



CITY OF BURTON
BURTON CITY COUNCIL MEETING
SEPTEMBER 19, 2016
MINUTES

Council Chambers

Regular Meeting

7:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by President Steven Heffner at 7:07 PM.

A. INVOCATION LED BY: MR. O'KEEFE

B. THE PLEDGE OF ALLEGIANCE IS LED BY: MR. O'KEEFE

C. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Councilman	Present	
Steven Heffner	President	Present	
Ellen Ellenburg	Councilwoman	Present	
Steven Hatfield	Councilman	Present	
Dennis O'Keefe	Councilman	Present	
Vaughn Smith	Councilman	Present	

D. STAFF PRESENT

Tom Osterholzer, Police Chief
Robert Slattery, DPW Director

Teresa Karsney, Clerk
William Fowler, Assessor

E. APPROVAL OF MINUTES

1. City Council - Committee of the Whole - Sep 6, 2016 6:00 PM

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

2. City Council - Regular Meeting - Sep 6, 2016 7:00 PM

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

F. ADMINISTRATIVE REPORTS

Chief Osterholzer stated the Mayor Zelenko is traveling back to Michigan as we speak so I will be representing the administration tonight.

He went over the agenda items. Assessor William Fowler is here if you have any questions on item # 2. Bob Slattery is here if you have questions for item # 3. On the demo contracts and the reason the funding may come from two different GL numbers is that if we receive any blight grant awards for certain property, we track that through the blight elimination GL.

Things to be aware of:

The state legislature has laid a new medical marijuana law on the Governor's desk and Governor Snyder is expected to sign it. Among other things, the law allows for 5 types of facilities instead of the 3 we currently have. Our ordinance needs to be changed and existing facilities will be required to comply with the new law. The city attorney may want to elaborate, but we feel it necessary to place a four month moratorium on new medical marijuana facilities until we have the understanding of the new law and our ordinances amendments are in place. I would ask that an item be added to your agenda that reads: Approve and authorize a four month moratorium on medical marijuana facilities in the City of Burton.

The Planning Commission will be working on the recommendations for the ordinance changes. Once they have done that, the City Council may want the legislative committee to review before it is put to 1st reading before the City Council. You will get copies of proposed changes as soon as we have them.

You may have seen the media reports of new funding for the water infrastructure. The State of Michigan through MDEQ has approved \$158 million to Drinking Water Revolving Fund for water infrastructure low interest loans. The Federal government is working on \$1 billion for water infrastructure funding. This funding will also be in form of low interest loans.

Chief Epperson asked me to remind everyone the Open house for Fire Prevention week is October 15th 10 a.m - 2 p.m. at all 3 stations.

1. Motion to add as item # 7 to institute a 4 month moratorium on the acceptance of new applications for medical marijuana facilities in the City of Burton.

RESULT:	CARRIED [6 TO 1]
MOVER:	Vaughn Smith, Councilman
SECONDER:	Steven Hatfield, Councilman
AYES:	Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith
NAYS:	Martinbianco

G. COMMITTEE REPORTS

Mrs. Ellenburg stated the Planning Commission is working on the Master Plan. We are having a Visioning Session at the Senior Center on September 29th from 7-9 p.m. Also if you don't have facebook there are survey's in the back of the room and you can fill them out and we will have Amber put them in the system.

Mr. O'Keefe stated that he has attended two 911 meetings. One was on budgeting and the other was about what is going on in the City of Flint. Also asked the Clerk to put out the new 911 flyers that you can text 911 if you are unable to talk.

Mr. Hatfield has asked to have a Public Access meeting on October 3, 2016 at 6:00 p.m. Would like to get out building permits online so people don't have to call to see if someone has pulled a permit.

Patriot Day Hero was good turnout. Lt. Odette has asked me if Burton Parks and Recreation would like to take over the race. He would still be involved.

1. Motion to add as item # 8 to add GL line item for Training & Membership for Park and Recreation and transfer \$2,000 from GL 1001-6090-938.0000.

To send the Park and Recreation Director to training to be able to be certified to inspect our parks.

