



# AGENDA

## CITY COMMISSION MEETING

Monday, June 20, 2016

7:00 PM

1. Call to Order.
2. Pledge of Allegiance.
3. Roll Call.
4. Announcements, Acknowledgments and Communications and Reports.
5. Adoption of Agenda.
6. Public Participation.
7. Administrative Response to Issues or Questions Raised During Previous Meetings.
8. Approval of Minutes.
9. General Business.

9-A - Approval of the Resolution to Create and Fund the Specialty Court Fund through the Assessment of an Additional \$5.00 on Each Civil Infraction and Misdemeanor Case.

9-B – Introduction and First Reading of an Ordinance Authorizing the Rezoning of Property Located at 168 N. Groesbeck, 180 N. Groesbeck and 193 N. Rose from I-1 Light Industrial to GC General Commercial.

9-C - Request Approval of the Sale of Vacant City-Owned Lots.

9-D - Request Approval to Enter into an Agreement with the Michigan Department of Transportation for the Pavement Repair of Church Street.

9-E - Request Approval of the 2015-2016 Fiscal Year Budget Amendments for All City Funds and Assign \$150,000 of General Fund Balance.

9-F - Approve Purchases and Payment of Invoices.

10. Consent Agenda.

10-A – Appointments to Boards, Committees and Commissions.

- Appointment of Curtis Jemison to the Traffic Safety Committee

10-B – Request Approval of an Amended 2016 Downtown Development Authority Calendar of Events.

10-C – Request Permission to Hold the Worship Center Church 5K on Sunday, July 17, 2016.

10-D – Request Permission to Hold the 25<sup>th</sup> Annual Mount Clemens Grand Prix on Saturday, September 10, 2016.

10-E – Approval of the FY 2017 Purchase of Service (POS) Contract between SMART and the City of Mount Clemens Dial-A-Ride.

11. City Manager’s Report.

12. Commissioners’ Comments.

13. Executive Session

City Manager Performance Review and Evaluation (Executive Session at request of City Manager)

14. Adjournment.

The City of Mount Clemens will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audiotapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon one week-notice to the City of Mount Clemens. Individuals with disabilities requiring auxiliary aids should contact the City of Mount Clemens by writing or calling the following:

City Clerk’s Office  
One Crocker Boulevard  
Mount Clemens, Michigan 48043  
586.469.6818, Extension 310  
911 - TDD

**CITY COMMISSION MEETING**

**County of Macomb  
State of Michigan**

**June 6, 2016  
Commission Chambers**

A regular meeting of the Mount Clemens City Commission was held on Monday, June 6, 2016, at 7:00 p.m. The meeting was held in the Commission Chambers of the Municipal Building, One Crocker Boulevard, Mount Clemens, Michigan. Present at this meeting were Mayor Barb Dempsey and Commissioners Roger Bunton, Ronald Campbell, Lois Hill, Laura Kropp and Denise Mentzer. Also in attendance were Steven Brown, City Manager, Michael Murray, City Attorney and Lisa Borgacz, City Clerk.

The meeting was called to order at 7:00 p.m.

**ANNOUNCEMENTS, ACKNOWLEDGEMENTS, COMMUNICATIONS AND REPORTS, WERE ADDRESSED, ITEM 4.**

**THE ADOPTION OF THE AGENDA WAS CONSIDERED, ITEM 5.**

Commissioner Bunton made a motion, supported by Commissioner Kropp, to approve the agenda as presented. The motion passed unanimously.

**PUBLIC PARTICIPATION WAS CONDUCTED, ITEM 6.**

**ADMINISTRATIVE RESPONSE TO ISSUES OR QUESTIONS RAISED DURING PREVIOUS MEETINGS WERE RECEIVED, ITEM 7.**

**APPROVAL OF MINUTES WAS CONSIDERED, ITEM 8.**

Commissioner Hill made a motion, supported by Commissioner Bunton, to approve the minutes of the City Commission Regular Meeting of May 16, 2016, as presented. The motion passed unanimously.

**TO ADOPT A RESOLUTION SUPPORTING A CHARITABLE GAMING LICENSE FOR TURNING POINT WAS CONSIDERED, ITEM 9-A.**

Commissioner Kropp made a motion, supported by Commissioner Mentzer, to approve the adoption of the Local Governing Body Resolution for Charitable Gaming Licenses for Turning Point, Inc. The motion passed unanimously.

**REQUEST CITY COMMISSION APPROVAL OF A CONTRACT EXTENSION FOR UTILITY DEPARTMENT MANAGEMENT WAS CONSIDERED, ITEM 9-B.**

Commissioner Bunton made a motion, supported by Commissioner Hill, to approve extending the Professional Services Agreement for day-to-day management and oversight of the Utilities Department with F & V Operations and Resource Management, Inc., for one year under the same terms and conditions; and authorize the Mayor and City Clerk to execute the appropriate Contract Extension Agreement as finalized by the City Attorney.

The vote on the motion was:

Ayes: Hill, Mentzer, Bunton, Campbell, Dempsey

Nays: Kropp

The motion passed.

**REQUEST APPROVAL TO ENTER INTO AGREEMENTS FOR INSPECTOR SERVICES IN THE COMMUNITY DEVELOPMENT DEPARTMENT FOR THE 2017 FISCAL YEAR WAS CONSIDERED, ITEM 9-C.**

Commissioner Hill made a motion, supported by Commissioner Campbell, to approve the Agreements for Inspector Services between the City of Mount Clemens and Matthew M. Berman, Joseph A. Orr, Michael L. Ferron and Fusion Electric, Inc.; and to authorize the Mayor and City Clerk to execute the same. The motion passed unanimously.

**DRAFT MASTER PLAN UPDATE – REVIEW AND RELEASE FOR DISTRIBUTION WAS CONSIDERED, ITEM 9-D.**

Commissioner Campbell made a motion, supported by Commissioner Bunton, to approve releasing the draft Master Plan Update for distribution and comment pursuant to the Michigan Planning Enabling Act. The motion passed unanimously.

**REQUEST CITY COMMISSION AUTHORIZATION TO REPAIR UNSAFE SIDEWALKS WAS CONSIDERED, ITEM 9-E.**

Commissioner Campbell made a motion, supported by Commissioner Hill, to authorize and order the Director of Public Services to proceed with the repair of those sidewalks listed as follows, unless such repairs are performed by the property owner by June 13, 2016.

**2015-2016 Sidewalk Repair**

<b>Number</b>	<b>Street</b>	<b># of 4' Flags</b>	<b># of 6' Flags</b>
147	Crocker	1	2
151	Crocker	2	
153	Crocker	1	2
155	Crocker	3	1
161	Crocker	2	
163	Crocker	2	1
171	Crocker	4	1
175	Crocker	1	
217	Crocker	1	
219	Crocker	1	3
221	Crocker	3	1
223	Crocker	1	
235	Crocker	6	2
247	Crocker	5	
251	Crocker	3	
257	Crocker	4	
261	Crocker	2	

263	Crocker	4	
265	Crocker	3	
285	Crocker	7	
301	Crocker	10	
303	Crocker	6	1
315	Crocker	4	5
318-322	Crocker	11	3
312	Crocker	3	
300	Crocker	2	2
250	Crocker	3	3
246	Crocker	1	
226	Crocker	3	
218	Crocker	2	
216	Crocker	3	
186	Crocker	2	
174	Crocker	2	
168-170	Crocker	2	
162	Crocker	3	
154	Crocker	3	
142	Crocker	5	
134-136	Crocker	2	
130	Crocker	4	
88	Crocker	3	
62-84	Crocker	7	
11-14-280-011	Crocker	13	
52	Crocker	1	2
11-13-308-064	Crocker	4	
716	Harrington	5	1
143	South	4	1
<b>Subtotal Flags</b>		<b>164</b>	<b>31</b>
<b>Total Estimated Flags</b>		<b>195</b>	

The motion passed unanimously.

**REQUEST APPROVAL TO CONTINUE THE PUBLICATION AND DISTRIBUTION OF THE CITY NEWSLETTER THROUGH C & G NEWSPAPERS WAS CONSIDERED, ITEM 9-F.**

Commissioner Bunton made a motion, supported by Commissioner Hill, to approve the printing and distribution of the Clementimes newsletter on a quarterly basis at a cost of \$1,390 per publication. The motion passed unanimously.

**APPROVAL OF PURCHASES AND PAYMENT OF INVOICES WAS CONSIDERED, ITEM 9-G.**

Commissioner Hill made a motion, supported by Commissioner Kropp, to approve purchases and payment of invoices as presented. The motion passed unanimously.

**THE CONSENT AGENDA WAS CONSIDERED, ITEM 10.**

Commissioner Bunton made a motion, supported by Commissioner Kropp, to approve the Consent Agenda as presented:

In Item 10-A, adoption of a resolution for severance of the Mount Clemens Housing Commission was approved.

In Item 10-B, the request to approve a resolution authorizing the implementation of recommendations necessary to receive Redevelopment Ready Communities Certification from the Michigan Economic Development Corporation (MEDC), was approved.

In Item 10-C, approval of the dates for regular City Commission Meetings for the 2016-2017 Fiscal Year, was approved.

The motion passed unanimously.

**THE CITY MANAGER'S REPORT WAS GIVEN, ITEM 11.**

**COMMISSIONERS' COMMENTS WERE RECEIVED, ITEM 12.**

**EXECUTIVE SESSION WAS CONDUCTED, ITEM 13.**

Commissioner Mentzer made a motion, supported by Commissioner Kropp, to enter Executive Session to discuss Collective Bargaining Negotiations and Pending Litigation at 8:24 p.m. The motion passed unanimously.

Commissioner Mentzer made a motion, supported by Commissioner Bunton, to close Executive Session and return to the regular meeting at 9:11 p.m. The motion passed unanimously.

Commissioner Kropp made a motion, supported by Commissioner Bunton, to authorize the City Attorney to take such action and file such pleadings as he deems necessary in the matter of Mount Clemens Lodge, Inc. versus City of Mount Clemens. The motion passed unanimously.

Commissioner Mentzer made a motion, supported by Commissioner Bunton, to adjourn the meeting. The motion passed unanimously.

The meeting was adjourned at 9:13 p.m.

Respectfully submitted,

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Barb Dempsey, Mayor

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Lisa Borgacz, City Clerk

**EXPLANATION OF AGENDA – June 20, 2016**

**Agenda Item No. 9-A**

**Approval of the Resolution to Create and Fund the Specialty Court Fund through the Assessment of an Additional \$5.00 on Each Civil Infraction and Misdemeanor Case**

Chief Judge Carrie Lynn Fuca and District Judges Sebastian Lucido and Linda Davis would like to request approval for the Resolution to create and fund the Specialty Court Fund through the assessment of an additional \$5.00 on each civil infraction and misdemeanor case.

**SUBMITTED BY:**

Chief Judge Carrie Lynn Fuca  
District Judge Sebastian Lucido  
District Judge Linda Davis

**RECOMMENDED MOTION:**

Approve the Resolution to create and fund the Specialty Court Fund through the assessment of an additional \$5.00 on each civil infraction and misdemeanor case.

**RESOLUTION ESTABLISHING 41-B DISTRICT COURT - MOUNT CLEMENS  
SPECIALTY COURT FUNDING**

WHEREAS, the City of Mount Clemens has the legal ability to establish a Specialty Court Fund wherein a set amount (\$5.00) of every fine/cost will be allocated to be used towards the 41-B Veteran's Treatment Court and the 41-B Drug/Sobriety Court; and

WHEREAS, the specialty treatment courts are currently funded by both federal and state grants. The grant money that supports said treatment programs is currently providing funding for such things as alcohol and drug testing, treatment, counseling services, etc. The grant monies are distributed amongst other specialty courts both on state and federal levels. The availability of the money is not guaranteed, nor is it likely to be offered repeatedly to the same courts; and

WHEREAS, the State Court Administrator's Office has issued an order advising Specialty Courts to become self-sustaining in the event grant money is not offered. The grant application also requires the Court to provide a plan as to how it intends to fund the Specialty Courts in the event the grant money is no longer available; and

WHEREAS, the money allocated to the Specialty Court fund will be used only to support allowable services and testing to current participants of the 41-B Veteran's Treatment Court and the 41-B Drug/Sobriety Court. These funds will be allocated to the participants only at the request of the treatment court teams, with permission of the presiding Judge; and

WHEREAS, in the event the Specialty Court(s) no longer exists or there is no longer a need for the money, the designated funds will remain in the fund until the funding units have given express permission to use the funds elsewhere.

NOW THEREFORE, BE IT RESOLVED that:

1. The City of Mount Clemens and the 41-B District Court located in the Township of Clinton agree to establish a Specialty Court Fund solely and exclusively for the purpose of providing funds for the treatment of participants in the 41-B Veteran's Treatment Court and the 41-B Drug/Sobriety Court.

2. The said Special Court Fund established on or about June 7, 2016, will be funded through a set amount of fines and costs (\$5.00 per specialty court) levied by the 41-B District Court in the Township of Clinton.

3. The City of Mount Clemens by and through the City Commission hereby adopts and ratifies the establishment of said Specialty Court Fund by the 41-B District Court located in the Township of Clinton, beginning June 7, 2016, with the following conditions:

A. That effective this date, the 41-B District Court located in the Township of Clinton shall collect no more than Ten (\$10.00) Dollars on each civil infraction violation which results in a conviction for the Specialty Court Fund, with the allocation being \$5.00 to the 41-B Veteran's Treatment Court and the 41-B Sobriety Court;

B. That the 41-B District Court located in the Township of Clinton agrees that collection of money for the Specialty Court Fund shall only be done after imposition and collection of all other standard fines and costs, and never in lieu of other fines and costs;

C. That no withdrawals of any kind shall be made from the Specialty Court Fund without the express permission of both the Mount Clemens City Commission and the presiding Judge of the 41-B District Court located in the Township of Clinton.

FURTHER, BE IT RESOLVED that the Specialty Court Fund account shall be maintained by the 41-B District Court.

FURTHER, BE IT RESOLVED that the Specialty Court Fund shall remain in effect until the Specialty Courts are no longer in existence.

This resolution shall become effective this 7<sup>th</sup> day of June, 2016.

