000.00 | 40,985.00 | 3,549.00 | 49,015.00 | 45.5 |
| 2007-2007-828.0000 | MEMBERSHIP & DUES | | 1,500.00 | 25.00 | 0.00 | 1,475.00 | 1.6 |
| 2007-2007-863.0000 | AUTO REPAIR | | 85,000.00 | 18,220.66 | 980.48 | 66,779.34 | 21.4 |
| 2007-2007-864.0000 | TRAINING & CERTIFICATIONS | | 3,000.00 | 261.20 | 0.00 | 2,738.80 | 8.7 |
| 2007-2007-867.0000 | GAS & OIL | | 75,000.00 | 36,515.83 | 0.00 | 38,484.17 | 48.6 |
| 2007-2007-868.0000 | AUTO WASH | | 3,500.00 | 990.00 | 0.00 | 2,510.00 | 28.2 |
| 2007-2007-910.0000 | INSURANCE | +6,600 | 75,000.00 | 68,414.98 | 0.00 | 6,585.02 | 91.2 |
| 2007-2007-920.0000 | UTILITIES | | 35,000.00 | 16,830.93 | 10.49 | 18,169.07 | 48.0 |
| 2007-2007-921.0000 | SEWER PAYMENTS | | 4,000.00 | 1,334.62 | 0.00 | 2,665.38 | 33.3 |
| 2007-2007-931.0000 | BUILDING REPAIR | | 15,000.00 | 7,464.01 | 145.77 | 7,535.99 | 49.7 |
| 2007-2007-934.0000 | EQUIPMENT REPAIRS | | 1,500.00 | 357.93 | 0.00 | 1,142.07 | 23.8 |
| 2007-2007-943.0000 | EQUIPMENT RENTAL | | 6,000.00 | 2,085.63 | 0.00 | 3,914.37 | 34.7 |
| 2007-2007-956.0000 | MISCELLANEOUS | | 2,400.00 | 936.08 | 0.00 | 1,463.92 | 39.0 |
| 2007-2007-962.0000 | TRAINING (OFFICER) | | 15,000.00 | 10,607.90 | 0.00 | 4,392.10 | 70.7 |
| 2007-2007-975.0000 | BOILER REPLACEMENT | | 52,000.00 | 0.00 | 0.00 | 52,000.00 | 0.0 |
| 2007-2007-984.0000 | OFFICE EQUIPMENT | | 2,000.00 | 429.00 | 0.00 | 1,571.00 | 21.4 |
| 2007-2007-985.0000 | POLICE VEHICLES | | 70,000.00 | 65,224.87 | 16,630.87 | 4,775.13 | 93.1 |
| 2007-2007-991.0001 | PRINCIPAL PORTION OF LEASE (CAPITAL) PM | | 17,500.00 | 0.00 | 0.00 | 17,500.00 | 0.0 |
| 2007-2007-995.0001 | INTEREST PORTION OF LEASE (CAPITAL) PMT | | 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.0 |
| Total Dept 2007 - POLICE FUND EXPENSES | | | 5,627,300.00 | 2,660,172.94 | 161,800.64 | 2,967,127.06 | 47.2 |
| TOTAL EXPENDITURES | | | 5,627,300.00 | 2,660,172.94 | 161,800.64 | 2,967,127.06 | 47.2 |
| Fund 2007 - POLICE FUND: | | | | | | | |
| TOTAL REVENUES | | | 5,307,900.00 | 4,617,298.61 | 27,955.81 | 690,601.39 | 86.9 |
| TOTAL EXPENDITURES | | | 5,627,300.00 | 2,660,172.94 | 161,800.64 | 2,967,127.06 | 47.2 |
| NET OF REVENUES & EXPENDITURES | | | (319,400.00) | 1,957,125.67 | (133,844.83) | (2,276,525.67) | 612.7 |