RESULT:	CARRIED [6 TO 1]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith
NAYS:	Martinbianco

H. AUDIENCE PARTICIPATION

City Council received comments from the following people:

Dale Ellery of Lapeer about contact neighbor first about property for sale. Interest in Vision Session at the Senior Center.

Cheryl Ross of Burton about neighbor's rooster.

Gary Card of Burton about problem on Delaney Street.

John Stapish of Burton about Demo Contracts and blight in front of Blackberry Creek apartments.

I. COUNCIL DISCUSSION

Council discussed the following:

- Protocol before house is demoded
- Panhandler's in city
- June revenue and expenditure reports

- Approved budget vs revenue and expenditures
 - Code enforcement at Auto Sales at Genesee and Davison
 - Zito grading road
 - Sue Warren Contract
 - Updates on roads in City
 - Employees purchasing MERS time but not contributing the 5% over the years
1. Motion to add as item #9 to instruct the administration, by and thru its Mayor and/or Clerk, to notify Sue Warren, Human Resource Director, in writing and 60 days prior to the contract expiration, that automatic renewal of her contract is null and void. That we would like to renegotiate it at this council pleasure or terminate it, one of the two.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Steven Hatfield, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

J. COUNCIL ACTION

1. Approve and authorize the Attorney Billing (Amanda Doyle) 08/31/16 to 09/13/16 in the amount \$4,087.75.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Ellen Ellenburg, Councilwoman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

2. Approve and authorize Revised Resolution 2016-17 the application for Industrial Facilities Tax Exemption Certificate filed by Kirby Steel, 4072 Flint Asphalt Dr., Burton, MI 48529.

Mr. Fowler stated that the State of Michigan asked for more information be in the resolution.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

3. Purchase of MERS Service Time Approve and authorize Ginger Burke-Miller to purchase five (5) years of MERS pension generic service time. The total cost of \$48,395 will be at the employee's expense.

Mr. Haskins would like this tabled until they get clarification from the labor attorney.

RESULT:	TABLED [UNANIMOUS]	Next: 10/3/2016 7:00 PM
MOVER:	Duane Haskins, Councilman	
SECONDER:	Dennis O'Keefe, Councilman	
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith	

4. Approve and Authorize the Mayor and City Clerk to execute a Highway Research Planning & Construction contract with the Michigan Department of Transportation for Traffic signal upgrade work along Center Road and Court Street; including traffic signal box-span configuration, interconnection, concrete sidewalk ramp construction, and all together with necessary related work at the following locations: 1. Center Road and Davison Road 2. Center Road and Robert T. Longway Boulevard 3. Court Street and Home Depot Driveway 4. Court Street and eastern most entrance to Center Mall 5. Center Road and Court Street 6. Center Road and Courtland Center Mall Driveway 7. Center Road and Lapeer Road 8. Center Road and Lippincott Boulevard 9. Center Road and Meijer Driveway 10. Center Road and Atherton Road (DPW Project No. 15-004-P) (MDOT; Control Section CM 25400, Job No. 120044A) (Federal; Project No. CM 1625(041), Item No. HK 1102).

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Steven Hatfield, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

5. Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval of the required bonds and insurance documents, on behalf of the City of Burton with Burnash Wrecking, Inc., 3842 Robert T. Longway Blvd., Flint, MI 48506, in the amount of \$4,775.00 for the demolition of 1484 Scottwood. The funds will come out of Condemned Housing, 2049-2061-959 or Blight Elimination, 2049-2061-966.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Ellen Ellenburg, Councilwoman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

6. Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval of the required bonds and insurance documents, on behalf of the City of Burton with Solar Express, 6280 W. Vienna Rd., Clio, MI 48420, in the amount of \$16,500.00 for the demolition of 4090 Homestead. The funds will come out of Condemned Housing, 2049-2061-959 or Blight Elimination, 2049-2061-966.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Duane Haskins, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

7. Motion to institute a 4 month moratorium on the acceptance of new applications for medical marijuana facilities in the City of Burton.

RESULT:	CARRIED [6 TO 1]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Ellen Ellenburg, Councilwoman
AYES:	Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith
NAYS:	Martinbianco

8. Motion to add GL line item for Training & Membership for Park and Recreation and transfer \$2,000 from GL 1001-6090-938.0000.