CITY OF MOUNT CLEMENS,  
a Michigan Municipal Corporation

By: \_\_\_\_\_  
Barb Dempsey, Mayor

By: \_\_\_\_\_  
Lisa Borgacz, City Clerk

**EXPLANATION OF AGENDA – June 20, 2016**

**Agenda Item No. 9-B**

**Introduction and First Reading of an Ordinance Authorizing the Rezoning of Property Located at 168 N. Groesbeck, 180 N. Groesbeck and 193 N. Rose from I-1 Light Industrial to GC General Commercial**

On June 7, 2016, the Planning Commission held a public hearing on a rezoning request for property located at 168 N. Groesbeck, 180 N. Groesbeck and 193 N. Rose. The request would rezone the property from I-1 Light Industrial to GC General Commercial. The properties are located on the west side of Groesbeck Highway, immediately south of N. Rose. The Master Plan has this property designated as Commercial and Office. The General Commercial zoning would more closely match the existing land uses. The Planning Commission passed an 8-0 motion recommending that the City Commission approve this request.

**SUBMITTED BY:**

Brian L. Tingley  
Community Development Director

**RECOMMENDED MOTION:**

Approve the introduction and first reading of an ordinance authorizing the rezoning of 168 N. Groesbeck, 180 N. Groesbeck and 193 N. Rose from I-1 Light Industrial to GC General Commercial.

CITY OF MOUNT CLEMENS  
AMENDMENT TO THE ZONING ORDINANCE

THE CITY OF MOUNT CLEMENS ORDAINS:

ARTICLE 6, Section 15.061 Sec 6.1, ZONING MAP

SEC. 1. That Article 6, Section 15.061, Sec 6.1, of the Zoning Ordinance of the City of Mount Clemens, being a Zoning Map indicating land use, be, and it hereby is, amended to rezone those certain parcels of land below described:

Premises in the City of Mount Clemens, County of Macomb, State of Michigan:

The rezoning of 168 N. Groesbeck (05-11-10-278-003), 180 N. Groesbeck (05-11-10-278-001), and 193 N. Rose St. (05-11-10-278-002) from I-1 Light Industrial to GC General Commercial District. Said property is more particularly described as:

Assessors Plat No. 10 Lots 34 (05-11-10-278-003), Litvin Subdivision Lot 1 (05-11-10-278-001), and Assessors Plat No. 10 Lot 35 (05-11-10-278-002).

SEC. 2. That Article 6, Section 15.061 Sec 6.1, be, and it hereby is, amended to conform to the aforesaid zoning, and that the boundaries of the above-described property are hereby designated and zoned as described above.

SEC. 3. Except as herein amended, all other provisions of the Zoning Ordinance of the City of Mount Clemens, including Article 6, Zoning Districts and Zoning Map, shall remain in full force and effect.

SEC. 4. The within Ordinance shall take effect ten (10) days after its adoption.

SEC. 5. A copy of this Ordinance may be purchased or inspected at the City Clerk's Office, One Crocker Boulevard, Mount Clemens, Michigan, between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday.

Introduction and First Reading:     June 20, 2016  
Second Reading and Adoption:        July 5, 2016  
Effective Date:                         July 15, 2016

CITY OF MOUNT CLEMENS,  
a Michigan Municipal Corporation

By \_\_\_\_\_  
Barb Dempsey, Mayor

By \_\_\_\_\_  
Lisa Borgacz, City Clerk



**COMMUNITY DEVELOPMENT DEPARTMENT – PLANNING COMMISSION REPORT  
MEETING DATE – JUNE 7, 2016**

**REPORT DATE:** 6/2/2016  
**FILE NO:** PREZ16-001  
**AGENDA ITEM:** VI(1)  
**ASSIGNED STAFF:** Jennifer Neal, Planner; edits by Brian Tingley, Community Development Director  
**APPLICANT:** Amanda Leach and the City of Mount Clemens  
**ADDRESS:** 168 N. Groesbeck, 180 N. Groesbeck, and 193 N. Rose St  
**ZONING:** I-1 Light Industrial  
**REQUEST TYPE:** Zoning Map Amendment  
**REQUESTING:** Rezoning from I-1 Light Industrial to GC General Commercial

**ATTACHED ITEMS:**

- *Rezoning Application – File No. PREZ16-001*
- *Future Land Use Map*
- *Correspondence from 189 N. Rose (pictures to be provided at meeting)*

**OVERVIEW**

Amanda Leach is proposing to rezone one parcel (168 N. Groesbeck) of land from I-1 Light Industrial to GC General Commercial. The parcel currently contains a residential building. The parcel is 0.361 acres, and it is located on the east side of Groesbeck Highway, across from the Valley Drive apartments

The City is proposing to additionally rezone two parcels (180 N. Groesbeck and 193 N. Rose St.) of land from I-1 Light Industrial to GC General Commercial. 180 N. Groesbeck contains a used car auto-sales lot, and 193 N. Rose St. contains a family dining restaurant. 180 N. Groesbeck is 0.277 acres and 193 N. Rose St. is 0.643 acres. The parcels are located on the east side of Groesbeck Highway, across from Buscemi’s party store.

The Master Plan has the subject area designated as “Commercial and Office”. The Master Plan identifies both the General Commercial Zoning District as being compatible with this designation.

**SURROUNDING ZONING/LAND USES**

North: GC General Commercial Zoning – *Market/convenience store*  
East: Multi Use Zoning – *Mount Clemens Community Schools*  
South: I-1 Light Industrial Zoning – *General commercial office and multi-family house*  
West: General Commercial/ RM-1 Multiple Family Residential Zoning – *General commercial multi-tenant strip and Multi-family apartments*

Subject Parcels Outlined in Red



View of parcels looking south



180 N. Groesbeck



193 N. Rose



168 N. Groesbeck



View of parcels looking north



#### STAFF COMMENTS FOR CONSIDERATION

1. The properties contain commercial structures.
2. The properties have frontage along a major State Highway.
3. Classification of the property as General Commercial is in line with the Future Land Use designation and similar to surrounding land uses.

**COMMUNITY DEVELOPMENT DEPARTMENT RECOMMENDATION:** We recommend that the Planning Commission pass a motion recommending that the City Commission approve the rezoning of 168 and 180 N. Groesbeck and 193 N. Rose from I-1 Light Industrial to GC General Commercial, File No. PREZ16-001.

**EXPLANATION OF AGENDA – June 20, 2016**

**Agenda Item No. 9-C**

**Request Approval of the Sale of Vacant City-Owned Lots**

City Administration is recommending that the City Commission authorize the sale of Parcel Numbers 05-11-14-404-005 and 05-11-12-151-018 to Mr. Dan Kress of 21010 Harrington, Clinton Township, for the amount of \$1500.00.

05-11-14-404-005 is located on Northbound Gratiot Avenue, south of Clinton River Drive, and is a buildable lot.

05-11-12-151-018 is located on High Street, just west of Southbound Gratiot Avenue, and is not a buildable lot.

**SUBMITTED BY:**

Brian L. Tingley  
Community Development Director

**RECOMMENDED MOTION:**

Move to authorize the sale of Parcel Numbers 05-11-14-404-005 and 05-11-12-151-018 to Mr. Dan Kress for the amount of \$1500.00; and authorize the Mayor and Clerk to sign the necessary documents executing the sale.

April 18, 2016

City of Mt.Clemens

One Crocker Boulevard

Mt.Clemens, Mi. 48043

To Whom it may concern,

The intent of this letter to make an offer to purchase two of your "City Owned" properties.

The lot numbers are :

**05-11-14-404-005    N.Gratiot Parcel    R1-B zoning**

**05-11-12-151-018    High Street Parcel    R1-B zoning**

I would like offer \$1,500.00 (fifteen hundred dollars) total, for both lots together.

If this offer is acceptable to you, and you would like to move forward with the sale please contact me by U.S Mail or phone (586)665-9611.

Thank you for your time and consideration,

Dan Kress (An agent for a LLC to be formed)

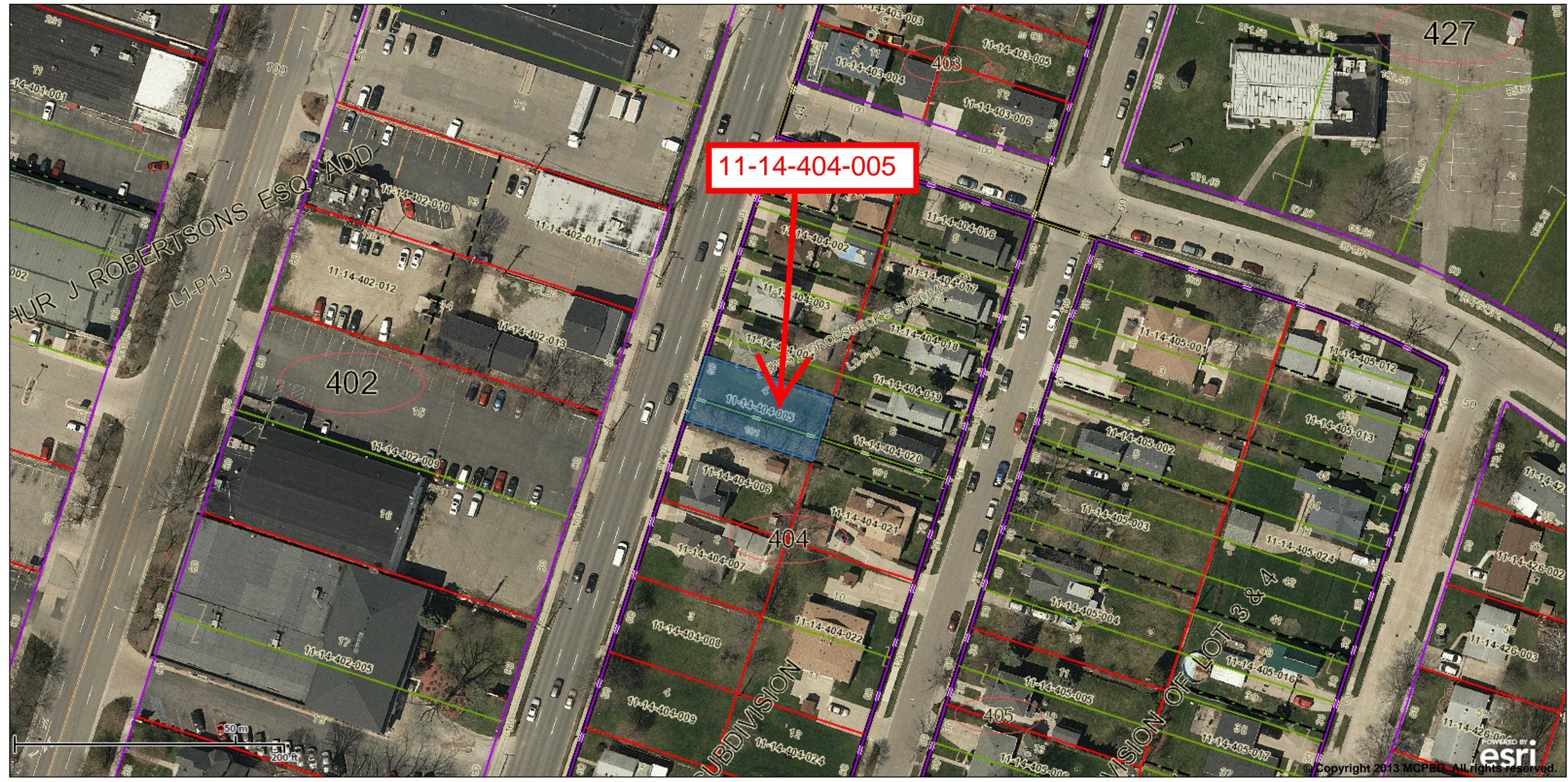
21010 Harrington, Clinton Twp, Mi. 48036

(586)665-9611

# City Owned Lot

11-14-404-005

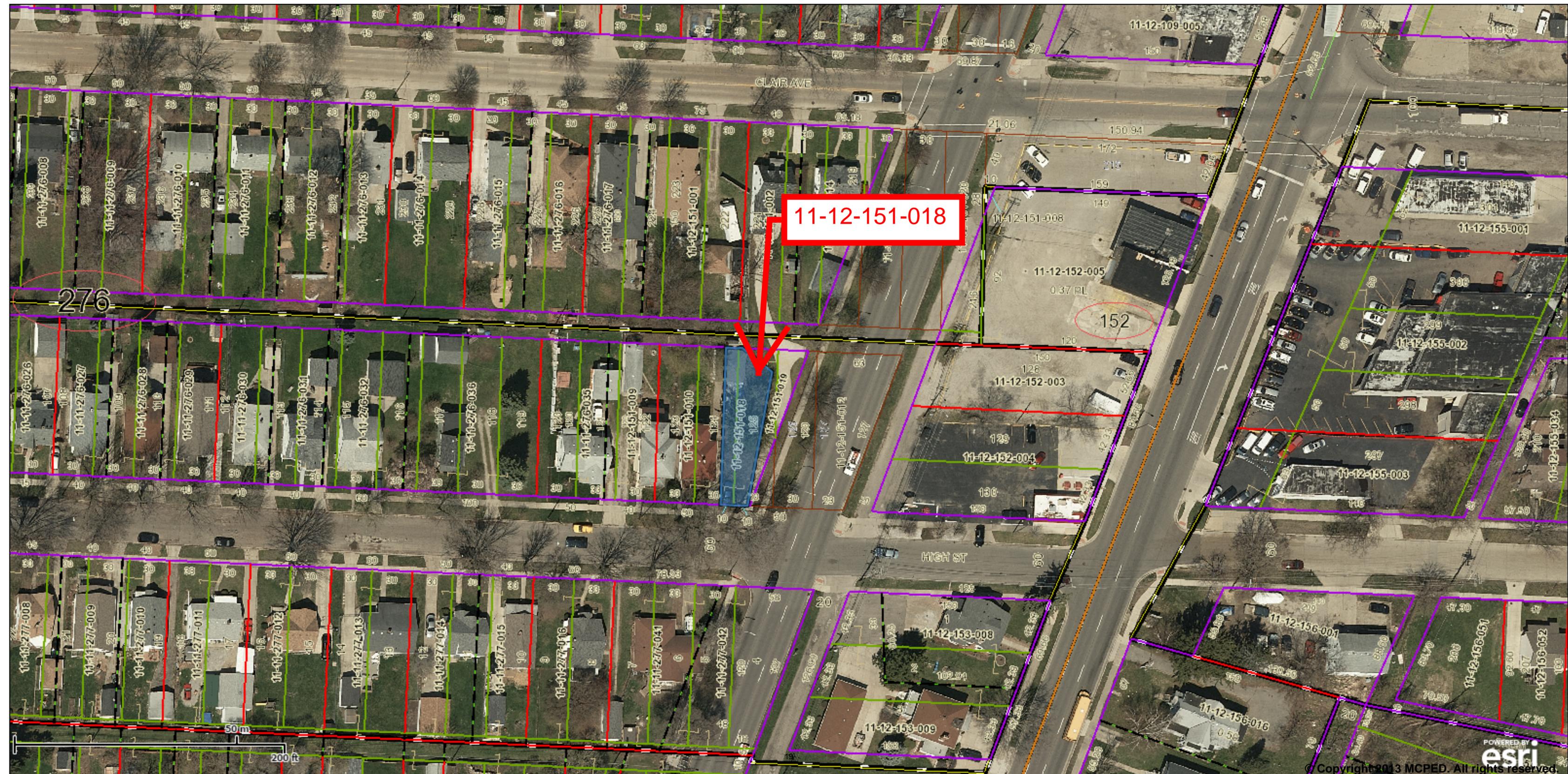
Mon Jun 13 2016 11:16:35 AM.