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4218)**

*DOC ID: 4218*

# Approve and authorize the following 2018-2019 budget amendment in the General Fund: Increase 1001-1071-706.0000 Salaries Permanent-Mayor by $1,400; Increase 1001-1071-717.0000 Retirement-MERS Active-Mayor by $300; Increase 1001-1071-718.0000 Retirement-MERS Retirees-Mayor by $700; Increase 1001-1071-719.0000 Fringe Benefits-Mayor by $4,500; Increase 1001-2023-703.0000 Controller Salary-Controller by $400; Increase 1001-2023-706.0000 Salaries Permanent-Controller by $400; Increase 1001-2023-717.0000 Retirement-MERS Active-Controller by $200; Increase 1001-2023-718.0000 Retirement-MERS Retirees-Controller by $400; Increase 1001-2023-719.0000 Fringe Benefits-Controller by $2,400; Increase 1001-2065-706.0000 Salaries Permanent-City Hall by $1,300; Increase 1001-2065-717.0000 Retirement-MERS Active-City Hall by $200; Increase 1001-2065-718.0000 Retirement-MERS Retirees-City Hall by $700; Increase 1001-2065-719.0000 Fringe Benefits-City Hall by $4,900; Increase 1001-8001-706.0000 Salary Permanent-Planning by $2,900; Increase 1001-8001-718.0000 Retirement-MERS Retirees-Planning by $23,400; Increase 1001-8001-719.0000 Fringe Benefits-Planning by $500; Increase 1001-8005-706.0000 Salaries Permanent-Zoning by $2,900; Increase 1001-8005-718.0000 Retirement-MERS Retirees-Zoning by $23,400; Increase 1001-8005-719.0000 Fringe Benefits-Zoning by $500; Decrease 1001-0000-390.0000 Unappropriated Surplus by $71,400.

**ATTACHMENTS:**

- BA 4218 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the General Fund Budget as follows: Increase 1001-1071-706.0000 Salaries Permanent-Mayor by $1,400; Increase 1001-1071-717.0000 Retirement-MERS Active-Mayor by $300; Increase 1001-1071-718.0000 Retirement-MERS Retirees-Mayor by $700; Increase 1001-1071-719.0000 Fringe Benefits-Mayor by $4,500; Increase 1001-2023-703.0000 Controller Salary-Controller by $400; Increase 1001-2023-706.0000 Salaries Permanent-Controller by $400; Increase 1001-2023-717.0000 Retirement-MERS Active-Controller by $200; Increase 1001-2023-718.0000 Retirement-MERS Retirees-Controller by $400; Increase 1001-2023-719.0000 Fringe Benefits-Controller by $2,400; Increase 1001-2065-706.0000 Salaries Permanent-City Hall by $1,300; Increase 1001-2065-717.0000 Retirement-MERS Active-City Hall by $200; Increase 1001-2065-718.0000 Retirement-MERS Retirees-City Hall by $700; Increase 1001-2065-719.0000 Fringe Benefits-City Hall by $4,900; Increase 1001-8001-706.0000 Salary Permanent-Planning by $2,900; Increase 1001-8001-718.0000 Retirement-MERS Retirees-Planning by $23,400; Increase 1001-8001-719.0000 Fringe Benefits-Planning by $500; Increase 1001-8005-706.0000 Salaries Permanent-Zoning by $2,900; Increase 1001-8005-718.0000 Retirement-MERS Retirees-Zoning by $23,400; Increase 1001-8005-719.0000 Fringe Benefits-Zoning by $500; Decrease 1001-0000-390.0000 Unappropriated Surplus by $71,400.**

This amends the General Fund budget for the cost of the Teamsters bargaining agreement changes and any salary step changes not included in the original budget.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4219)**

*DOC ID: 4219*

# Approve and authorize the following 2018-2019 budget amendment in the Major Streets Fund: Increase 2002-4063-708.0000 Shared Salaries-Surface Maintenance by $500; Increase 2002-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2002-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2002-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,700; Increase 2002-4082-703.0000 Administration Salaries-Administration by $900; Increase 2002-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2002-4082-718.0000 Retirement-MERS Retirees-Administration by $500; Increase 2002-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2002-0000-390.0000 Unappropriated Surplus by $6,900.