RESULT:	CARRIED [6 TO 1]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Vaughn Smith, Councilman
AYES:	Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith
NAYS:	Martinbianco

9. Motion to instruct the administration, by and thru its Mayor and/or Clerk, to notify Sue Warren, Human Resource Director, in writing and 60 days prior to the contract expiration, that automatic renewal of her contract is null and void. That we would like to renegotiate it at this council pleasure or terminate it, one of the two.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Steven Hatfield, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

Meeting was adjourned at 8:57 PM.



CITY OF BURTON
BURTON CITY COUNCIL MEETING
SEPTEMBER 6, 2016
MINUTES

Council Chambers

Committee of the Whole

6:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by at 6:00 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Absent	
Duane Haskins	Vice-President	Late	6:35 PM
Steven Heffner	President	Present	
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Late	6:42 PM
Dennis O'Keefe	Councilman	Present	
Ellen Ellenburg	Councilwoman	Present	

B. STAFF PRESENT

Paula Zelenko, Mayor
 Ginger Burke-Miller, Controller

Rik Hayman, Chief of Staff
 Teresa Karsney, Clerk

C. ADMINISTRATIVE REPORT

Mayor Zelenko turned the meeting over to Mr. Smith who requested the meeting.

D. AUDIENCE PARTICIPATION

None

E. COUNCIL ACTION

1. Discussion of Book Dollars and Sense.

Mr. Smith read from the book Local Government Dollars & Sense 4th Edition. Tip # 60 Management Response to Warning Signs is Critical. "Warning signs, are declining population base, change in age or income of the population, impact of collective bargaining, impact of inflation on labor-intensive services, erosion of the tax base, slow growth in revenue from on-going sources and management's response to these trends."

Mrs. Burke-Miller stated the population base was declining for a while but now it is currently growing with the new builds in the city. Also with possibility of new businesses moving into the area. The baby boomer's are the biggest portion of our population and as they age and start retiring that will effect income of our population. Impact of collective bargaining is yet to be determined. Impact of inflation on labor-intensive services, health insurance has been going up. Yes we have had some erosion of the tax base but it is coming back per conversations with

the Assessor. She answered the following questions that were listed under the Tip #60.

- An operating deficit for the current year - depends on how you define a deficit. If you are saying did we dip into fund balance? Yes, we have dipped into fund balance because we did some advance construction on some roads. If you are saying a deficit is we went into a negative and depleted all of our fund balance, no we have never done that.
- Two consecutive years of operating fund deficits - No, in 2015 we added to our fund balance.
- A current year operating deficit that is larger than the previous year's deficit - Since we added last year this does not apply.
- A two-year trend of increasing short-term debt outstanding at the fiscal year end - Yes our short term debt has been increasing because we have been leasing trucks.
- Property taxes greater than 90 percent of the tax limit - Unsure what this was so we contacted the author and this has to do with flexibility. Is more a policy discussion for the governing board? What it is pertaining to, do you tax at the maximum levy?
- Debt outstanding greater than 90 percent of the debt limit - No we are just under 10% of our debt limit.
- Total property tax collection less than 92 percent of the total levy - No
- A trend of decreasing tax collections (two consecutive years in a three-year trend) - No
- Declining market valuations (two consecutive years in a three-year trend) - When I spoke with the Assessor, he said yes in 2009, 2010 and 2011.
- Expanding annual unfunded pension obligations - No because we have been putting extra money into our pensions unfunded obligations.

Mr. Smith read Tip # 68: Identify the inhibitors to Solving the problems. "This is where governing body leadership is vital. Unions, businesses, homeowners and other special interest groups whose help is needed to solve problem tend to sit back and wait for other to commit. Elected officials have to exercises political courage by telling it like it is and recruiting these groups to make the needed sacrifices."

Tip # 70: Examine Revenue Estimates. "Too often elected officials will make major expenditure cuts without checking revenue projections. It could be that while the expenditures are estimated fairly, the revenues are estimated conservatively. This may force the elected body to make unnecessary cutbacks. As a general rule, staff member "low ball" revenue estimates."

Meeting was adjourned at 6:58 PM.