# City Owned Lot

11-12-151-018

Mon Jun 13 2016 11:15:31 AM.



11-12-151-018

276

152

50m  
200ft

POWERED BY  
esri

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**EXPLANATION OF AGENDA – June 20, 2016**

**Agenda Item No. 9-D**

**Request Approval to Enter into an Agreement with the Michigan Department of Transportation for the Pavement Repair of Church Street**

Enclosed, for your review, is the Surface Transportation Program contract along with a municipal resolution for the pavement repair of Church Street. This is a contractual document between the Michigan Department of Transportation (MDOT) and the City of Mount Clemens which outlines the performance of the project and the project costs.

The total cost for the repair of Church Street is estimated at \$458,200. Federal Surface Transportation funds shall be applied to 81.85% of the applicable project cost. The remaining balance, approximately \$83,200, will be funded by the City's Major Streets Fund.

The attached resolution is necessary in order to specifically name the officials who are authorized to sign the said contract.

Please be advised that this contract has been reviewed by the City Attorney.

**SUBMITTED BY:** Jeffrey D. Wood, Public Services Director

**RECOMMENDED MOTION:** To adopt the resolution and approve the contract between the Michigan Department of Transportation and the City of Mount Clemens for the pavement repair of Church Street, MDOT Contract No. 16-5269, as presented; and to authorize the City Manager and the Public Services Director to sign and enter into the agreement.

**MUNICIPAL RESOLUTION**

Commissioner \_\_\_\_\_ offered the following resolution and moved for its adoption.

**BE IT RESOLVED THAT** the Surface Transportation Program contract between the Michigan Department of Transportation and the City of Mount Clemens, Contract No. 16-5269, is accepted.

**FURTHERMORE** the City Manager and Public Services Director are authorized to sign said contract.

Supported by Commissioner \_\_\_\_\_.

**ADOPTED:** Yeas,  
Nays,

I hereby certify that the foregoing is a true and correct copy of a resolution made and adopted at a regular meeting of the Mount Clemens City Commission on the 20<sup>th</sup> day of June, 2016.

Signed: \_\_\_\_\_  
Barb Dempsey, Mayor

Signed: \_\_\_\_\_  
Lisa Borgacz, City Clerk

STP

DA

Control Section	STU 50458
Job Number	129565A
Project	STP 1650(012)
Federal Item No.	HK 1010
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	16-5269

### 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 MOUNT CLEMENS, 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 Mount Clemens, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated April 14, 2016, attached hereto and made a part hereof:

Full depth concrete pavement repair and joint replacement work along Church Street from Groesbeck Highway easterly to Gratiot Avenue; including hot mix asphalt paving and pavement marking work; and all together with necessary related work.

WITNESSETH:

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

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

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

SURFACE TRANSPORTATION PROGRAM

09/06/90 STP.FOR 4/14/16

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

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

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except for construction engineering and inspection.

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

The 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, at no cost to the PROJECT or to the DEPARTMENT, shall:

- A. Design or cause to be designed the plans for the PROJECT.
- B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
- C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

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

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST at the established Federal participation ratio equal to 81.85 percent. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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

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

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

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

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

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

Buy America Requirements (23 CFR 365.410) 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 MOUNT CLEMENS

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

By \_\_\_\_\_  
Title:

By \_\_\_\_\_  
Department Director MDOT

By \_\_\_\_\_  
Title:



ROB  
5/4/16

APPROVED BY  
Matt J. [Signature] 5/16/16  
Administrator Date  
Real Estate

April 14, 2016

EXHIBIT I

CONTROL SECTION	STU 50458
JOB NUMBER	129565A
PROJECT	STP 1650(012)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$458,200
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$458,200
Less Federal Funds	<u>\$375,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 83,200

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

## 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

03-15-93

- 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.

03-15-93

## 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.

03-15-93

## 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.

03-15-93

## 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.

## EXPLANATION OF AGENDA – June 20, 2016

### Agenda Item No. 9-E

#### **Request Approval of the 2015-2016 Fiscal Year Budget Amendments for All City Funds and Assign \$150,000 of General Fund Balance**

Attached please find the budget amendments for all City funds. Michigan's Uniform Budgeting and Accounting Act, as amended by P.A. 621 of 1978, require subsequent amendments to the original adopted budget (General Appropriations Resolutions) for any activity that exceeds its budget appropriation.

Attached is a summary of the adjustment request in each fund.

General Fund was estimated to net approximately \$250,000 with revenues exceeding expenditures when the 2015-2016 fiscal year budget was established. After 11 months of activity and review of this budget, approximately \$387,000 is now projected to be available in the General Fund, primarily due to lower than estimated expenditures. The recommended motion requests that \$50,000 of the General Fund balance be assigned to establish a retiree health care trust and \$100,000 of the General Fund balance be assigned for capital outlay.

Plante Moran, City auditors, has recommended that the City begin to fund the nearly \$60 million retiree obligation in a trust, as most communities have already done. The current net obligation is \$6.7 million, as shown in the June 30, 2015 audit report. The \$50,000 from the General Fund balance will be used to fund this trust.

The capital outlay will be to replace the outdated phone system used by City buildings that operate on T-1 lines, which are being eliminated, and improve the voice/data connection between City buildings. The estimated cost is \$100,000. The City had set aside \$50,000 in the current budget, but did not bid out any portion of this project due to the estimated funding shortfall. The improved data connection will dramatically increase the communication abilities of out buildings (Fire, DPW, WWTP) and improve the connection to the City's internet-based software, such as Munis and BSA.

**SUBMITTED BY:** Linda A. Kunath, Finance Director/Treasurer

**RECOMMENDED MOTION:** To amend the City of Mount Clemens 2015-2016 fiscal year budget as submitted, assign \$50,000 of General Fund balance to establish a retiree health care trust and assign \$100,000 of General Fund balance for capital outlay for a new phone system and voice/data connections between buildings.

**DATE:** June 16, 2016  
**TO:** Mayor Dempsey and City Commission  
**CC:** Steve Brown, City Manager  
**FROM:** Linda A. Kunath, Finance Director/Treasurer  
**SUBJECT:** Fiscal year 2015-2016 budget amendment request

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The following is information regarding the 2015-2016 fiscal year budget amendment request, which explains notable variances from the originally adopted budget.

#### GENERAL FUND (101)

##### Revenue

- Tax revenue collections amounts overall were about \$60,000 less than anticipated.
- A new state revenue source titled Local Community Stabilization was added in the amount of \$135,300. These state funds will replace the loss of certain personal property types previously collected by local communities.
- Blue Cross Blue Shield issued annual refund checks for excess amounts paid by a fully insured plan. This refund check was in total, over \$200,000 less, for all funds, than previously estimated.
- Recreation program fees were \$20,000 less than previously budgeted, but consistent with previous year's collection amount.
- A federal grant was received in the amount of \$22,600 for Train Depot roof replacement.

##### Expenditures

- Accounting (191) expenditures were higher due to an estimated \$12,300 for temporary staff and \$16,700 for fringe benefit cost.
- City Clerk (121) saved an estimated \$9,500 in reduced advertising expense by using C&G publishing for public notices.
- Auditing Services (223) was \$5,500 less than previously budgeted.
- Information Technology (228) has a net \$10,000 increase in budget amounts, primarily due to the upgrade of BS&A software cost and training which cost \$53,000. Additionally, the City added online access to Assessing and Tax information at an annual cost of \$4,200.
- Elections (262) is projected to have a savings of over \$9,000 primarily due to election worker overall cost reduction and advertising expense savings.
- Building and Grounds (265) had increased telephone cost of \$4,000 but reduced cost for Electric and Heat of \$15,000.
- Legal Services (266) overall increase expenses were \$4,500 over previous budget due to increased labor related expenses.
- Personnel (270) overall reduced cost of about \$17,000 was due to a vacant position netted against the cost of temporary staffing.
- Police (301) was decreased by \$9,000 and Dispatch (325) was increased by \$3,600, both are due to changes in agreements with Macomb County effective January 1, 2016.

General Fund – Expenditures continued

- Fire (336) had a total expense overage of \$73,000, which includes overtime and fringe benefit costs that exceeded budget estimates by about \$80,000, building improvement cost exceeded budget by \$22,500 for replacing a cooling tower, and fire equipment purchases exceeded cost for a replacement breathing air compressor of \$8,500. A decrease in expenses of over \$30,000 was due to not purchasing computer software and radio equipment as well as having no capital grant outlay, since none were received.
- Street Lighting (448) cost were \$30,000 less than budgeted, but consistent with previous years.
- Community Development (721) was over \$60,000 under previous budget estimate due to a budgeted position not being filled.
- Community Center (751) had reduced electric and heat cost of about \$5,500.
- Parks and Stadium (75130) had increased expenses of about \$22,000 primarily due to additional overtime wages and contractual services expense being higher than previously budgeted but consistent with previous year's costs.
- Fringe Benefits (852-862) were over \$132,000 less than previously budgeted, due to less than expected health insurance cost.
- Tax Tribunal Refunds (899) were consistent with previous year's cost, but over anticipated budget by \$59,800
- Land Activity (902) had increased cost of \$13,300, due to the expense of reverted property from Macomb County.
- Building Improvements (904) cost were reduced by \$51,000 due to not bidding out the phone system and voice/data connection. That project cost is estimated at \$100,000.
- Transfer Out (966) is estimated at approximately \$116,000 less due to the decrease in estimated expense budgets of Dial-A-Ride by \$90,000 less and Motor Pool by over \$26,000 less, so those transfer from the General Fund amounts are not needed.
- Cable (968) had over \$11,000 less in expenses for the budget year.

MAJOR STREETS (202)

- Revenues are projected to be increased by \$8,000 due to increased Gas & Weight tax funding. Funding for Crocker street was received in a previous fiscal year, but expenses are being incurred in this current fiscal year.
- Expenditures are projected at \$33,000 in total over previous budget due to \$235,000 Crocker street expenses netted against reduced cost in Major Street departments. This decrease includes cost reduction in contribution to local streets of \$40,000, winter maintenance of \$46,000, surface maintenance of \$56,000, traffic control maintenance of \$41,000.

LOCAL STREETS (203)

- Revenues are projected to be decreased in total by \$33,000, primarily due to decreased contribution from the Major Street fund of \$40,000 netted against increased Gas and Weight tax revenue of \$11,000.
- Expenditures are estimated at approximately \$65,000 below previous budget due to the reduction of fringe benefit cost of \$20,000, surface maintenance cost of \$16,000, winter maintenance cost of \$14,000, traffic control cost of \$7,000, street cleaning cost of \$2,300 and forestry cost of \$4,500.

#### DIAL-A-RIDE (211)

- Revenues are project to be decreased in total by over \$60,500 primarily due to reduced contribution from the General fund of \$60,000 previously projected to be needed in order to support DAR operations.
- Expenses are reduced in total by approximately \$63,600, primarily due to reduced cost of part-time wages of \$25,000. SMART replaced vehicles which resulted in lower than budgeted fuel cost of \$22,000 and vehicle maintenance of \$7,800.

#### PUBLIC IMPROVEMENT (245)

- Net Revenues and Expenditures are relatively unchanged and approximately \$300 increase is expected in fund balance is expected at the end of the fiscal year.

#### TIFA (247)

- Revenues are estimated at \$47,700 below previous budget, which reflects actual tax collection.

#### DDA (248)

- Expenses are projected to be about \$72,000 under budget since all engineering expenses for the downtown and master plan cost are not expected to be incurred or paid by fiscal year end.

#### SIDEWALK SAFETY (404)

- As previously budgeted, City contributions of \$50,000 revenue and contractual services of \$50,000 expenses are expected to be incurred. Total revenue is estimated to be increased by over \$20,900 due to reimbursement of expenditures for sidewalk slab replacement.

#### AUTO PARKING (585)

- Net Revenues and Expenditures are relatively unchanged and approximately \$8,100 increase is expected to be budgeted for fund balance at the end of the fiscal year.

#### SEWER (590)

- Revenues are projected to be approximately \$94,600 under budget. This is primarily due to less than previously budgeted charges for services revenue, including \$97,000 decreased sewer disposal charge and a \$40,000 decrease in septic/vactor sewer dump charge. This is offset by a projected increase of \$10,000 for wastewater charges and a \$46,000 State of Michigan storm improvement grant.
- Expenses, in total, are approximately \$89,000 less than previously projected. This is primarily due to less than budgeted debt retirement cost of approximately \$67,400 netted against increased cost of sludge disposal of \$126,500, decreased fringe benefit cost of \$21,400, decreased electric and heat cost of \$48,000, decreased supplies cost of \$15,000, minimal purchases in the operations department of machinery and equipment saving \$39,000.