**ATTACHMENTS:**

- BA 4219 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Tom Martinbianco, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Major Streets Fund Budget as follows: Increase 2002-4063-708.0000 Shared Salaries-Surface Maintenance by $500; Increase 2002-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2002-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2002-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,700; Increase 2002-4082-703.0000 Administration Salaries-Administration by $900; Increase 2002-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2002-4082-718.0000 Retirement-MERS Retirees-Administration by $500; Increase 2002-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2002-0000-390.0000 Unappropriated Surplus by $6,900.**

This amends the Major Streets Fund budget for the cost of the Teamsters bargaining agreement changes.

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.14

ADOPTED

**AGENDA ITEM (ID # 4220)**

*DOC ID: 4220*

# Approve and authorize the following 2018-2019 budget amendment in the Local Streets Fund: Increase 2003-4063-708.0000 Shared Salaries-Surface Maintenance by $600; Increase 2003-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2003-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2003-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,900; Increase 2003-4082-703.0000 Administration Salaries-Administration by $900; Increase 2003-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2003-4082-718.0000 Retirement-MERS Retirees-Administration by $500; Increase 2003-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2003-0000-390.0000 Unappropriated Surplus by $7,200.

**ATTACHMENTS:**

- BA 4220 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Local Streets Fund Budget as follows: Increase 2003-4063-708.0000 Shared Salaries-Surface Maintenance by $600; Increase 2003-4063-717.0000 Retirement-MERS Active-Surface Maintenance by $100; Increase 2003-4063-718.0000 Retirement-MERS Retirees-Surface Maintenance by $300; Increase 2003-4063-719.0000 Fringe Benefits-Surface Maintenance by $1,900; Increase 2003-4082-703.0000 Administration Salaries-Administration by $900; Increase 2003-4082-717.0000 Retirement MERS Active-Administration by $200; Increase 2003-4082-718.0000 Retirement-MERS Retirees-Administration by $500; 2003-4082-719.0000 Fringe Benefits-Administration by $2,700; Decrease 2003-0000-390.0000 Unappropriated Surplus by $7,200.**

This amends the Local Streets Fund budget for the cost of the Teamsters bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.15

**AGENDA ITEM (ID # 4221)**

*DOC ID: 4221*

# Approve and authorize the following 2018-2019 budget amendment in the Fire Fund: Increase 2006-2006-706.0000 Salaries Permanent by $1,500; Increase 2006-2006-708.0000 Shared Salaries by $600; Increase 2006-2006-717.0000 Retirement-MERS Active by $400; Increase 2006-2006-718.0000 Retirement-MERS Retirees by $1,100; Increase 2006-2006-719.0000 Fringe Benefits by $7,500; Decrease 2006-0000-390.0000 Unappropriated Surplus by $11,100.

**ATTACHMENTS:**

- BA 4221 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Christina Conley, Councilwoman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Fire Fund Budget as follows: Increase 2006-2006-706.0000 Salaries Permanent by $1,500; Increase 2006-2006-708.0000 Shared Salaries by $600; Increase 2006-2006-717.0000 Retirement-MERS Active by $400; Increase 2006-2006-718.0000 Retirement-MERS Retirees by $1,100; Increase 2006-2006-719.0000 Fringe Benefits by $7,500; Decrease 2006-0000-390.0000 Unappropriated Surplus by $11,100.**

This amends the Fire Fund budget for the cost of the Teamsters bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.16

**ADOPTED**

**AGENDA ITEM (ID # 4222)**

*DOC ID: 4222*

# Approve and authorize the following 2018-2019 budget amendment in the Police Fund: Increase 2007-2007-705.0000 Sergeants Salaries by $85,800; Increase 2007-2007-708.0000 Shared Salaries by $1,500; Increase 2007-2007-717.0000 Retirement-MERS Active by $3,300; Increase 2007-2007-718.0000 Retirement-MERS Retirees by $37,400; Increase 2007-2007-719.0000 Fringe Benefits by $64,600; Decrease 2007-0000-390.0000 Unappropriated Surplus by $192,600.