CITY OF BURTON
BURTON CITY COUNCIL MEETING
SEPTEMBER 6, 2016
MINUTES

Council Chambers

Regular Meeting

7:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by President Steven Heffner at 7:20 PM.

A. INVOCATION LED BY: MRS. ELLENBURG

Invocation was led by Bishop Bernadel Jefferson

B. THE PLEDGE OF ALLEGIANCE IS LED BY: MRS. ELLENBURG

C. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Vice-President	Present	
Steven Heffner	President	Present	
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Present	
Dennis O'Keefe	Councilman	Present	
Ellen Ellenburg	Councilwoman	Present	

D. STAFF PRESENT

Paula Zelenko, Mayor
Teresa Karsney, Clerk
Ginger Burke-Miller, Controller

Rik Hayman, Chief of Staff
Robert Slattery, DPW Director

E. APPROVAL OF MINUTES

1. City Council - Special Meeting - Apr 25, 2016 7:00 PM

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Ellen Ellenburg, Councilwoman
SECONDER:	Vaughn Smith, Councilman
AYES:	Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

2. City Council - Regular Meeting - Aug 4, 2016 7:00 PM

Minutes Acceptance: Minutes of Sep 6, 2016 7:00 PM (APPROVAL OF MINUTES)

RESULT: **ACCEPTED [UNANIMOUS]**
MOVER: Ellen Ellenburg, Councilwoman
SECONDER: Vaughn Smith, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

3. City Council - Demo Hearing - Aug 15, 2016 6:00 PM

RESULT: **ACCEPTED [UNANIMOUS]**
MOVER: Ellen Ellenburg, Councilwoman
SECONDER: Vaughn Smith, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

4. City Council - Regular Meeting - Aug 15, 2016 7:00 PM

RESULT: **ACCEPTED [UNANIMOUS]**
MOVER: Ellen Ellenburg, Councilwoman
SECONDER: Vaughn Smith, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

5. City Council - Special Meeting - Aug 25, 2016 7:00 PM

RESULT: **ACCEPTED [UNANIMOUS]**
MOVER: Ellen Ellenburg, Councilwoman
SECONDER: Vaughn Smith, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

F. ADMINISTRATIVE REPORTS

Mayor Zelenko went over the agenda items.

You all have the new Master Plan flyer . This is being sent to all our residents with their water/sewer bills. A visioning session has been scheduled for September 29, 2016 at the Burton Senior Citizens Center from 7 to 9 p.m. Please encourage residents and members of your respective civic organizations to attend to give input and ideas.

The 7th Annual project Heats on is Saturday, October 15th. Sponsorship forms have been placed in your boxes.

The Annual Policeman's Ball is also October 15th at the Holiday Inn Gateway Center.

Mr. President, I would like to request a closed session under the Open Meeting Act section 8(c) strategy for negotiation of collective bargaining. Mr. Leadford is here to give you an update.

Ms. Marne Carlson from MERS is here tonight to go over the December 31, 2015 MERS Actuarial Valuation. She has copies of the document for you.

Ms. Carlson from MERS stated that 84% of Michigan Municipalities participate in MERS programs and we have 100,000 + participants with \$9 billion in combined total assets. MERS is governed by an elected board that operates without compensation. It consists of 3 officers members (officers of a participating municipality, elected by membership), 3 employee members (non-officers of a participating municipality, elected by the members), 2 expert members (with experience in retirement systems or investment management, appointed by the board), and one retired member (retiree of the system appointed by the board). The municipalities MERS have are at all different funding levels. This evaluation for December 31, 2015 is the minimum by State law that the municipality is required to contribute in the year 2017. Currently the City of Burton is at 41% funded. The mortality table was adjusted to reflect longer lifetimes. The assumed annual rate of investment return, net of all expenses, was lowered from 8% to 7.75%. The asset smoothing was changed from 10 to 5 years. The amortization period was moved to fixed period amortization for the December 31, 2014 annual valuations. The new amortization period layers and the new 5-year asset smoothing do not impact this 2015 annual valuation, other than the 6 year projections. These method changes will first impact the December 31, 2016 annual valuation.