#### WATER (591)

- Revenues are projected to be approximately \$22,000 under budget, which is primarily due to reduced consumption resulting in less than previously budgeted charges for services revenue. This includes \$35,000 decreased water sales and \$5,500 less in penalty/interest charges. This is offset by a projected increase of \$14,000 for installation of taps charges.
- Expenses are projected to be about \$50,800 less than previously budgeted. The reduction in expenses is primarily due to an estimated \$61,000 overall reduction in the Operations department budget relating to decreased wage and fringe benefit cost. Additionally, there was decreased cost of chemicals of \$15,000 and reduced electric and heat cost of \$38,000. These decreased cost are offset by the increased cost of Transmission department expenses, which include increased wage and fringe benefit cost of \$55,500.

#### SANITATION (596)

- Overall, Revenues and Expenses net are estimated to increase fund balance by \$36,800. Revenues are estimated to be about \$11,800 less than previously budgeted, primarily due to reduced sanitation sales of \$6,500 and penalty/interest revenue reduction of \$3,400.
- Expenses are projected to be about \$24,600 less than previously budgeted. The reduction is attributed to estimated decreases in wage and fringe benefit costs.

#### ICE ARENA (598)

- Revenue to the City from Ice Arena operations in the Rent account is estimated to be decreased by \$114,000. The Arena operators have instead invested \$125,000 in building equipment for new water tanks and boiler system.

#### MOTOR POOL (661)

- Revenues are estimated to be reduced by approximately \$106,000 due to a reduced transfer amount from the General Fund of \$26,750, decreased gasoline sales of \$30,000, and reduced charges for services for equipment rentals of \$50,300.
- Expenditures are estimated to decrease by approximately \$148,500. This reduction is largely due to the reduced cost of fuel, estimated savings of \$75,000, along with repairing existing equipment and vehicles rather than replacing, which saves \$66,000.

#### RETIREMENT FUND (731)

- The retirement fund is subject to the volatility of the investment market. This Fund is managed by Loomis Sayles. To date the retirement system has decreased revenue over expenses of \$4,700,000. Overall, investment revenue is projected to be about a \$500,000 loss. Expenses are higher than previously budgeted due to retiree payments being \$32,000 higher than previously budgeted and retiree refunds are \$34,000 higher than previously budgeted.
- Contribution into the retirement system from property taxes are just over \$300,000, as previously budgeted and City and employee's contributions are estimated to match the amounts recommended by Gabriel Roeder, the City's actuary, to be contributed for the fiscal year.

<b>CITY OF MOUNT CLEMENS</b>				
<b>FISCAL YEAR 2015-2016</b>				
<b>REQUEST FO APPROVAL OF BUDGET AMENDMENT</b>				
JUNE 20, 2016 COMMISSION MEETING				
		<b>BUDGET</b>		<i>INFORMATION ONLY</i>
<b>FUND</b>	<b>TOTAL SUMMARY INFORMATION</b>	<b>ORIGINAL 2015-16</b>	<b>AMENDED 2015-16</b>	Budget Amendment Difference: Incr/(Decr)
<b>101 GENERAL FUND</b>				
	TOTAL GENERAL FUND REVENUES	10,306,330.00	10,222,103.84	(84,226.16)
	TOTAL GENERAL FUND EXPENDITURES	10,055,769.00	9,836,305.00	(219,464.00)
	TOTAL GENERAL FUND REVENUES OVER EXPENDITURES	250,561.00	385,798.84	135,237.84
<b>202 MAJOR STREET</b>				
	TOTAL MAJOR STREET REVENUES	752,500.00	760,600.00	8,100.00
	TOTAL MAJOR STREET EXPENDITURES	1,190,795.00	1,224,220.00	33,425.00
	TOTAL MAJOR STREET REVENUES OVER EXPENDITURES	(438,295.00)	(463,620.00)	(25,325.00)
<b>203 LOCAL STREET</b>				
	TOTAL LOCAL STREET REVENUES	353,250.00	320,250.00	(33,000.00)
	TOTAL LOCAL STREET EXPENDITURES	395,520.00	330,270.00	(65,250.00)
	TOTAL LOCAL STREET REVENUES OVER EXPENDITURES	(42,270.00)	(10,020.00)	32,250.00
<b>211 DIAL A RIDE</b>				
	TOTAL DIAL A RIDE REVENUES	489,648.00	428,948.00	(60,700.00)
	TOTAL GENERAL GOVERNMENT EXPENDITURES	489,270.00	425,580.00	(63,690.00)
	TOTAL DIAL A RIDE REVENUES OVER EXPENDITURES	378.00	3,368.00	2,990.00
<b>245 PUBLIC IMPROVEMENT</b>				
	TOTAL PUBLIC IMPROVEMENT REVENUES	60,000.00	55,450.00	(4,550.00)
	TOTAL PUBLIC IMPROVEMENT EXPENDITURES	62,900.00	55,100.00	(7,800.00)
	TOTAL PUBLIC IMPROVEMENT REVENUES OVER EXPENDITURES	(2,900.00)	350.00	3,250.00
<b>247 TIFA</b>				
	TOTAL TIFA REVENUES	195,700.00	148,000.00	(47,700.00)
	TOTAL TIFA EXPENSES	240,000.00	240,000.00	0.00
	TOTAL TIFA REVENUES OVER EXPENSES	(44,300.00)	(92,000.00)	(47,700.00)
<b>248 DDA</b>				
	TOTAL DDA REVENUES	383,320.00	382,120.00	(1,200.00)
	TOTAL DDA EXPENSES	399,325.00	327,275.00	(72,050.00)
	TOTAL DDA REVENUES OVER EXPENSES	(16,005.00)	54,845.00	70,850.00
<b>404 SIDEWALK SAFETY</b>				
	TOTAL SIDEWALK SAFETY REVENUES	50,000.00	70,900.00	20,900.00
	TOTAL SIDEWALK EXPENDITURES	50,000.00	50,000.00	0.00
	TOTAL SIDEWALK SAFETY REVENUES OVER EXPENDITURES	0.00	20,900.00	20,900.00
<b>585 AUTO PARKING</b>				
	TOTAL AUTO PARKING REVENUES	698,100.00	696,600.00	(1,500.00)
	TOTAL AUTO PARKING EXPENSES	697,643.00	688,450.00	(9,193.00)
	TOTAL AUTO PARKING REVENUES OVER EXPENSES	457.00	8,150.00	7,693.00

<b>CITY OF MOUNT CLEMENS</b>					
<b>FISCAL YEAR 2015-2016</b>					
<b>REQUEST FO APPROVAL OF BUDGET AMENDMENT</b>					
JUNE 20, 2016 COMMISSION MEETING					
			<b>BUDGET</b>		<i>INFORMATION ONLY</i>
<b>FUND</b>	<b>TOTAL SUMMARY INFORMATION</b>		<b>ORIGINAL 2015-16</b>	<b>AMENDED 2015-16</b>	Budget Amendment Difference: Incr/(Decr)
<b><u>590 SEWER</u></b>					
		TOTAL SEWER REVENUES	4,436,000.00	4,341,400.00	(94,600.00)
		TOTAL SEWER EXPENSES	4,223,560.00	4,134,155.50	(89,404.50)
		TOTAL SEWER REVENUES OVER EXPENSES	212,440.00	207,244.50	(5,195.50)
<b><u>591 WATER</u></b>					
		TOTAL WATER REVENUES	3,271,600.00	3,249,400.00	(22,200.00)
		TOTAL WATER EXPENSES	2,926,006.00	2,875,151.04	(50,854.96)
		TOTAL WATER REVENUES OVER EXPENSES	345,594.00	374,248.96	28,654.96
<b><u>596 SANITATION</u></b>					
		TOTAL SANITATION REVENUES	902,015.00	890,200.00	(11,815.00)
		TOTAL SANITATION SYSTEM EXPENSES	877,935.00	853,305.00	(24,630.00)
		TOTAL SANITATION REVENUES OVER EXPENSES	24,080.00	36,895.00	12,815.00
<b><u>598 ICE ARENA</u></b>					
		TOTAL ICE ARENA REVENUES	399,780.00	285,000.00	(114,780.00)
		TOTAL ICE ARENA EXPENSES	399,779.50	399,975.50	196.00
		TOTAL ICE ARENA REVENUES OVER EXPENSES	0.50	(114,975.50)	(114,976.00)
<b><u>661 MOTOR POOL</u></b>					
		TOTAL MOTOR POOL REVENUES	834,340.00	728,400.00	(105,940.00)
		TOTAL MOTOR POOL EXPENDITURES	875,335.00	726,762.00	(148,573.00)
		TOTAL MOTOR POOL REVENUES OVER EXPENDITURES	(40,995.00)	1,638.00	42,633.00
<b><u>731 RETIREMENT</u></b>					
		TOTAL RETIREMENT REVENUES	9,079,148.00	142,458.00	(8,936,690.00)
		TOTAL RETIREMENT EXPENSES	4,782,000.00	4,865,400.00	83,400.00
		TOTAL RETIREMENT REVENUE OVER EXPENSES	4,297,148.00	(4,722,942.00)	(9,020,090.00)

**EXPLANATION OF AGENDA – June 20, 2016**

**Agenda Item No. 9-F**

**APPROVE PURCHASES AND PAYMENT OF INVOICES**

VENDOR (PURCHASES)	DESCRIPTION	FUND/ DEPARTMENT/ APPROPRIATION	ACCOUNT NUMBER	AMOUNT	CURRENT BALANCE
1.Pressure Vessel Testing 34740 Gratiot Avenue South Clinton Township, MI 48035	Breathing Air Compressor	General Fund/ Fire Department/ Fire Equipment	101-33600-979000	\$20,000.00	*

VENDOR (INVOICES)	DESCRIPTION	FUND/ DEPARTMENT/ APPROPRIATION	ACCOUNT NUMBER	AMOUNT	CURRENT BALANCE
1.Leslie Tire 144 Northbound Gratiot Mount Clemens, MI 48043	Tires and Tire supplies for the Department of Public Services Loader	Motor Pool Fund/ Department of Public Services/ Tires	661-44100-750000	\$7,166.40	*
2.Michinga Municipal League P.O. Box 7409 Ann Arbor, MI 48107	Membership Dues	General Fund/ Community Promotions/ Memberships And Dues	101-17220-803000	\$6,861.00	2016-2017 Fiscal Year
3.Hamlett Engineering Sales Company 28828 Van Dyke Warren, MI 48093	Emergency repairs For the Chlorine Dosing Pump	Sewer-Utilities Fund/ Retention Basin/ Repair-Replacement	590-53707-779000	\$3,255.36	*

VENDOR (INVOICES)	DESCRIPTIO	FUND/ DEPARTENT/ APPROPRIATION	ACCOUNT NUMBER	AMOUNT	CURRENT BALANCE
4.Kramer & Murray, P.C. Ruggirello, Velardo, Novara, and Ver Beek, P.C. 65 Southbound Gratiot Mount Clemens, MI 48043	Legal Fees for The month of May, 2016	General Fund/ Legal Services/ Legal Fees	101-26600-826000	\$12,212.90	\$33,977.89
		General Fund/ Legal Services/ Legal Fees-Labor	101-26600-826001	\$2,055.19	*
		Downtown Development Authority/ Legal Fees	248-69200-826000	\$306.16	*
		Parking System Fund/ Legal Fees	585-54600-826000	\$212.19	*
		Water-Utilities Fund/ Commercial Activities/ Legal Fees	591-53703-826000	\$181.87	*

\*Budget Amendment.

**SUBMITTED BY:** Linda A. Kunath, Finance Director/Treasurer

**RECOMMENDED MOTION:** Approve purchase and payment of invoices as presented.

**CITY OF MOUNT CLEMENS**

Tabulation of sealed bids received and opened on Tuesday, May 24, 2016, for a Breathing Air Compressor Unit needed by the Fire Department:

BIDDER	MANUFACTURER	COST	LESS TRADE-IN	TOTAL COST
1. Airgus-Hazco 46400 Continental Drive Chesterfield, MI 48047	Scott Safety	\$49,155.00	-0-	\$49,155.00
2. Pressure Vessel Testing 34740 Gratiot Avenue South Clinton Township, MI 48035	Scott Safety	\$29,500.00	\$9,500.00	\$20,000.00

Linda A. Kunath  
Finance Director/Treasurer

**EXPLANATION OF CONSENT AGENDA – June 20, 2016**

**Agenda Item No. 10-A**

**Appointments to Boards, Committees and Commissions**

Traffic Safety Committee

Mayor recommends appointing Curtis Jemison to the Traffic Safety Committee. This is for a 3-year term, which expires January 31, 2019.

**SUBMITTED BY:** Barb Dempsey  
Mayor

**RECOMMENDED MOTION:** To approve the appointment as presented.

**EXPLANATION OF CONSENT AGENDA – June 20, 2016**

**Agenda Item No. 10-B**

**Request Approval of an Amended 2016 Downtown Development Authority Calendar of Events**

The Mount Clemens Downtown Development Authority (DDA) 2016 Calendar of Events was approved on March 7, 2016, and amended on March 21, 2016. The DDA is now requesting approval of an amended calendar to include a food truck event.

On Wednesday, July 13, 2016, the Mount Clemens DDA, in partnership with the Macomb County Food Collaborative, will host a Food Truck Rally downtown. The event would take place on Macomb Place between Pine Street and the entrance to the Macomb Place parking lot next to the Anton Art Center. The event hours are 4:00 p.m. – 9:00 p.m. The event will include live entertainment provided by The Music Messengers. Street closure would be from 3:30 p.m. - 9:30 p.m. The changes have been highlighted in red in the attached document.

**SUBMITTED BY:**

Michelle Weiss  
Marketing & Event Coordinator  
Mount Clemens Downtown Development Authority

**RECOMMENDED MOTION:**

Approve the amended 2016 Calendar of Events for Downtown Mount Clemens as presented by the Mount Clemens Downtown Development Authority.