**ATTACHMENTS:**

- BA 4222 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Dennis O'Keefe, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/2019

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Police Fund Budget as follows: Increase 2007-2007-705.0000 Sergeants Salaries by $85,800; Increase 2007-2007-708.0000 Shared Salaries by $1,500; Increase 2007-2007-717.0000 Retirement-MERS Active by $3,300; Increase 2007-2007-718.0000 Retirement-MERS Retirees by $37,400; Increase 2007-2007-719.0000 Fringe Benefits by $64,600; Decrease 2007-0000-390.0000 Unappropriated Surplus by $192,600.**

This amends the Police Fund budget for the cost of the Teamsters and POLC bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**ADOPTED**

**AGENDA ITEM (ID # 4223)**

*DOC ID: 4223*

# Approve and authorize the following 2018-2019 budget amendment in the Building Department Fund: Increase 2049-2061-703.0000 Administration Salaries by $500; Increase 2049-2061-706.0000 Salaries Permanent by $700; Increase 2049-2061-708.0000 Shared Salaries by $500; Increase 2049-2061-717.0000 Retirement-MERS Active by $200; Increase 2049-2061-718.0000 Retirement-MERS Retirees by $5,700; Increase 2049-2061-719.0000 Fringe Benefits by $2,900; Decrease 2049-0000-390.0000 Unappropriated Surplus by $10,500.

**ATTACHMENTS:**

- BA 4223 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Danny Wells, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Building Department Fund Budget as follows: Increase 2049-2061-703.0000 Administration Salaries by $500; Increase 2049-2061-706.0000 Salaries Permanent by $700; Increase 2049-2061-708.0000 Shared Salaries by $500; Increase 2049-2061-717.0000 Retirement-MERS Active by $200; Increase 2049-2061-718.0000 Retirement-MERS Retirees by $5,700; Increase 2049-2061-719.0000 Fringe Benefits by $2,900; Decrease 2049-0000-390.0000 Unappropriated Surplus by $10,500.**

This amends the Building Department Fund budget for the cost of the Teamsters bargaining agreement changes and any salary step changes not included in the original budget.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4224)**

*DOC ID: 4224*

# Approve and authorize the following 2018-2019 budget amendment in the Senior Citizens Center Fund: Increase 2069-2069-705.0000 Supervision Salaries by $1,900; Increase 2069-2069-708.0000 Shared Salaries by $600; Increase 2069-2069-717.0000 Retirement-MERS Active by $400; Increase 2069-2069-718.0000 Retirement-MERS Retirees by $1,300; Increase 2069-2069-719.0000 Fringe Benefits by $2,700; Decrease 2069-0000-390.0000 Unappropriated Surplus by $6,900.

**ATTACHMENTS:**

- BA 4224 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Senior Citizens Center Fund Budget as follows: Increase 2069-2069-705.0000 Supervision Salaries by $1,900; Increase 2069-2069-708.0000 Shared Salaries by $600; Increase 2069-2069-717.0000 Retirement-MERS Active by $400; Increase 2069-2069-718.0000 Retirement-MERS Retirees by $1,300; Increase 2069-2069-719.0000 Fringe Benefits by $2,700; Decrease 2069-0000-390.0000 Unappropriated Surplus by $6,900.**

This amends the Senior Citizens Center Fund budget for the cost of the Teamsters bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.19

**AGENDA ITEM (ID # 4225)**

*DOC ID: 4225*

# Approve and authorize the following 2018-2019 budget amendment to the Sewer Fund: Increase 5090-5090-703.0000 Administration Salaries by $1,400; Increase 5090-5090-708.0000 Shared Salaries by $700; Increase 5090-5090-717.0000 Retirement-MERS Active by $400; Increase 5090-5090-718.0000 Retirement-MERS Retirees by $1,000; Increase 5090-5090-719.0000 Fringe Benefits by $6,100; Decrease 5090-0000-390.0000 Unappropriated Surplus by $9,600.