G. COMMITTEE REPORTS

Mrs. Ellenburg stated that there is a Planning Commission meeting next week on Tuesday, September 13, 2016 and we will be discussing the Master Plan and would like the public's input. Also that we will be having a public input session at the Burton Senior Center on September 29, 2016 from 7:00 p.m. to 9:00 p.m.

H. AUDIENCE PARTICIPATION

City Council received comments from the following people:

Judy Estes of Burton on the Industrial Park Property.

I. COUNCIL DISCUSSION

Article in the Municipal Water about the Mayor of Burton

Update on Demo of 2129 Delaney.

Water project at Carman and Camden.

1. Motion to go into executive session under the Open Meeting Act 8(c) after Council Action.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Tom Martinbianco, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

J. COUNCIL ACTION

Minutes Acceptance: Minutes of Sep 6, 2016 7:00 PM (APPROVAL OF MINUTES)

1. Approve and authorize the Attorney Billing (Amanda Doyle) 8/10/16 to 8/30/16 in the amount \$6,417.00.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

2. Approve and authorize waiving the collection of monies due the City of Burton in accordance with a July 27, 1998 contract executed between the City of Burton and Rizzo Industrial LLC, the developer of Rizzo Industrial Park, in which the sum of \$8,990.21 per acre is due the City upon the sale of each acre in Rizzo Industrial Park as reimbursement for infrastructure improvements installed by the City of Burton. The waiver shall apply to the sale of the remaining lots: Parcel numbers 59-31-529-009; 59-31-529-010; 59-31-529-013; 59-31-529-014; 59-31-529-018; 59-31-529-016; 59-31-529-003; 59-31-529-022; 59-31-529-007; and, 59-31-529-015, for a total amount waived of \$180,793.07.

Scott Somer from Mid-States Bolt & Screw Company stated that they are interested in purchasing this property. They currently contribute to the Burton Community and want to make sure the right type of companies move into this Industrial park. They are willing to maintain the property and pay the taxes until the property is sold.

Each council member had opinions on this waiver.

Council took at ten minute break at 9:07 p.m.

Council came back from break at 9:17 p.m.

Motion to amend Item #2 to read the waiver shall apply to the following parcels numbers: 59-31-529-009; 59-31-529-010; 59-31-529-013; 59-31-529-014; 59-31-529-015; 59-31-529-018 for a total amount waived of \$112,107.89.

RESULT:	CARRIED AS AMENDED [5 TO 2]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Smith, Hatfield, O'Keefe, Ellenburg
NAYS:	Haskins, Heffner

3. Approve and authorize Resolution 2016-18 for road closures for Bikes on the Bricks on September 10, 2016.

RESULT: CARRIED [UNANIMOUS]
MOVER: Duane Haskins, Vice-President
SECONDER: Steven Hatfield, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

4. Approve and authorize the request for Residential Sanitary Sewer & Water Installer's License for Throop, Inc., 10704 S. Center Rd. Grand Blanc, MI 48439.

RESULT: CARRIED [UNANIMOUS]
MOVER: Steven Hatfield, Councilman
SECONDER: Duane Haskins, Vice-President
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

5. Approve and authorize the request for Residential Sanitary Sewer & Water Installer's License for Ron Dennis Excavating & Landscape Corp., 3080 Grange Hall Rd. Holly, MI. 48442.

RESULT: CARRIED [UNANIMOUS]
MOVER: Tom Martinbianco, Duane Haskins
SECONDER: Dennis O'Keefe, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

6. Budget Amendment (Budget #1701-1702) Approve and authorize the following 2016-2017 budget amendment: Increase 2003-4090-957.0020 Special Assessments City Owned - Brabbs and Savoy by \$1,300; Increase Contingency 2003-0000-699.0000 by \$1,300.

RESULT: CARRIED [UNANIMOUS]
MOVER: Dennis O'Keefe, Councilman
SECONDER: Tom Martinbianco, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

7. Budget Amendment (Budget #1703-1704) Approve and authorize the following 2016-2017 budget amendment: Increase 1001-0000-699.0000 Contingency by \$365,400; Decrease 1001-0000-403.0000 Current/Real Property Taxes by \$365,400.