**Amended 2016 Calendar of Events  
Downtown Mount Clemens**

<u>Date</u>	<u>Event Name</u>	<u>Location</u>
May 6 - 7	Mount Clemens Made in Michigan Show	Macomb Place includes closure of Macomb Place between North Main and SB Gratiot and authorization to erect special signage
May 7	Spring Fun Saturday & Kiwanis Bike Rodeo	Macomb Place between Pine St. and SB Gratiot
June 2	Downtown Sight & Sound Concert	Macomb Place includes closure of Macomb Place between Pine and SB Gratiot and the north entrance to the Macomb Place parking lot
June 3	Bud Light Classic Car Registration Night & Cruise	NE corner of North Main at Market
June 4	Bud Light Classic Car Show & Cruise Night	North Main between Cass and Welts and Market Street between Cherry and NB Gratiot Includes closure of Macomb Place between North Main and Walnut
June 24	Independence Day Fireworks and Riversight and Sound Concert	Clinton River Park and public streets and sidewalks - streets to include First Street, Crocker Boulevard, Cass Avenue, North Main to Market and NB Gratiot to Market. Additional street closures, if needed, to ensure public safety and traffic flow. Rain Date June 25, 2016
July 7	Downtown Sight & Sound Concert	Macomb Place includes closure of Macomb Place between Pine and SB Gratiot and the north entrance to the Macomb Place parking lot
July 13	Food Truck Rally	Macomb Place includes closure of Macomb Place between Pine Street and the north entrance to the Macomb Place parking lot
July 15	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
July 20 thru September 21	Wednesday Farmers Market	Roskopp Parking Lot along SB Gratiot and Pine Free parking for customers during Market 1pm - 6pm
July 22	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
July 29	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
July 29 - 31	Gus Macker Tournament	Main Street includes closure of Main Street between Macomb Place and Market Street
Aug 4	Downtown Sight & Sound Concert	Macomb Place includes closure of Macomb Place between Pine and SB Gratiot and the north entrance to the Macomb Place parking lot
Aug 12	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
Aug 19	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
Aug 26	Uptown Friday Night Concert	Fountain Stage and immediate surrounding area includes closure of Macomb Place between Walnut and Pine
Aug 28	Bikes, Burgers and Brews	Macomb Place Parking Lot includes partial closure of the parking lot

Sept 23 - 25	Downtown Oktoberfest	Macomb Place between Pine and SB Gratiot and the Macomb Place Parking Lot by the Anton Art Center. Closed Thursday PM September 24 for tent set-up.
Oct 29	Halloween Spooktacular	Fountain Stage and immediate surrounding area includes closing of Macomb Place between North Main and Pine and New between Walnut and Cherry
Nov 18	Christmas Open House	Macomb Place between Walnut and Pine includes closing of Macomb Place between Walnut and Pine
Nov 19	Macomb County Santa Parade	South Main and North Main between Robertson and NB Gratiot includes closing of South Main and North Main between above-mentioned streets
Nov 26	Small Business Saturday	Macomb Place between Walnut and Pine includes closing of Macomb Place between Walnut and Pine
Dec 31	Macomb County New Year's Eve Gala	North Main between Market and Macomb Place includes closing of North Main between Macomb Place and Market and Walnut between Macomb Place and New and New between Walnut and Cherry
Feb 3 - 5, 2017	Mount Clemens Ice Carving Show	Macomb Place sidewalks, Fountain Stage and Cherry Street Mall includes closure of Macomb Place between Walnut and Pine

**EXPLANATION OF CONSENT AGENDA – June 20, 2016**

**Agenda Item No. 10-C**

**Request Permission to Hold the Worship Center Church 5K on Sunday, July 17, 2016**

The Worship Center Church is requesting permission to hold a 5k Event on Sunday, July 17, 2016, from 9:00 a.m. to 12:00 p.m. The event would include parishioners and families participating in a 5K walk and run through the downtown. A map of the route is enclosed.

No street closures are being requested. The run/walk will take place on City sidewalks. Volunteers will be stationed at crosswalks at those points where the route crosses an intersection.

A Certificate of Liability Insurance naming the City will be required as a condition of approval.

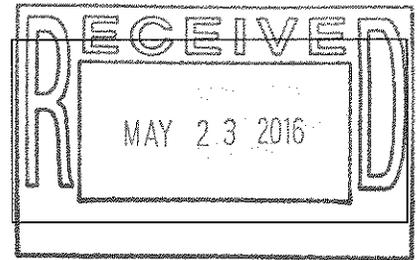
**SUBMITTED BY:** Brian L. Tingley  
Community Development Director

**RECOMMENDED MOTION:** Move to approve the Worship Center Church 5K on Sunday, July 17, 2016, from 9:00 a.m. to 12:00 p.m.



**CITY OF MOUNT CLEMENS  
APPLICATION FOR SPECIAL EVENT APPROVAL**

ONE CROCKER BLVD., MOUNT CLEMENS, MI 48043  
(586) 469-6818 EXT. 901 FAX (586) 469-7695  
[www.cityofmountclemens.com](http://www.cityofmountclemens.com)



**NOTE: A COMPLETE AND DETAILED SITE PLAN/SITE MAP OF THE PROPERTY SHOWING THE EVENT AREA IS REQUIRED. PLAN MUST SHOW LOCATIONS OF SIGNS, TENTS OR ANY STRUCTURES, AMUSEMENT RIDES, FOOD SERVICES, PARKING AREA, THE LOCATION OF EXISTING BUILDINGS, ETC. REQUEST WILL NOT BE REVIEWED UNTIL THIS PLAN IS RECEIVED.  
IF A TENT IS TO BE ERECTED, SPECIFICATIONS ARE REQUIRED  
ADDITIONAL PERMITS MAY BE REQUIRED FOR BUILDING, ELECTRICAL AND MECHANICAL, IF APPLICABLE.**

Sponsoring Organization's Legal Name: The Worship Center Church

Address: 176 S. Main Street, Suite 3 City Mount Clemens State MI Zip 48043

Phone: Office: \_\_\_\_\_ Cell: 717-645-1350 Email: tdbrailsford@comcast.net

Sponsoring Organization's Agent's Name: Terrance Brailsford

Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: Office: \_\_\_\_\_ Cell: \_\_\_\_\_ Email: \_\_\_\_\_

Event Name: Get Active With The Worship Center: A 5k Event

Event Purpose: To bring the friends and families of The Worship Center together while gaining community visibility

Event Location: 176 S Main Street, Suite 3 Mount Clemens, MI 48043

Event Date: Sunday July 17, 2016

Event Time(s): 9 a.m.-12:00 p.m.

**GIVE A DETAILED DESCRIPTION OF THE PROPOSED SPECIAL EVENT:** (use back or attach additional sheets if necessary)

The Worship Center will host a free 5k event for the families and friends of The Worship Center. Members of the surrounding commun  
are welcome to participate. We plan to walk/run a pre-determined path (attached) starting at The Worship Center, through downtown  
Mount Clemens, and back to The Worship Center. We are requesting to have certain roads blocked off (attached) to ensure the safety  
of walkers/runners.

IS THE EVENT OPEN TO THE GENERAL PUBLIC  YES  NO  
NUMBER OF PEOPLE PROPOSED TO ATTEND OR PARTICIPATE EACH DAY: \_\_\_\_\_

WILL ELECTRIC EQUIPMENT BE USED AND/OR WILL WATER HOOK-UPS BE REQUIRED \_\_\_\_\_ YES  NO  
IF YES, PLEASE DESCRIBE THE PROPOSED LOCATION(S): \_\_\_\_\_

WILL TENTS BE USED DURING THE EVENT? \_\_\_\_\_ YES  NO

WILL THE EVENT HAVE FOOD OR OTHER VENDORS? \_\_\_\_\_ YES  NO  
\*\*\* ALL FOOD VENDORS MUST BE APPROVED BY THE MACOMB COUNTY HEALTH DEPARTMENT.

WILL ALCOHOL BE SERVED OR SOLD AT THE EVENT? \_\_\_\_\_ YES  NO  
\*\*\*IF YES, PLEASE PROVIDE PROOF OF LIQUOR LIABILITY INSURANCE AND APPROVAL BY THE LCC

WILL ANY CITY SERVICES BE REQUIRED FOR THIS EVENT?  YES \_\_\_\_\_ NO  
IF YES, DESCRIBE IN DETAIL THE TYPE OF SERVICES REQUESTED:  
\*\*\*THE CITY MAY CHARGE THE ACUTAL COST OF PROVIDING THESE SERVICES FOR THE EVENT.

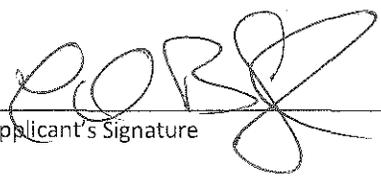
~~If approved, we would like to have certain roads blocked off for the event~~

IS ANY SIGNAGE PROPOSED? \_\_\_\_\_ YES  NO  
IF YES, NOTE LOCATIONS OF ANY SIGNS PROPOSED ON THE MAP PROVIDED WITH THIS APPLICATION.

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that

- a) A Certificate of Insurance must be provided which names the City of Mount Clemens as an additional insured party on the policy.
- b) All food vendors must be approved by the Macomb County Health Department
- c) The approval of this Special Event may include additional requirements and/or limitations, based on the City's review of this application. The event will be operated in conformance with the approved guidelines from the City Commission. Such additional requirements may include but are not limited to the procurement of permits and/or inspections in regards to health services, electric or water services, fire issues, or a certificate of use from the building department. Please note: You should contact the Mount Clemens Fire Inspector regarding specific tent requirements well in advance of your event. A certificate of Flame Resistance for the Tent needs to be provided 10 days prior to the date of event/sales.

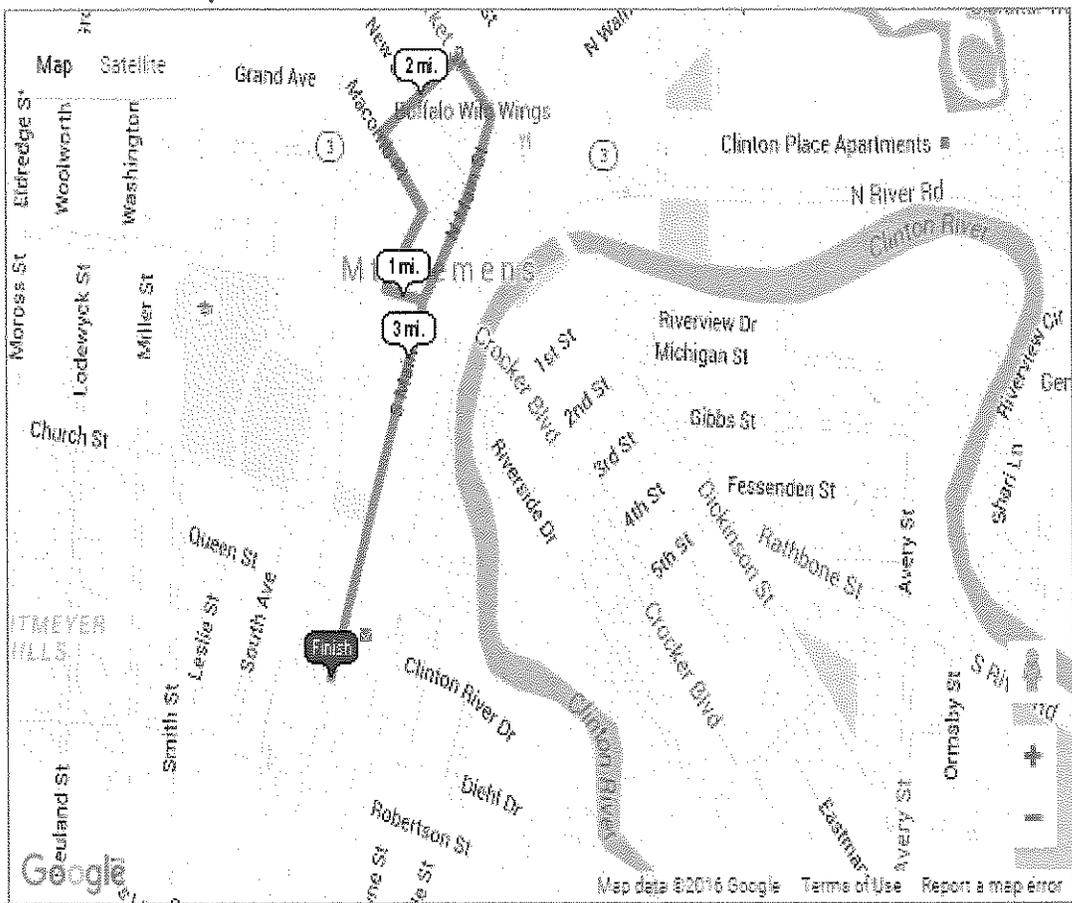
As the duly authorized agent of the sponsoring organization, I herby apply for the approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the approval as given by the City Commission, all other City requirements, ordinances and other laws which apply to this Special Event.

  
Applicant's Signature

23 May 2016  
Date

TERRANCE D BRADFORD  
Printed Name of Applicant

<b>For City Use Only:</b>
Approved _____
Approved, with Conditions _____
Denied _____
Date of City Commission Decision _____



**EXPLANATION OF CONSENT AGENDA – June 20, 2016**

**Agenda Item No. 10-D**

**Request Permission to Hold the 25th Annual Mount Clemens Grand Prix on Saturday, September 10, 2016**

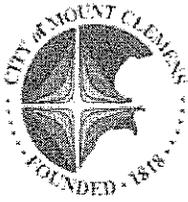
The Mount Clemens Grand Prix Committee is requesting permission to close the following streets for the 2016 Mount Clemens Grand Prix from 5:00 a.m. to 7:00 p.m. on Saturday, September 10, 2016:

- Crocker Boulevard between Northbound Gratiot Avenue and Second Street
- Amvet Drive from Crocker Boulevard to Riverside Drive
- First Street from Crocker Boulevard to the south entrance of the Dedenbach Parking Lot
- The alley behind The Rec Bowl from Second Street to Amvet Drive
- The alley entrance at Crocker Boulevard for the alley that runs between First and Second Streets

The Committee is asking for the support of the Department of Public Services to provide staff and equipment, including cones, snow fencing and banners hung over the street. Permission to work with the City Manager to reschedule the event in the case of rain is also being requested. A Certificate of Liability Insurance naming the City as an additional insured will be required as a condition of approval.