**ATTACHMENTS:**

- BA 4225 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Sewer Fund Budget as follows: Increase 5090-5090-703.0000 Administration Salaries by $1,400; Increase 5090-5090-708.0000 Shared Salaries by $700; Increase 5090-5090-717.0000 Retirement-MERS Active by $400; Increase 5090-5090-718.0000 Retirement-MERS Retirees by $1,000; Increase 5090-5090-719.0000 Fringe Benefits by $6,100; Decrease 5090-0000-390.0000 Unappropriated Surplus by $9,600.**

This amends the Sewer Fund budget for the cost of the Teamsters bargaining agreement changes.

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

J.20

**ADOPTED**

**AGENDA ITEM (ID # 4226)**

*DOC ID: 4226*

# Approve and authorize the following 2018-2019 budget amendment to the Water Fund: Increase 5091-5091-703.0000 Administration Salaries by $900; Increase 5091-5091-708.0000 Shared Salaries by $700; Increase 5091-5091-717.0000 Retirement-MERS Active by $300; Increase 5091-5091-718.0000 Retirement-MERS Retirees by $800; Increase 5091-5091-719.0000 Fringe Benefits by $4,700; Decrease 5091-0000-390.0000 Unappropriated Surplus by $7,400.

**ATTACHMENTS:**

- BA 4226 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Water Fund Budget as follows: Increase 5091-5091-703.0000 Administration Salaries by $900; Increase 5091-5091-708.0000 Shared Salaries by $700; Increase 5091-5091-717.0000 Retirement-MERS Active by $300; Increase 5091-5091-718.0000 Retirement-MERS Retirees by $800; Increase 5091-5091-719.0000 Fringe Benefits by $4,700; Decrease 5091-0000-390.0000 Unappropriated Surplus by $7,400.**

This amends the Water Fund budget for the cost of the Teamsters bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4227)**

*DOC ID: 4227*

# Approve and authorize the following 2018-2019 budget amendment to the Information Technology Fund: Increase 6036-6036-703.0000 Administration Salaries by $2,100; Increase 6036-6036-717.0000 Retirement-MERS Active by $400; Increase 6036-6036-718.0000 Retirement-MERS Retirees by $1,100; Increase 6036-6036-719.0000 Fringe Benefits by $6,500; Decrease 6036-0000-390.0000 Unappropriated Surplus by $10,100.

**ATTACHMENTS:**

- BA 4227 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Information Technology Fund Budget as follows: Increase 6036-6036-703.0000 Administration Salaries by $2,100; Increase 6036-6036-717.0000 Retirement-MERS Active by $400; Increase 6036-6036-718.0000 Retirement-MERS Retirees by $1,100; Increase 6036-6036-719.0000 Fringe Benefits by $6,500; Decrease 6036-0000-390.0000 Unappropriated Surplus by $10,100.**

This amends the Information Technology Fund budget for the cost of the Teamsters bargaining agreement changes.

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Controller's Office
Category: Budget
Prepared By: Karen Moffitt
Department Head: Karen Moffitt

**AGENDA ITEM (ID # 4228)**

*DOC ID: 4228*

# Approve and authorize the following 2018-2019 budget amendment to the Motor Pool Fund: Increase 6061-6061-708.0000 Shared Salaries by $100; Increase 6061-6061-717.0000 Retirement-MERS Active by $100; Increase 6061-6061-718.0000 Retirement-MERS Retirees by $100; Increase 6061-6061-719.0000 Fringe Benefits by $200; Decrease 6061-0000-390.0000 Unappropriated Surplus by $500.

**ATTACHMENTS:**

- BA 4228 (PDF)

| | |
|---|---|
| **RESULT:** | **CARRIED [UNANIMOUS]** |
| **MOVER:** | Danny Wells, Councilman |
| **SECONDER:** | Christina Conley, Councilwoman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Heffner, Wells, Smith, Conley |

# INTEROFFICE MEMORANDUM

To: Mayor Paula Zelenko
From: Controller Karen Moffitt
Date: January 30, 2019

Re: Memo of Explanation for
City Council Meeting of 2/4/19

Madam Mayor:

**I am requesting that Council approve a budget amendment within the Motor Pool Fund Budget as follows: Increase 6061-6061-708.0000 Shared Salaries by $100; Increase 6061-6061-717.0000 Retirement-MERS Active by $100; Increase 6061-6061-718.0000 Retirement-MERS Retirees by $100; Increase 6061-6061-719.0000 Fringe Benefits by $200; Decrease 6061-0000-390.0000 Unappropriated Surplus by $500.**

This amends the Motor Pool Fund budget for the cost of the Teamsters bargaining agreement changes.

# Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Treasurer of the City of Burton and to provide for the effective dates thereto.

**HISTORY:**

**01/22/19 City Council CARRIED**

Mr. Martinbianco is taken back that these positions haven't been bifurcated when talking about the first reading. We didn't say we were going to divide them. In other words, item K is inclusive of 1, 2 , 3 and 4 and it was never amended to act on just number 1, 2, 3 or 4. Should we have done this prior to taking the first vote? He would like the opinion of the City Attorney about the proper procedure for this.

Attorney Doyle stated these are all first readings of an ordinance.

Board discussion regarding the proper procedure.

Mayor Zelenko stated the terminology is the same on each one of these as they were given to me from the City Attorney after review from the council. So, the amounts are all the same. It was my understanding from the last meeting that council clearly wanted them broken out so it could be voted on individually.

Mr. Heffner stated he thought after the last meeting this was a done deal. He didn't know they were going to be brought back but he is ok with it.

**ATTACHMENTS:**

- Charter5B (DOCX)

| | |
|---|---|
| **RESULT:** | **CARRIED [5 TO 2]** |
| **MOVER:** | Duane Haskins, Vice President |
| **SECONDER:** | Vaughn Smith, Councilman |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Wells, Smith |
| **NAYS:** | Steven Heffner, Christina Conley |

CITY OF BURTON

GENESEE COUNTY, MICHIGAN

**ORDINANCE NO. 2018- ___ -30.03**

AN ORDINANCE TO AMEND CHAPTER 30.03 OF THE CITY OF BURTON CODE OF ORDINANCES BY THE INCREASE IN THE SALARIES OF CERTAIN ADMINISTRATIVE OFFICERS OF THE CITY OF BURTON AND TO PROVIDE FOR THE EFFECTIVE DATES THERETO

**THE CITY OF BURTON ORDAINS:**

## SECTION I

Chapter 30.003 of the Code of ordinances of the City of Burton shall be and is hereby amended as follows:

**§ 30.03 ADMINISTRATIVE OFFICERS; COMPENSATION AND BENEFITS ADOPTED.**

(A) ** UNCHANGED**

(B) The annual salary of the Treasurer of the City of Burton shall be an amount determined by the Mayor in accordance with the following:

(1) December 17, 2018 — $60,643.91.
(2) Effective January 1, 2019 the base salary upon appointment shall be $65,000.00.
(3) Effective December 31, 2019 and upon fulfillment of 12 months of continuous service as Treasurer, the salary shall not exceed $68,000.00.
(4) Effective December 31, 2020 and upon fulfillment of 24 months of continuous Service as Treasurer, the salary shall not exceed $70,000.00.

(C) - (F) **UNCHANGED**

(G) (6) *Pension benefits.* All new administrators hired after July 1, 2006 shall be enrolled into a MERS Defined Contribution Plan with a 15% contribution from the city. Individuals who are appointed to administrator positions from existing employment with the city, and who were hired before July 2006 may, however, be permitted to participate in the retirement system in which they participated prior to promotion, on the same terms and conditions as may be set by the city from time to time.

## SECTION II

If any section, sentence, clause, or phrase of the Ordinance is for any reason held to be invalid or unconstitutional by a decision of any Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

## SECTION III

All other provisions of this Chapter shall be and are hereby ratified.

## SECTION IV

The violation of the terms of this Ordinance shall be a municipal civil infraction.

## SECTION V

This Ordinance, or a synopsis thereof, shall be published in a newspaper of general circulation within the City of Burton, Genesee County, Michigan, and shall become effective upon publication.

## SECTION VI

A copy of this Ordinance may be inspected at the City Hall, 4303 S. Center Road, Burton, Michigan, during regular business hours.