RESULT: CARRIED [UNANIMOUS]
MOVER: Dennis O'Keefe, Councilman
SECONDER: Steven Hatfield, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

8. Budget Amendment (Budget #1707-1710) Approve and authorize the following 2016-2017 budget amendment: Increase 2006-0000-501.7081 AFG Grant Revenue by \$428,918; Increase 2006-0000-699.0000 Contingency by \$42,891; Increase 2006-2006-977.7089 New Equipment by \$445,809 and Increase 2006-2006-962.0000 Training and Materials by \$26,000.

RESULT: CARRIED [UNANIMOUS]
MOVER: Steven Hatfield, Councilman
SECONDER: Dennis O'Keefe, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

9. Budget Amendment (Budget #1711-1716) Approve and authorize the following 2016-2017 budget amendment: Decrease 2003-0000-574.0000 Gas and Weight Tax by \$36,250; Increase 2003-0000-699.0000 Contingency by \$36,250; Decrease 2002-0000-574.0000 51 Gas and Weight Tax by \$133,750; Increase 2002-0000-691.0000 Transfers in from other funds of \$133,750; Increase 1001-9099-999.2002 Transfers to Major Streets \$133,750 and Increase 1001-0000-699.0000 Contingency by \$133,750.

RESULT: CARRIED [UNANIMOUS]
MOVER: Dennis O'Keefe, Councilman
SECONDER: Steven Hatfield, Councilman
AYES: Martinbianco, Haskins, Heffner, Smith, Hatfield, O'Keefe, Ellenburg

10. Statement

Council members went into closed session at 9:45 p.m.

Council members went came out of closed session at 10:12 p.m.

Meeting was adjourned at 10:13 PM.



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

Meeting: 09/19/16 07:00 PM
Department: City Council
Category: Attorney Billing
Prepared By: Teresa M. Karsney
Department Head: Teresa M. Karsney

J.1

ADOPTED

AGENDA ITEM (ID # 2689)

DOC ID: 2689

**Approve and authorize the Attorney Billing (Amanda Doyle)
08/31/16 to 09/13/16 in the amount \$4,087.75.**

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Ellen Ellenburg, Councilwoman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith



ADOPTED

AGENDA ITEM (ID # 2686)

DOC ID: 2686

Approve and authorize Revised Resolution 2016-17 the application for Industrial Facilities Tax Exemption Certificate filed by Kirby Steel, 4072 Flint Asphalt Dr., Burton, MI 48529.

ATTACHMENTS:

- IFT Resolution Revised 2016-17 (DOCX)

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Dennis O'Keefe, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

CITY OF BURTON
GENESEE COUNTY, MICHIGAN

REVISED RESOLUTION 2016 -17

**A RESOLUTION APPROVING APPLICATION
FOR INDUSTRIAL EXEMPTION CERTIFICATE
FOR KIRBY STEEL, INC.**

_____ moved and _____ seconded the following:

WHEREAS, the City has received an application for an industrial facilities exemption certificate from Kirby Steel Inc. permitting tax abatement for real and personal property pursuant to MCL 207.551 et. seq., the Plant Rehabilitation and Industrial Development Districts Act; and

WHEREAS, the City Clerk has provided notice to the assessor for the City of Burton and all of the taxing authorities, and all relevant parties have been given an opportunity to be heard on the application pursuant to MCR 207.555; and

WHEREAS, the City Council of the City of Burton, has considered the application and input from the public hearing held July 5, 2016; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before June 3, 2016, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, the City Council finds, pursuant to MCL 207.559, that the granting of the industrial facilities exemption certificate, considered together with the aggregate amount of industrial facilities exemption certificates previously granted and currently in force, shall not have the effect of substantially impeding the operation of the City of Burton or impairing the financial soundness of a taxing unit that levies an ad valorem property tax in the City of Burton; and

WHEREAS, the City Council finds that the applicant meets the requirements set forth in MCL 207.559.

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Burton, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW THEREFORE, BE IT RESOLVED that the application for industrial exemption certificate for Kirby Steel, Inc. is approved. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

THIS RESOLUTION IS DECLARED ADOPTED.

Ayes:

Nays:

Absent:

I certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council of the City of Burton Genesee County, Michigan, at its regular meeting held on the ____ of _____, 2016, at the Burton City Hall, 4303 S. Center Road, Burton, Michigan 48519.

TERESA M. KARSNEY, CITY CLERK



TABLED

AGENDA ITEM (ID # 2677)

DOC ID: 2677

**Purchase of MERS Service Time Approve and authorize
Ginger Burke-Miller to purchase five (5) years of MERS
pension generic service time. The total cost of \$48,395 will be
at the employee's expense.**

RESULT:	TABLED [UNANIMOUS]	Next: 10/3/2016 7:00 PM
MOVER:	Duane Haskins, Councilman	
SECONDER:	Dennis O'Keefe, Councilman	
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith	



ADOPTED

AGENDA ITEM (ID # 2678)

DOC ID: 2678

Approve and Authorize the Mayor and City Clerk to execute a Highway Research Planning & Construction contract with the Michigan Department of Transportation for Traffic signal upgrade work along Center Road and Court Street; including traffic signal box-span configuration, interconnection, concrete sidewalk ramp construction, and all together with necessary related work at the following locations: 1. Center Road and Davison Road 2. Center Road and Robert T. Longway Boulevard 3. Court Street and Home Depot Driveway 4. Court Street and eastern most entrance to Center Mall 5. Center Road and Court Street 6. Center Road and Courtland Center Mall Driveway 7. Center Road and Lapeer Road 8. Center Road and Lippincott Boulevard 9. Center Road and Meijer Driveway 10. Center Road and Atherton Road (DPW Project No. 15-004-P) (MDOT; Control Section CM 25400, Job No. 120044A) (Federal; Project No. CM 1625(041), Item No. HK 1102).

ATTACHMENTS:

- Blue Corner Contract - CMAQ - 2016 (PDF)

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Steven Hatfield, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

CMAQ

DA

Control Section	CM 25400
Job Number	120044A
Project	CM 1625(041)
Federal Item No.	HK 1102
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	16-5418

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 agreeing to the following improvements, in the City of Burton, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated July 21, 2016, attached hereto and made a part hereof:

Traffic signal upgrade work along Center Road and Court Street; including traffic signal box-span configuration, interconnection, signal timing optimization, and concrete sidewalk ramp construction work; and all together with necessary related work; at the following locations:

1. Center Road and Davison Road
2. Center Road and Robert T. Longway Boulevard
3. Court Street and Home Depot Driveway
4. Court Street and eastern most entrance to Center Mall
5. Center Road and Court Street
6. Center Road and Courtland Center Mall Driveway
7. Center Road and Lapeer Road
8. Center Road and Lippincott Boulevard
9. Center Road and Meijer Driveway
10. Center Road and Atherton Road

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

09/06/90 STPLS.FOR 7/21/16

1

Attachment: Blue Corner Contract - CMAQ - 2016 (2678 : Approve and Authorize Mayor and Clerk to execute a contract with MDOT for traffic

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:

CONGESTION MITIGATION AND AIR QUALITY

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 force account work incurred by the REQUESTING PARTY and the cost of the physical construction incurred by the DEPARTMENT necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except construction engineering and inspection.

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

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

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT, including advertising and awarding the construction contract for the PROJECT or 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 traffic signal controller set-up for 10 locations necessary for the completion 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 PROJECT.

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

The method of performing the work will be indicated on the work authorization. The REQUESTING PARTY will comply with PART II, Section IIF, when applicable.

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Congestion Mitigation and Air Quality Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$913,163, or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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

6. No working capital deposit will 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 an effective billing rate and the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses. The initial effective billing rate for the federal funding of the PROJECT is calculated by using the federal funding for the PROJECT set at the time of the award of the construction contract, as described in Section 5, and dividing by the total costs of the PROJECT eligible for federal funding and authorized at the time of the award of the construction contract.

The effective billing rate for the federal funding of the PROJECT is determined by the current funding authorization for the PROJECT and may change as the PROJECT progresses and funding authorizations are increased or decreased.

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 adhered 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 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 responsive 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.

The DEPARTMENT shall not be subject to any obligations or liabilities by contractors of the REQUESTING PARTY 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 REQUESTING PARTY shall take no action or conduct which arises either directly or indirectly out of its obligations, responsibilities, and duties under this contract, which results in claims being asserted against or judgments being imposed against the State of Michigan, the DEPARTMENT, and/or the Michigan State Transportation Commission.

In the event that the same occurs, for the purpose of this contract it will be considered as a breach of this contract thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan State Transportation Commission a right to seek and obtain any necessary relief or remedy, including but not by way of limitation, a judgment for money damages.

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.

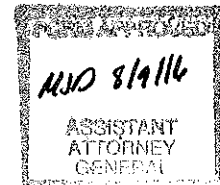
CITY OF BURTON

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



RDB
8/9/16

APPROVED BY

Administrator
Real Estate

8/10/16
Date

July 21, 2016

EXHIBIT I

CONTROL SECTION	CM 25400
JOB NUMBER	120044A
PROJECT	CM 1625(041)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$1,672,300
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FORCE ACCOUNT WORK (REQUESTING PARTY)

Traffic Signal Controller Set-Up for 10 locations	\$ 34,449
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GRAND TOTAL ESTIMATED COST	\$1,706,749
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$1,706,749
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Less Federal Funds*	<u>\$ 913,163</u>
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BALANCE (REQUESTING PARTY'S SHARE)	\$ 793,586
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*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

DOT

TYPE B
BUREAU OF HIGHWAYS
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

03-15-93

I

Attachment: Blue Corner Contract - CMAQ - 2016 (2678 : Approve and Authorize Mayor and Clerk to execute a contract with MDOT for traffic

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.



ADOPTED

AGENDA ITEM (ID # 2687)

DOC ID: 2687

Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval of the required bonds and insurance documents, on behalf of the City of Burton with Burnash Wrecking, Inc., 3842 Robert T. Longway Blvd., Flint, MI 48506, in the amount of \$4,775.00 for the demolition of 1484 Scottwood. The funds will come out of Condemned Housing, 2049-2061-959 or Blight Elimination, 2049-2061-966.

ATTACHMENTS:

- Bid Tab 1484 Scottwood (PDF)
- Memo to Mayor - Agenda Item - Demos(DOC)

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Duane Haskins, Councilman
SECONDER:	Ellen Ellenburg, Councilwoman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

Attachment: Bid Tab 1484 Scottwood (2687 : Acceptance of Bids)

MEMORANDUM

TO: Paula Zelenko, Mayor

FROM: Brenda Moulton, Purchasing Agent

DATE: September 13, 2016

RE: Demolition Bid Openings

Stuart Worthing brought two properties to my attention to advertise and solicit bids for demolitions. Bid Openings were held today at 10:00 a.m. in the Council Chambers for 1484 Scottwood and 4090 Homestead. I would like to place the following on the agenda for the next regularly scheduled Burton City Council meeting:

Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval of the required bonds and insurance documents, on behalf of the City of Burton with Burnash Wrecking, Inc., 3842 Robert T. Longway Blvd., Flint, MI 48506, in the amount of \$4,775.00 for the demolition of 1484 Scottwood. The funds will come out of Condemned Housing, 2049-2061-959 or Blight Elimination, 2049-2061-966.

Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval of the required bonds and insurance documents, on behalf of the City of Burton with Solar Express, 6280 W. Vienna Rd., Clio, MI 48420, in the amount of \$16,500.00 for the demolition of 4090 Homestead. The funds will come out of Condemned Housing, 2049-2061-959 or Blight Elimination, 2049-2061-966.



ADOPTED

AGENDA ITEM (ID # 2688)

DOC ID: 2688

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ATTACHMENTS:

- 4090 Homestead (PDF)
- Memo to Mayor - Agenda Item - Demos(DOC)

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Steven Hatfield, Councilman
SECONDER:	Duane Haskins, Councilman
AYES:	Martinbianco, Haskins, Heffner, Ellenburg, Hatfield, O'Keefe, Smith

[illegible]

MEMORANDUM

TO: Paula Zelenko, Mayor

FROM: Brenda Moulton, Purchasing Agent

DATE: September 13, 2016

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