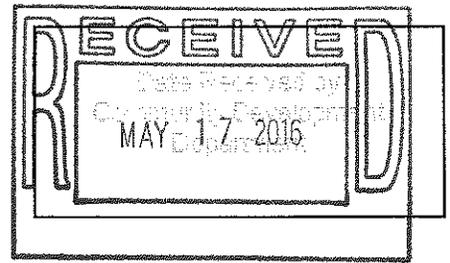
**SUBMITTED BY:** Brian L. Tingley  
Community Development Director

**RECOMMENDED MOTION:** Move to approve the 2016 Mount Clemens Grand Prix on Saturday, September 10, 2016, with the road closures as listed; and authorize the City Manager to approve a rain date, if necessary.



**CITY OF MOUNT CLEMENS  
APPLICATION FOR SPECIAL EVENT APPROVAL**

ONE CROCKER BLVD., MOUNT CLEMENS, MI 48043  
(586) 469-6818 EXT. 901 FAX (586) 469-7695  
[www.cityofmountclemens.com](http://www.cityofmountclemens.com)



**NOTE: A COMPLETE AND DETAILED SITE PLAN/SITE MAP OF THE PROPERTY SHOWING THE EVENT AREA IS REQUIRED. PLAN MUST SHOW LOCATIONS OF SIGNS, TENTS OR ANY STRUCTURES, AMUSEMENT RIDES, FOOD SERVICES, PARKING AREA, THE LOCATION OF EXISTING BUILDINGS, ETC. REQUEST WILL NOT BE REVIEWED UNTIL THIS PLAN IS RECEIVED.  
IF A TENT IS TO BE ERRECTED, SPECIFICATIONS ARE REQUIRED  
ADDITIONAL PERMITS MAY BE REQUIRED FOR BUILDING, ELECTRICAL AND MECHANICAL, IF APPLICABLE.**

Sponsoring Organization's Legal Name: Mount Clemens Lions Charity Foundation  
Address: 165 South Wilson City Mount Clemens State MI Zip 48043  
Phone: Office: 586-344-4302 Cell: SAME Email: MountClemensGrandPrix.com

Sponsoring Organization's Agent's Name: John Konechne  
Address: 165 South Wilson City Mount Clemens State MI Zip 48043  
Phone: Office: 586-344-4302 Cell: 586-344-4302 Email: MountClemensGrandPrix.com

Event Name: 25<sup>th</sup> Annual Mount Clemens Grand Prix  
Event Purpose: To raise funds for community organizations  
Event Location: Crocker Blvd East of <sup>N.B.</sup> Gestiot to Second Street  
Event Date: September 10, 2016 (Rain Date 9/11/16)  
Event Time(s): 5:00 AM to 6:00 PM

GIVE A DETAILED DESCRIPTION OF THE PROPOSED SPECIAL EVENT: (use back or attach additional sheets if necessary)

Soap Box derby type RACE.  
Barricades at N.B Gestiot & Crocker, First Street @ Crocker  
Riverside @ Amvets, Crocker @ Second Street.

IS THE EVENT OPEN TO THE GENERAL PUBLIC  YES  NO

NUMBER OF PEOPLE PROPOSED TO ATTEND OR PARTICIPATE EACH DAY: 500

WILL ELECTRIC EQUIPMENT BE USED AND/OR WILL WATER HOOK-UPS BE REQUIRED  YES  NO

IF YES, PLEASE DESCRIBE THE PROPOSED LOCATION(S):

PA address system in front of Crocker, wired communication from in front of Rec Bowl to start line at N.B Gestiot.

WILL TENTS BE USED DURING THE EVENT?  YES  NO *2 small tents*

WILL THE EVENT HAVE FOOD OR OTHER VENDORS?  YES  NO  
\*\*\* ALL FOOD VENDORS MUST BE APPROVED BY THE MACOMB COUNTY HEALTH DEPARTMENT.

WILL ALCOHOL BE SERVED OR SOLD AT THE EVENT?  YES  NO  
\*\*\*IF YES, PLEASE PROVIDE PROOF OF LIQUOR LIABILITY INSURANCE AND APPROVAL BY THE LCC

WILL ANY CITY SERVICES BE REQUIRED FOR THIS EVENT?  YES  NO  
IF YES, DESCRIBE IN DETAIL THE TYPE OF SERVICES REQUESTED:  
\*\*\*THE CITY MAY CHARGE THE ACUTAL COST OF PROVIDING THESE SERVICES FOR THE EVENT.

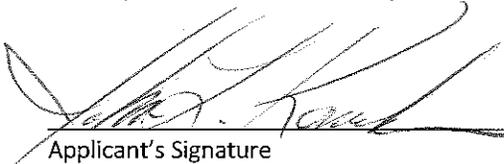
*Setting up & Removal of Barricades*

IS ANY SIGNAGE PROPOSED?  YES  NO  
IF YES, NOTE LOCATIONS OF ANY SIGNS PROPOSED ON THE MAP PROVIDED WITH THIS APPLICATION.

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that

- a) A Certificate of Insurance must be provided which names the City of Mount Clemens as an additional insured party on the policy.
- b) All food vendors must be approved by the Macomb County Health Department
- c) The approval of this Special Event may include additional requirements and/or limitations, based on the City's review of this application. The event will be operated in conformance with the approved guidelines from the City Commission. Such additional requirements may include but are not limited to the procurement of permits and/or inspections in regards to health services, electric or water services, fire issues, or a certificate of use from the building department. Please note: You should contact the Mount Clemens Fire Inspector regarding specific tent requirements well in advance of your event. A certificate of Flame Resistance for the Tent needs to be provided 10 days prior to the date of event/sales.

As the duly authorized agent of the sponsoring organization, I herby apply for the approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the approval as given by the City Commission, all other City requirements, ordinances and other laws which apply to this Special Event.

  
Applicant's Signature

*5/16/16*  
Date

*John L. Konechne*  
Printed Name of Applicant

<b>For City Use Only:</b>
Approved _____
Approved, with Conditions _____
Denied _____
Date of City Commission Decision _____

**EXPLANATION OF CONSENT AGENDA – June 20, 2016**

**Agenda Item No. 10-E**

**Approval of the FY 2017 Purchase of Service (POS) Contract between SMART and the City of Mount Clemens for the Mount Clemens Dial-A-Ride**

Attached is the FY 2017 Purchase of Service (POS) contract between the Suburban Mobility Authority for Regional Transportation (SMART) and the City of Mount Clemens for the Mount Clemens Dial-A-Ride.

This contract outlines the operating arrangements between SMART and the Mount Clemens Dial-A-Ride. Please note that SMART will continue to subsidize the project up to \$41,284 in Municipal and Community Credits for operating costs.

This contract has been reviewed by the City Attorney's office as well as the City's insurance carrier.

**SUBMITTED BY:** Jeffrey D. Wood, Public Services Director

**RECOMMENDED MOTION:** Approve the FY 2017 Purchase of Service (POS) Operating Agreement between Suburban Mobility Authority for Regional Transportation (SMART) and the City of Mount Clemens, as presented; and to authorize the execution of the contract by the appropriate City officials.

**PURCHASE OF SERVICE  
OPERATING AGREEMENT  
BETWEEN  
SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION  
And The  
CITY OF MOUNT CLEMENS  
For The  
MOUNT CLEMENS DIAL-A-RIDE**

THIS CONTRACT is made and entered into as of the date hereinafter appearing, by and between the SUBURBAN MOBILITY AUTHORITY for REGIONAL TRANSPORTATION, an entity organized and existing under the provisions of Act 204 of the Public Acts of 1967, as amended, hereinafter referred to as "SMART", and the CITY OF MOUNT CLEMENS, a public body, hereinafter referred to as the "CONTRACTOR."

WITNESSETH:

WHEREAS, SMART, pursuant to the provisions of Act 204, Public Acts of 1967, as amended, has been empowered to acquire, plan, construct, operate and maintain transportation systems and facilities within its jurisdiction; and

WHEREAS, the CONTRACTOR is desirous of managing and operating certain public transportation services within the service area, as described in Exhibit "A" (Service Area and Program), attached hereto and made a part hereof, hereinafter called the "PROJECT"; and

WHEREAS, the purpose of this Contract is to state the terms and conditions under which the services in the PROJECT will be undertaken;

NOW, THEREFORE, in consideration of the mutual covenants, and representations contained herein, the parties agree as follows:

1. THE PROJECT

The CONTRACTOR shall undertake, carry out and complete the public transportation services of the PROJECT in accordance with the terms and conditions of this Contract, and as are more specifically described in Exhibit "A", attached hereto and made a part hereof, and in conformance with the Budget as set forth in Exhibit "B", attached hereto and made a part hereof.

Mount Clemens Dial-A-Ride  
Fiscal Year 2017 Purchase of Service Operating Agreement

The CONTRACTOR agrees to furnish management services reasonably required by SMART and necessary for the efficient operation of the PROJECT under the policies, standards and procedures established by SMART.

2. TERM OF CONTRACT

This Agreement shall become effective as of July 1, 2016 and remain in effect through June 30, 2017, subject to the termination provisions below.

3. INDEPENDENT CONTRACTOR

The city of Mount Clemens is an independent contractor and retains the right to exercise full control and supervision over its employees, their compensation and discharge; and agrees to be solely responsible for all matters relating to payment of such employees, including compliance with social security, withholding, and all other regulations governing such matters. The CONTRACTOR agrees to be responsible for its own acts and dishonest or fraudulent misconduct of, or intentional torts committed by its employees during the life of this Contract.

4. PERSONNEL AND OTHER ASSISTANCE

The CONTRACTOR will furnish a Project Manager, who shall be selected and serve in that capacity with the approval of SMART, at the expense of the CONTRACTOR, and shall provide the active management of the transit system for and on behalf of SMART. This approval shall not be unreasonably withheld.

5. REVIEW AND APPROVAL OF SUBCONTRACTING

The CONTRACTOR shall submit any proposal to subcontract any portion of the PROJECT to SMART for its review and approval. Any third-party responses to the proposal shall be submitted to SMART for its information. Third-party contracts to undertake any work contemplated under this Contract, and any amendments thereto, shall be approved by SMART prior to the execution of the subcontract by the CONTRACTOR. Approval by SMART shall not be construed to relieve the CONTRACTOR of any responsibility for the fulfillment of this Contract.

6. PROJECT ACCOUNTS AND REPORTING

The CONTRACTOR shall report all required financial and operating data to SMART in such manner and at such time(s) as prescribed in the "Community Transit Manual", hereinafter referred to as the ADMINISTRATIVE MANUAL, including future revisions of same. The ADMINISTRATIVE MANUAL is also incorporated into this contract by reference.

7. MAINTENANCE OF RECORDS

The CONTRACTOR shall keep time sheets and other personnel records, invoices, canceled and voided checks, journals, accident reports, maintenance records, dispatch records and all other supporting documents pertaining to the PROJECT operation for three (3) years from the date of the final payment by SMART under this Contract.

8. AUDIT OF ACCOUNTS AND RECORDS

The CONTRACTOR shall permit SMART or its authorized representative to audit CONTRACTOR'S accounts and records pertinent to PROJECT operations at any reasonable time during the life of the contract and any reasonable time within six (6) years from the date of final payment by SMART under this Contract. Such audit may extend to the records or related entities and subcontractors to the extent necessary to verify charges to the PROJECT.

9. COMPLIANCE WITH LAWS

The CONTRACTOR shall in the performance of this Contract, comply with applicable State, Federal and Local statutes, ordinances and regulations.

10. DRIVER'S TRAINING

The CONTRACTOR'S employees must receive initial drivers training and refresher training every three (3) years thereafter. To fulfill the training requirements, SMART offers the CONTRACTOR three (3) options:

- A. Individual Driver Training: New drivers: \$25.00 per student driver plus, if necessary, the actual hourly rate of an additional in service operator/trainer. Refresher training: \$10.00 per student driver.
- B. Train the Trainer: \$1,145.00 per trainer/student. There will be additional costs associated with the option paid directly to the National Safety Council.
- C. Training Consultant: The CONTRACTOR may employ a private firm or utilize such services from another source. Such program must use the SMART Small Bus training program or an equivalent approved by SMART.

11. NON-DISCRIMINATION

The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, sex, age, handicap, religion, ancestry, marital status, national origin, place of birth, or sexual orientation. The CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, color, sex, age, handicap, religion, ancestry, marital status, national origin, place of birth, or sexual orientation. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants, employment notices to be provided by SMART setting forth the provisions of this non-discrimination clause. In connection with the performance of this Contract, the CONTRACTOR shall comply with the provisions of the State of Michigan "Prohibition of Discrimination in State Contracts", and any additional provisions, as required by law. CONTRACTOR further covenants that it will comply with the Civil Rights Act of 1964 (78. Stat. 252) and the Michigan Civil Rights Acts of 1976 (Act No. 454, PA 1967) and will require a similar covenant on the part of any consultant and/or subcontractor employed in the performance of this Contract.

12. INTEREST OF MEMBERS OF CONGRESS

No member of or delegate of the Congress of the United States shall be permitted any share or part of this Contract or to any benefit arising therefrom.

13. INTEREST OF PUBLIC OFFICIALS

No member, officer or employee of any public body, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or the benefits thereof.

14. SECTION 13 (c) AGREEMENT

The CONTRACTOR agrees to abide by the terms and conditions of any agreement entered into by SMART pursuant to 49 USC 5333(b), "13 (c)", of the Federal Transit Act, as amended, in the performance of its obligations hereunder.

15. PROJECT EQUIPMENT AND/OR FACILITIES PROVIDED BY SMART

SMART shall provide, without charge, equipment and/or facilities to the CONTRACTOR as specified in Exhibit "C" attached hereto and made a part hereof, subject to the following terms and conditions:

- (A) Exhibit "C" (Project Equipment) may be revised from time to time, as necessary.
- (B) The CONTRACTOR shall use PROJECT equipment and/or facilities only for services as specified in Exhibit "A" (Service Area and Program) and for necessary activities directly connected with the performance of such services.
- (C) Title to all property, real or personal, relating to the PROJECT shall remain with SMART, whether such items are provided directly by SMART or purchased by the CONTRACTOR on SMART's behalf with funds supplied under this Contract. SMART has the right to repossess PROJECT equipment and to reassign items of equipment as required for the best interest of SMART.
- (D) SMART retains the sole right to determine the style, color, location, etc. of all painting, logos, and lettering to be applied to SMART equipment and facilities.
- (E) SMART shall be responsible for the replacement of equipment, if it is mutually determined by SMART and the CONTRACTOR that such equipment is no longer economically feasible to maintain.
- (F) SMART will provide a central reserve of vehicles for use, as available, by the CONTRACTOR and also other contractors for similar projects. Such central reserve vehicles may be temporarily assigned for use in the PROJECT in the event that a regular PROJECT vehicle is out of service for an extended period, i.e. for major maintenance or accident repairs.

16. EQUIPMENT MAINTENANCE

The CONTRACTOR shall maintain all PROJECT equipment in good working condition, unless it is determined by SMART and the CONTRACTOR that specific items of equipment are no longer feasible to maintain. CONTRACTOR agrees that it will not allow any equipment to be out of service for a period of time in excess of seven (7) calendar days.

unless this results from conditions beyond its control. Maintenance shall be carried out in conformance with specifications for such equipment, as may be available either from its manufacturer, or the maintenance procedures specified by SMART.

17. INSURANCE AND INDEMNIFICATION

I. Vehicle Insurance

The CONTRACTOR shall advise SMART in writing of its decision to select Option A or Option B at the time of signing this contract, and shall provide a minimum of 60 days notice prior to the proposed effective date of a change from one Option to another.

OPTION A: SMART Provided Insurance

CONTRACTOR may be included in SMART's vehicle insurance programs described below, and be charged a "premium" accordingly. Premiums are predicated by the pooled loss experience of all SMART-owned vehicles and are assessable based on retrospective rating.

1. Physical Damage:

SMART shall provide comprehensive and collision insurance on a book value basis for all SMART-owned vehicles. Purchase of Service CONTRACTORS pay \$1,000 deductible per occurrence for each damaged vehicle. On any loss that exceeds the deductible, SMART reserves the right to either repair the vehicle or replace it with one from SMART's central maintenance reserve. The CONTRACTOR is responsible for payment of the deductible, regardless of the book value of the vehicle. In the event a vehicle has no remaining book value (and thus no insurance), SMART will pay repair costs in excess of the deductible paid by CONTRACTOR, or replace it with a maintenance reserve vehicle.

2. Vehicle Liability:

SMART warrants that it is a qualified self-insurer for vehicle liability, with a self-insured retention per occurrence of \$1,000,000 and excess vehicle liability insurance in the amount of \$10,000,000 per occurrence. Said self-insurance and excess insurance shall include the CONTRACTOR as an additional insured with respect to operation of SMART-owned vehicles, to the extent that use of PROJECT equipment is within the scope of the PROJECT as defined in this contract.

OPTION B: CONTRACTOR-Provided Insurance

CONTRACTOR may purchase its own vehicle insurance, provided it provides the coverage, limits of liability, and conditions described below. Any and all insurance must be written with an insurer admitted and licensed in the State of Michigan and approved by SMART's Manager of Risk Management. Proposed insurance carriers should have a Best's rating of "A VI" or above, however, SMART reserves the right to accept or reject any proposed carrier. SMART must be provided with certificates of insurance prior to the effective date of said coverage, and must be provided a complete copy of the insurance policy(ies) within the thirty (30) days following their effective date.

Coverage must be primary and non-contributory and provide a waiver of subrogation in favor of SMART. If the CONTRACTOR is self-insured, a certificate from the appropriate State agency must be furnished by such agency to SMART. If during the term of the contract, the insurance certificate or any required coverage expires or is otherwise modified, the CONTRACTOR is responsible for immediately providing a renewed certificate of insurance to SMART. The purchase of insurance coverage or furnishing the aforesaid certificate to SMART shall not be a satisfaction of the CONTRACTOR'S indemnification of SMART.

1. Physical Damage

CONTRACTOR shall purchase vehicle physical damage insurance, including comprehensive and collision coverage, for SMART-owned vehicles for the greater of actual cash value or book value of the vehicle. SMART shall be named as Loss Payee on the policy, and be provided with a minimum of 30 days prior written notice of cancellation. CONTRACTOR shall be responsible for the payment of any deductible and SMART will not be obligated to pay for repairs to the vehicle.

2. Vehicle Liability

CONTRACTOR shall purchase vehicle liability insurance for SMART-owned vehicles, including \$5,000,000 per occurrence Bodily Injury/Property Damage (CSL is acceptable), and Michigan No-Fault protection. SMART shall be named as Additional Insured on the liability policy and be provided a minimum of 30 days prior written notice of cancellation.

II. Insurance Other Than Vehicular

Regardless of option selection for SMART-owned vehicle insurance, the CONTRACTOR shall purchase the following insurance and provide SMART with certificates of insurance including 30 days notice of cancellation or change in coverage.

1. Workers' Compensation

CONTRACTOR shall maintain statutory Workers' Compensation and \$500,000 Employer's Liability insurance for all employees, and require such insurance for all employees of any sub-contractors.

2. General Liability

CONTRACTOR shall maintain comprehensive general liability insurance with a limit not less than \$1,000,000, including contractual liability. Said policy shall name SMART as Additional Insured.

3. Other State or Federally Funded Vehicles

CONTRACTOR shall maintain insurance on any vehicle not titled or registered to SMART, but for which State or Federal dollars are used to support the purchase of the non-SMART-owned vehicle, including vehicle liability with a limit not less than \$5,000,000 combined single limit. Said policy shall name SMART as Additional Insured.

18. INDEMNIFICATION

Notwithstanding any other provision in this agreement, CONTRACTOR shall indemnify, defend and save harmless SMART, its officers, agents, employees, and members of its Board of Directors from any and all claims, losses and damages, including costs and attorney fees occurring or resulting from any act, omission or negligence of or chargeable to the parties, their officers, agents, employees, subcontractors, successors and/or assigns arising out of and pursuant to this agreement.

19. SERVICE SCHEDULING AND INTERRUPTION

SMART shall establish scheduling of service to be provided, based on recommendations of the CONTRACTOR. Such scheduling shall specify vehicles in service at various times, and total revenue vehicle hours and miles to be operated per day, week, month, etc., and will be adjusted seasonally or at other appropriate times. For a particular operating day, CONTRACTOR shall have authority to amend the scheduling established

by SMART, by increasing or decreasing vehicles hours scheduled that day by up to 10% of the standard number of vehicle hours scheduled or by five vehicle hours, whichever is less.

In the event that the CONTRACTOR deems it necessary to add or cancel service beyond the limitations above, prior approval of the designated SMART administrative officer must be obtained. In the event that a severe service interruption results from catastrophe, weather or other Act of God, or work stoppage, CONTRACTOR shall notify SMART within one hour of its occurrence.

20. PASSENGER FARES AND OTHER REVENUE

The CONTRACTOR shall collect passenger fares as specified in Exhibit "A". Any such fares shall include the provision of half fares to elderly and handicapped individuals during at least off-peak periods, in accordance with Federal and State law. Such fares will exclusively be determined by the SMART Board of Directors, and may be modified by action of that Board at such times as it may deem necessary.

21. ADVANCE

A schedule of advance funds to be provided under this Contract and any prior contracts is included in Exhibit "B" Summary. This contract continues any prior advance funds. The balance of advance funds shall be deducted at the latest date necessary to recoup the entire advance by the end of the Contract term unless a successor contract has been entered into between the parties which provides for the continuance of this advance.

22. DIRECT PAYMENT OF COSTS BY SMART

SMART may pay directly to the provider of goods and/or services such costs of PROJECT operation as it may determine to be appropriate. Such costs may include, but are not limited to:

- (A) utilities and major repairs to the operating facility
- (B) radio and telephone system charges
- (C) insurance on PROJECT equipment and facility
- (D) bulk purchase of fuel and oil
- (E) parts and supplies for vehicle maintenance

Payments made by SMART under this paragraph shall reduce SMART's payment obligation hereunder to the extent of the amount paid.

23. COMPENSATION FOR OPERATING COSTS

The parties acknowledge that some expenses, as set forth in Exhibit "B", may be paid with Municipal Credit and Community Credit funds.

SMART may also subsidize the net cost of the PROJECT up to a maximum of an amount to be determined and approved by SMART's Board of Directors, as specified in Exhibit "B". Said subsidy shall be paid under the terms and conditions agreed upon between both parties.

24. TERMINATION BY LEGISLATIVE OR COURT ACTION

This Contract shall be cancelled, effective immediately, upon either Legislative or Court action causing a termination and/or reduction of State and/or Federal funds to SMART.

25. TERMINATION OF CONTRACT FOR CAUSE

If either party hereto, through any cause within its control, shall fail to fulfill in timely and proper manner its obligations under this Contract or shall violate any of the covenants, agreements or stipulations herein. The party without fault shall give the other party prompt written notice of such default, setting forth the facts in reasonable detail; and in the event that the allegedly defaulting party has not remedied such default within thirty (30) days, the non-defaulting party shall have the right to terminate this agreement for cause. If such right of termination for cause is exercised, the party without fault shall have no further liability to the other party excluding repayment of an advance if by CONTRACTOR, and shall be entitled to damages sustained by such breach including costs and attorney fees sustained in an effort to collect their damages, if any.

26. GENERAL CONDITIONS OF TERMINATION OR EXPIRATION

- (A) If SMART exercises the right to terminate this Contract for cause, or because of conditions beyond the control of SMART, such termination shall have immediate effect upon receipt of written notice by the CONTRACTOR.
- (B) Upon notification of termination of this Contract, the CONTRACTOR shall not incur new obligations for the period after the effective date of termination, and shall cancel as many outstanding obligations as possible.
- (C) Upon either termination or expiration, the CONTRACTOR shall submit final billings, reports, and other information requested by SMART within thirty (30) days from the effective date of such termination or expiration. After audit and payment of such final billings by SMART, SMART shall be under no further obligation to the CONTRACTOR.
- (D) Any notification of termination required hereunder shall be made only in writing and delivered by certified mail, return receipt requested, to the following party, as the case may be:

(1) If to SMART:

SUBURBAN MOBILITY AUTHORITY for REGIONAL  
TRANSPORTATION  
535 Griswold, Suite 600  
Detroit, Michigan 48226  
Attention: John Hertel, General Manager

(2) If to the CONTRACTOR:

MOUNT CLEMENS DIAL-A-RIDE  
City of Mount Clemens  
97 Eldredge Street  
Mount Clemens, MI 48043  
Attention: Ms. Carol Dolan, Supervisor

- (E) In the event of termination or expiration of this Contract, the CONTRACTOR shall cooperate with SMART in an orderly transition from its involvement in the Project operation, to include but not be limited to: Inventory of all goods, records and equipment including rolling stock, and all other actions necessary for an orderly transition. Further, CONTRACTOR shall provide written notification to SMART of all claims and legal actions pending against the CONTRACTOR with respect to the PROJECT.

27. COUNTERPARTS OF CONTRACT

This Contract may be executed in several counterparts, each of which shall be deemed to be an original.

28. SEVERABILITY AND INTENT

Should any part of this Contract be declared to be invalid, unconstitutional or beyond the authority of either party to enter into or carry out, such decision will not affect the validity of the remainder of this Contract, which will continue in full force and effect.

This Contract is not intended to be a third-party beneficiary Contract and confers no rights on anyone other than SMART and the CONTRACTOR.

29. ASSIGNMENT

This Contract shall not be assigned, transferred or pledged by either party without the prior written consent of the other party. However, this Contract shall be binding upon the successors or assigns, of the respective parties.

Mount Clemens Dial-A-Ride  
Fiscal Year 2017 Purchase of Service Operating Agreement

30. EFFECT

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 CITY OF MOUNT CLEMENS (CONTRACTOR) and the SUBURBAN MOBILITY AUTHORITY for REGIONAL TRANSPORTATION (SMART).

This is the complete Agreement of the parties and may only be amended in a writing signed by both parties.

SUBURBAN MOBILITY AUTHORITY  
for REGIONAL TRANSPORTATION

CITY OF MOUNT CLEMENS

By \_\_\_\_\_  
John C. Hertel, General Manager

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit A

**SERVICE AREA AND PROGRAM**

**SERVICE PROGRAM FOR MOUNT CLEMENS DIAL-A-RIDE  
OPERATED BY THE CITY OF MOUNT CLEMENS**

**For the Period of July 1, 2016 through June 30, 2017**

**Definition:** Local curb-to-curb transportation between any two points in the service area provided on demand-responsive or subscription basis. Weekday fixed route service is provided in accordance with the schedule attached to Exhibit "A".

**Eligible Users:** Persons requesting a ride within eligible service area.

**Service Level:** Demand-responsive, advance reservation and subscription service is available during regular hours within the service area. Passengers are best served by calling sixty (60) minutes prior to their desired arrival time.

Drivers will provide curb-to-curb service for all passengers, which includes minor physical assistance for packages, etc., or minor support for limited impaired passengers when boarding and alighting from the vehicle. Such assistance begins and ends at the curb. If curbs or sidewalks are not at the site, then assistance will be to or from a point which, in the judgment of the driver, is sufficiently removed from the road and other hazards so as to be adequately safe for the affected elderly and/or disabled passenger. At no time shall the driver be out of direct sight of the vehicle, nor shall the driver go farther than the immediate vicinity of the vehicle, nor shall the driver enter a residence or building to assist a passenger.

**Fare Structure:** For those passengers not sponsored by agency funds, fares are determined by the number of fare zones traveled, as follows:

<u>Number of Zones</u>	<u>One-Way Full-Fare</u>	<u>One-Way Half-Fare</u>	<u>Youth-Fare</u>
1 or 2	\$3.00	\$1.50	\$2.00

"Elderly" shall mean persons 65 years of age or older.

"Disabled" shall apply to persons who are mentally, physically, or otherwise health-impaired persons who cannot meet the mental and/or physical requirements of non-specialized, general public transportation. No charge for children 4 years of age and under (all children must be accompanied by an adult). Fare payment may be cash, SMART tickets, or SMART passes. All transfers for full fare riders cost \$.25; disabled riders and seniors are free.

Mount Clemens Dial-A-Ride  
Fiscal Year 2016 Purchase of Service Operating Agreement

**Dispatching  
Mode:**

Transportation is initiated by prescheduled service, via a base dispatching system.

**Standards:**

Service Delivery will conform to the following standards for quality demand-responsive system performance:

**On-Time Arrivals:** The arrival time quoted to passengers shall be a 15 minute window. Actual vehicle arrival time shall be within this window 94% of the time. No more than 5% of arrivals shall be later than the end of the window; no more than 1% of the arrivals shall be prior to the beginning of the window, in which case the bus shall wait for the passenger until the early time quoted.

**Ride Time:** 90% of all trips shall be completed (pick-up to drop-off) within 30 minutes.

**Wait Time:** The average wait time for ASAP calls shall not be greater than 30 minutes for 90% of such calls.

**Dwell Time:** The minimum dwell time when drivers must wait for passengers is as follows:

**General Public** - 1 minute to acknowledge, 1 minute to board

**Elderly and Handicapped** - 1 minute to acknowledge, 2 minutes to board

**Non-Ambulatory** - 1 minute to acknowledge, 3 minutes to board

**No Shows:** The percent of "No Shows" to total calls should not exceed 5% of total calls on a weekly basis.

**Penalties:** any rider who has a no show ride will be required to pay a no show fee of \$1.00 in addition to the normal fare for their next ride. Frequent no shows by a rider will be subject to review for suspension of riding privileges for 30 days with additional no show activity possibly resulting in permanent suspension.

**Missed Services:** The percent of Actual Vehicle Hours vs. Scheduled Vehicle Hours should not be less than 95%.

**Vehicle Appearance:** (a) All vehicles shall appear clean and well maintained, both inside and out, at all times. (b) Proper destination signage shall be displayed at all times.

Mount Clemens Dial-A-Ride  
Fiscal Year 2016 Purchase of Service Operating Agreement

**Vehicle Operators:** (a) Drivers shall be in full uniform and conduct themselves in a professional manner at all times. (b) All drivers shall score at least an 80% on the Small Bus Rodeo test routine. (c) At any given time, no less than 100% of the driver force shall have completed or enrolled in Driver Certification procedures.

These standards are intended to establish reasonable and feasible goals for systems performance over the term of this Contract. Performance standards are subject to change during the term of this Contract.

**Service Hours:** 6:00 a.m. to 6:00 p.m. Monday through Friday. 10:00 a.m. to 2:30 on Saturday. Service will not operate on the following days:

New Years Day	Labor Day
New Years Eve	Veterans Day
Martin Luther King Day	Thanksgiving Day
Memorial Day	(also the Day after)
July 4 <sup>th</sup>	Christmas Day
	Christmas Eve

**Service Area:** Area bounded by the City of Mount Clemens.

**SYSTEM SIZE AND RESOURCES**

- Fleet:** There are Seven (7) service vehicles. Six (6) are regularly scheduled for revenue service. One (1) vehicle is held in maintenance reserve but may be scheduled for revenue service to meet extraordinary demand.
- Facilities:** 97 Eldredge, Mount Clemens, MI 48043
- Maintenance:** The majority of work including any road service calls will be provided by SMART Macomb staff. Minor repairs, servicing and cleaning will be handled by Mt. Clemens DPW staff.
- Operation:** City of Mount Clemens
- Evaluation:** SMART and the City of Mount Clemens
- Customer Feedback:** Processed according to procedures outlined in the "SMART Community Transit Manual."

**Standards:** SMART

**Exhibit B**

**BUDGET SUMMARY**

- (A) SMART shall subsidize the net cost of the PROJECT (Gross cost less all revenues, contributions, grants, and subsidies from sources other than SMART) up to a maximum subsidy of Forty One Thousand, Two Hundred Eighty Four Dollars (\$41,284.00) in Municipal Credit (\$16,880) and Community Credit (\$24,404) funds, as outlined in the "Municipal Credit and Community Credit Contract for FY 2016." Said subsidy shall be paid in twelve equal monthly installments over the term of this Contract, less the amount of SMART paid expenses including SMART's Administrative Fee of 5% of the Municipal Credit allocation (\$844).
- (B) A "Project Budget" will be provided with the "Municipal Credit and Community Credit Contract for FY 2016."

**Exhibit C**

**PROJECT EQUIPMENT PROVIDED BY SMART**

**VEHICLES :**

<b><u>SMART NO.</u></b>	<b><u>DESCRIPTION/YEAR/MAKE</u></b>	<b><u>VEHICLE NO.</u></b>
22138	2003 Eldorado Aerotech	1FDXE45F52HB75736
31020	2011 Eldorado Aerotech	1GB6G5BL5B1149709
32107	2012 Champion Challenger	1FDFE4FS2CDA90482
32108	2012 Champion Challenger	1FDFE4FS0CDA90481
35100	2015 Champion Challenger	1GB6G5BL7F1140855
35101	2015 Champion Challenger	1GB6G5BL9F1140789
35102	2015 Champion Challenger	1GB6G5BL1F1140074



**EXHIBIT B, continued (Page 2)**

**REVENUES:**

Municipal Credit Funds	\$ 16,036
Community Credit Funds	\$ 24,404
Specialized Services Funds	\$13,819
General Funds	
Farebox Revenue	\$91,500
In-Kind Service	
Special Fares (Contracted Service)	
Other (Specify)-Dial-A-Ride millage	\$383,799

**TOTAL REVENUE:** \$529,558

**(Note: TOTAL EXPENSES must equal TOTAL REVENUE)**

# MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT for FY - 2017

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I, Jeffery D. Wood, as the Public Services Director of the City of Mount Clemens (hereinafter, the "Community") hereby apply to SMART and agree to the terms and conditions herein, for the receipt and expenditure of **Municipal Credits** (Section 1 below), and **Community Credits** (Section 2 below); and further agree that the **Purchase of Service Operating Agreement** between the parties is incorporated herein by reference. A description of the service the Community shall provide hereunder is set forth in Exhibit A, and the operating budget for that service is set forth in Exhibit B, both of which are attached hereto and incorporated herein.

1. The Community agrees to use \$16,036 in **Municipal Credit** funds as follows:

- |     |  |                                  |
|-----|--|----------------------------------|
| (a) | Transfer to _____<br><small>TRANSFEREES COMMUNITY</small>                          | Funding of: \$ _____             |
| (b) | Van/Bus Operations<br>(Including Charter and Taxi services)                        | At the cost of: \$ <u>16,036</u> |
| (c) | Services Purchased from SMART<br>(Including Tickets, Shuttle Services/Dial-a-Ride) | At the cost of: \$ _____         |

**Total \$16,036**

SMART intends to provide Municipal Credit funds under this contract to the extent funds for the program are made available to it by the Michigan Legislature pursuant to Michigan Public Act 51 of 1951. Municipal Credit funds made available to SMART through legislative appropriation are based on projected revenue estimates. In the event that revenue actually received is insufficient to support the Legislature's appropriation, it will result in an equivalent reduction in funding provided to the Community pursuant to this Contract. In such event, SMART reserves the right, without notice, to reduce the payment of Municipal Credit funds by the amount of any reduction by the legislature to SMART. All funding must be spent by September 30, 2018; all funds not spent by that date will revert back to SMART pursuant to Michigan Public Act 51 of 1951, for expenditure consistent with Michigan law and SMART policy.

2. The Community agrees to use \$24,404 in **Community Credit** funds available as follows:

- |     |  |                                  |
|-----|--|----------------------------------|
| (a) | Transfer to _____<br><small>TRANSFEREES COMMUNITY</small>                          | Funding of: \$ _____             |
| (b) | Van/Bus Operations<br>(Including Charter and Taxi services)                        | At the cost of: \$ <u>24,404</u> |
| (c) | Services Purchased from SMART<br>(Including Tickets, Shuttle Services/Dial-a-Ride) | At the cost of: \$ _____         |
| (d) | Capital Purchases  | At the cost of: \$ _____         |

**Total \$24,404**

# MUNICIPAL CREDIT and COMMUNITY CREDIT CONTRACT for FY - 2017

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Capital purchases permitted with Community Credits are subject to applicable state and federal regulations, and SMART policy, including procurement guidelines. When advantageous, SMART may make procurements directly. Reimbursement for purchases made by Community requires submission of proper documentation to support the purchase (i.e. purchase orders, receiving reports, invoices, etc.). Community Credit dollars available in FY 2017, may be required to serve local employer transportation needs per the coordination requirements set forth in the aforementioned Master Agreement. All Community Credit funds must be spent by June 30, 2019 unless approval from SMART General Manager is obtained to extend Community Credits for an additional 2 years to allow accrual for major capital projects; any funds not spent by that date may revert back to SMART for expenditure consistent with SMART policy.

This agreement shall be binding once signed by both parties.

City of Mount Clemens

By: \_\_\_\_\_

Date \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Date \_\_\_\_\_

Its: \_\_\_\_\_

Suburban Mobility Authority for  
Regional Transportation

Date \_\_\_\_\_

By: \_\_\_\_\_

John C. Hertel  
General Manager

# SMART EEO COMPLIANCE REPORT A Form

## COMMUNITY PARTNERSHIP FORM

Report all **Transit** related permanent, temporary, or part-time employees including apprentices and on-the-job trainees. Enter the appropriate figures in the boxes below relating to an employee's race and gender.

Job Classification	Total				Race														
					Non Minority		Minority												
	Employees	Male	Female	Minority	White		African American		Hispanic		Asian		Pacific Islander		American Indian		Multi Race		
					Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Officials/Manager			1			1													
Professionals																			
Technicians																			
Sales Workers																			
Office and Clerical Staff																			
Skilled Crafts																			
Operators	10	2	8	4	1	5	1	3											
Laborers																			
Service Workers																			
Journey Workers																			
Apprentices																			
<b>Total</b>	10																		

### Certification

How was this information obtained? Visual Survey: Yes  No  Employment Records: Yes  No

Name of authorizing official(Print): Jeffery Wood Title: Public Services Director

Telephone: 586-469-6818 Ext: 511 Email:

Signature: Date:

Name of person completing report: Carol Dolan Title: Dial-A-Ride Supervisor

Telephone: 586-469-6876 Ext: Email: cdolan@cityofmountclemens.com

# SMART EEO COMPLIANCE REPORT A Form

## COMMUNITY PARTNERSHIP FORM

### Agency/Community Information

Program Type: Community Partnership Program (CPP)  Specialized Service  New Freedom  JARC  5310

Name of Agency/Community:

Address:

City: State: Zip:

### Agency/Community Data

1) Has your agency/community completed in excess of \$1,000,000 in DOT federally-funded contracts in the past year? Yes  No

2) Does your agency/community employ over fifty (50) transit related employees? Yes  No

If the answers to the previous two questions were both "Yes", Please forward your agency's/community's Affirmative Action plan to the address below:

Buhl Building  
535 Griswold Street, Suite 600  
Detroit, MI 48226  
Attn: EEO Coordinator

Have all subcontractors been informed of their responsibility to file an EEO Compliance Report A form? Yes  No  N/A

### Drug and Alcohol Testing Program Requirements

Does your agency/community have a DOT Drug and Alcohol testing program for safety sensitive employees? (Vehicle operators, dispatchers, mechanics and armed security) Yes  No

Name of your Drug and Alcohol testing program manager: Sara Price

Phone Number: 586-469-6818

Email Address sprice@cityofmountclemens.com

Please Proceed to Employment Data Section on Backside

### Employment Data

## EXPLANATION OF AGENDA – May 16, 2016

**TO:** The Honorable Mayor Barb Dempsey and  
All City Commissioners

**FROM:** Steven M. Brown, City Manager

**DATE:** June 16, 2016

**RE:** Report from the City Manager’s Office

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1. Additional Sidewalk Information: City Administration has redistributed the packet of information that was discussed at a March 2, 2015 Work Session on sidewalk options. Per discussion at the June 4, 2016 Commission Meeting, we will proceed with scheduling another Work Session on the subject as well. The 2015 package has information on items such as the appeals process question, ideas on how we could organize our efforts in the City (i.e. districts) and estimates of costs.

In terms of the cost estimates, we had a range of projected expenses, based on the percentage of squares requiring replacement. The following summarizes those estimates:

<u>% Requiring Repair</u>	<u>Cost Estimate</u>
50%	\$5.6 million
40%	\$4.5 million
30%	\$3.4 million
20%	\$2.2 million

Our cost recovery on the initial costs incurred with the Fall of 2015 activity is going well. As previously discussed, Administration intends to add those funds to the \$50,000 allocation in Fiscal Year 2017 and address additional squares of sidewalk.

2. Independence Day Celebration: Mount Clemens is once again hosting the premiere fireworks display in the area! This year’s event is on Friday, June 24, 2016. We will have a food truck, stilt walkers, face painting, etc. but there are two primary aspects:
  - Riversight & Sound Concert @ 8:00 PM featuring Magic Bus, sponsored by:
    - Oakland University
    - C&G Newspapers
  - Fireworks @ dusk, sponsored by:
    - Wayne & Joan Webber Foundation

Please come out and enjoy the festivities and fun!

3. Digital Sign Update: The City's new, digital information sign is being installed at the corner of Cass and Northbound Gratiot during the week of June 13th. This project is funded through our Downtown Development Authority. The new sign will be more energy efficient with LED lighting and will allow instantaneous updates for sharing information with our community. Also, the updating process can be done remotely which will free up City staff to address other service needs. As an example, we will be able to use this sign to share information about how to get to and from our Independence Day Celebration on June 24<sup>th</sup>. The information will be updated for how to arrive in town before the fireworks and for how best to exit from Downtown after the fireworks show.
  
4. Website Information: City Administration has been working on a variety of enhancements to the City website. Most of the recent work can be seen on the Homepage with new and/or revamped buttons added. These allow users of our website to easily access some of the most important/most frequently used sources of information, etc. Administration is using/intends to use this section of the Homepage to highlight current initiatives and assist with public outreach. As an example, we currently have a button established where residents and others can access the Master Plan Update information during the 42-day comment period. Then, people can use the recently created button for providing feedback to us to provide their comments on the Master Plan Update.

We will modify these buttons as new initiatives and needs come up. We hope to encourage people to come back often to see and use these new features as we add fresh opportunities to learn more and interact with the City.

We continue to look for ways to improve the flow of the website, the accessibility of information and the organization of the website. We encourage anyone with thoughts about our website to share them with a call, an email or by utilizing the feedback button on the website.