CITY OF BURTON,

______________________________

By: PAULA ZELENKO, MAYOR

______________________________

By: BETTE BIGSBY, ACTING CLERK

Ordinance introduced on:

Second Reading:

Publication date:

Effective date:

**Burton City Council**
4303 S. Center Road
Burton, MI 48519

**ADOPTED**

Meeting: 02/04/19 07:00 PM
Department: Mayor's Office
Category: Ordinance
Prepared By: Rik Hayman
Department Head: Rik Hayman

K.2

**AGENDA ITEM (ID # 4201)**

*DOC ID: 4201 A*

# Approve and authorize the second reading of amended Ordinance 30.03. An ordinance to amend Chapter 30.03 of the City of Burton Code of Ordinances by the increase in the salary of the Fire Chief of the City of Burton and to provide for the effective dates thereto.

**HISTORY:**

**01/22/19 City Council CARRIED**

**ATTACHMENTS:**

- Charter5E (DOCX)

| | |
|---|---|
| **RESULT:** | **CARRIED [5 TO 2]** |
| **MOVER:** | Dennis O'Keefe, Councilman |
| **SECONDER:** | Duane Haskins, Vice President |
| **AYES:** | Martinbianco, Haskins, O'Keefe, Wells, Smith |
| **NAYS:** | Steven Heffner, Christina Conley |

CITY OF BURTON

GENESEE COUNTY, MICHIGAN

**ORDINANCE NO. 2018- ___ -30.03**

AN ORDINANCE TO AMEND CHAPTER 30.03 OF THE CITY OF BURTON CODE OF ORDINANCES BY THE INCREASE IN THE SALARIES OF CERTAIN ADMINISTRATIVE OFFICERS OF THE CITY OF BURTON AND TO PROVIDE FOR THE EFFECTIVE DATES THERETO

**THE CITY OF BURTON ORDAINS:**

**<u>SECTION I</u>**

Chapter 30.003 of the Code of ordinances of the City of Burton shall be and is hereby amended as follows:

**§ 30.03 ADMINISTRATIVE OFFICERS; COMPENSATION AND BENEFITS ADOPTED.**

(A) – (C) **UNCHANGED***

(E) The annual salary of the Fire Chief of the City of Burton shall be an amount determined by the Mayor in accordance with the following:

(1) December 17, 2018 — $60,571.08.
(2) Effective January 1, 2019 the base salary upon appointment shall be $68,000.00.
(3) Effective December 31, 2019 and upon fulfillment of 12 months of continuous service as Fire Chief, the salary shall not exceed $70,000.00.
(4) Effective December 31, 2020 and upon fulfillment of 24 months of continuous service as Fire Chief, the salary shall not exceed $72,000.00.

(F) **UNCHANGED**

(G) (6) *Pension benefits.* All new administrators hired after July 1, 2006 shall be enrolled into a MERS Defined Contribution Plan with a 15% contribution from the city. Individuals who are appointed to administrator positions from existing employment with the city, and who were hired before July 2006 may, however, be permitted to participate in the retirement system in which they participated prior to promotion, on the same terms and conditions as may be set by the city from time to time.

**<u>SECTION II</u>**

If any section, sentence, clause, or phrase of the Ordinance is for any reason held to be invalid or unconstitutional by a decision of any Court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

## SECTION III

All other provisions of this Chapter shall be and are hereby ratified.

## SECTION IV

The violation of the terms of this Ordinance shall be a municipal civil infraction.

## SECTION V

This Ordinance, or a synopsis thereof, shall be published in a newspaper of general circulation within the City of Burton, Genesee County, Michigan, and shall become effective upon publication.

## SECTION VI

A copy of this Ordinance may be inspected at the City Hall, 4303 S. Center Road, Burton, Michigan, during regular business hours.

CITY OF BURTON,

______________________________________

By: PAULA ZELENKO, MAYOR

______________________________________

By: BETTE BIGSBY, ACTING CLERK

Ordinance introduced on:

Second Reading:

Publication date:

Effective date: