Grand Ledge City Council

REGULAR MEETING AGENDA
MONDAY, 27 JUNE 2016
7:30 P.M.
COUNCIL CHAMBERS, CITY HALL
310 GREENWOOD ST., GRAND LEDGE MI 48837

I. **ROLL CALL OF COUNCIL** – Mayor Kalmin Smith; Mayor Pro-Tem Keith Mulder; and Council members Tom Jancek, Rick Lantz, Jamie Malecki, Thom Sowle, and Don Willems

II. **PLEDGE OF ALLEGIANCE** – Any person(s) attending may participate in reciting the Pledge of Allegiance to the American Flag. The Mayor may choose to designate, with their consent, a Council member or a person attending to lead the Pledge of Allegiance. The City Council shall not require any Council member or person(s) attending to recite the Pledge of Allegiance.

III. **AUDIENCE PARTICIPATION** – Any person(s) attending may comment on any subject. All presentations before the City Council shall be limited to five minutes per individual presentation.

IV. **APPROVAL OF CONSENT AGENDA** – The City Council approves items listed on the consent agenda by a single roll call vote without debate. If the City Council desires to debate any item listed on the consent agenda, it may remove the item and place it on the regular agenda for consideration in due order.

A. **Motion** – To approve the Monday, 27 June 2016 City Council consent agenda, as follows:

i. Financial transactions and bills.

ii. Monday, 13 June 2016 regular City Council minutes.

iii. Quarterly amendments to the Annual Budget for the Fiscal Year Ending 2016.

V. **APPROVAL OF REGULAR AGENDA** – The City Council may remove any item from or add any item to the regular agenda.

A. **Motion** – To approve the Monday, 27 June 2016 regular City Council agenda.

VI. **COMMITTEE AND BOARD REPORTS** – Council members and staff may report on discussions and actions of committees and boards.

VII. **STAFF REPORTS** – The City Council may receive reports from various department heads.

VIII. **UNFINISHED BUSINESS** – The City Council may again debate any item(s) previously debated but not finally disposed of and may or may not act upon the item(s) as indicated.

IX. **NEW BUSINESS** – The City Council may debate any item(s) under its authority not previously debated and may or may not act upon the item(s) as indicated.

A. **Resolution** – To approve a Contract with the Michigan Department of Transportation for the Jenne St. Reconstruction Project from Edwards St. to M-43.

B. **Resolution** – To exercise the City's Right of First Refusal on Eaton County tax foreclosed properties.

C. **Motion** – To amend the Personnel Manual, sections 4.14 Cell Phone Stipend and 4.8 Vacation Days.

X. **AUDIENCE PARTICIPATION** – Any person(s) attending may comment on any subject. All presentations before the City Council shall be limited to five minutes per individual presentation.

XI. **COMMUNICATIONS FROM THE MAYOR AND COUNCIL** – The Mayor may make appointments and reappointments to boards and committees, may report on subjects referred by Council members, staff and residents, and may comment on any subject. City Council members may comment on any subject.

XII. **CLOSED SESSION** – The Open Meetings Act allows the City Council to discuss certain subjects without the presence of the public. The City Council may request a staff member or any other person the City Council determines to be necessary, by a majority of the Council members present, to attend the closed session. Once the Closed Session has ended, the City Council will resume the regular meeting.

XIII. **ADJOURNMENT** – When the City Council has completed all items listed on the approved agenda, it may not take any further action until its next regular meeting or a special meeting. If the time is significantly late and items remain on the approved agenda, the presiding officer may ask for a motion to adjourn the meeting to another specific date, time, and place at which to resume and complete the approved agenda.

Gregory L. Newman, City Clerk

THE GRAND LEDGE CITY COUNCIL WILL HOLD ITS NEXT REGULAR MEETING ON MONDAY, 11 JULY 2016, AT 7:30 P.M. IN THE COUNCIL CHAMBERS, CITY HALL, 310 GREENWOOD ST., GRAND LEDGE, MICHIGAN.

06/24/2016	CUSTOM INVOICE REPORT FOR CITY OF GRAND LEDGE	
VENDOR		
NAME	DESCRIPTION	AMOUNT
44 NORTH	HRA/TELEDOC JUNE 2016	697.20
ABSOPURE WATER	DISTILLED WATER	134.20
ABSOPURE WATER	DISTILLED WATER	22.50
ACE HARDWARE	ALUMINUM TUBING	(18.99)
ACE HARDWARE	SCREWDRIVER/BIT SET	17.99
ACE HARDWARE	ALUMINUM TUBING/GLUE	23.98
KING AMEE	REIMBURSE MILEAGE TO TRAINING	100.44
WYNALDA AMY	REIMBURSE FOR MILEAGE	18.90
BADER & SONS CO.	BLADE KIT	88.37
SWEET BETTY	ISLAND DEPOSIT	100.00
BIG L CORP	CONSTRUCTION WOOD	86.35
BLUE CROSS BLUE SHIELD	GR 007017086 DIV 0000 - JULY 2016	6,164.08
BLUE CROSS BLUE SHIELD	GR 007017086 DIV 0001 - JULY 2016	8,195.57
BLUE CROSS BLUE SHIELD	GR 007017086 DIV 0002	3,080.49
BLUE CROSS BLUE SHIELD	GR 007017086 DIV 0003 - JULY 2016	8,926.20
CMP DISTRIBUTORS	VESTS	5,399.55
COMCAST CABLE	13253 LAWSON ROAD - ACCT #01721 150482-01-8	82.90
COUNTY OF EATON	ROAD CREW - 5 DAYS	1,800.00
CUMMINS BRIDGEWAY, LLC	TEMP SENDERS - CREDIT	(76.72)
CUMMINS BRIDGEWAY, LLC	TEMP SENDERS/SWITCH	216.28
NOWAK DANIELLE	COMM ROOM DEPOSIT	100.00
DBI BUSINESS INTERIORS	OFFICE SUPPLIES	84.16
DORNBOS SIGN & SAFETY INC	SIGNS	71.40
DORNBOS SIGN & SAFETY INC	NO PARKING SIGNS	107.70
EATON COUNTY TREASURER	MTT 15-006031 TAX YEAR 2015	3.66
EATON COUNTY TREASURER	400-078-000-060-00 MTT #15-006031	29.26
EATON COUNTY TREASURER	2015 PILOT	4,411.17
EATON COUNTY TREASURER	LEDGEWAY TRAILER TAX - MAY 2016	400.00
EATON RESA	2015 PILOT	1,881.84
ELECTION SYSTEMS AND SOFTWARE	HARDWARE MAINTENANCE - AUTOMARK	393.20
ENG.	GL E RIVER/FRANKLIN - APRI 2016	12,141.05
ENG.	GL E. RIVER/RUSSELL ST - APRIL 2016	550.00
ENG.	GL PHASE II CWA COMPLIANCE- MAY 2016	260.00
ETNA SUPPLY INC	KORNERHORNS	491.00
FASTENAL COMPANY	SAW BLADE	70.54
FASTENAL COMPANY	FASTENERS	22.29
FASTENAL COMPANY	FASTENERS	114.18
FIRST PLACE SPORTS INC	UNIFORMS	33.00
FIRST PLACE SPORTS INC	UNIFORMS	54.00
FLUID CONNECTIONS, INC.	ADAPTER/CLAMP/COUPLINGS/CONNECTORS	165.44
GALE BRIGGS, INC.	CONCRETE	767.00
GENERAL CODE LLC	ANNUAL MAINTENANCE	1,195.00
GRAND LEDGE AREA DISTRICT LIBRARY	2015 PILOT	560.21
GRAND LEDGE AREA EMERGENCY	2015 PILOT	1,434.79
GRAND LEDGE AUTO PARTS INC	SPOUT/ADAPTER	32.88
GRAND LEDGE AUTO PARTS INC	DEGREASER/EXTREME BLUE	76.70
GRAND LEDGE AUTO PARTS INC	OIL FILTER/SYNTHETIC OIL	59.81
GRAND LEDGE PUBLIC SCHOOLS	COFFEE FOR 3/8/16 ELECTION	170.50

GRAND LEDGE PUBLIC SCHOOLS	2015 PILOT	2,659.35
GRANGER	310 GREENWOOD - TRASH REMOVAL	70.00
GRANGER	310 GREENWOOD - RECYCLING	48.00
GRANGER	401 WHITNEY ST - TRASH REMOVAL	82.35
GRANGER	138 W RIVER - TRASH REMOVAL	72.24
GRANGER	109 FITZGERALD PARK DR - TRASH REMOVAL	62.59
GRANGER	13253 LAWSON ROAD - TRASH REMOVAL	63.12
HARRY O CULP INS AGENCY INC	STORAGE TANK AT AIRPORT	3,637.50
HASSELBRING CLARK	COPIER CHARGES	720.81
DEWITT KIRK	UNIFORM AND TRAINING REIMBURSEMENT	256.45
RISTOW KURT	REIMBURSE FOR MILEAGE	28.62
LANSING COMMUNITY COLLEGE	2015 PILOT	1,847.57
LANSING ICE AND FUEL	DPS FUEL - ACCT #1-081681	1,131.44
LANSING UNIFORM COMPANY	UNIFORMS	15.00
LANSING UNIFORM COMPANY	UNIFORMS	199.80
MENARDS - LANSING WEST	CONDUIT/BUSHINGS/ADAPTERS/DISC SETS	56.69
MENARDS - LANSING WEST	HOSE/BONDING PRIMER/SAFETY YELLOW SPRAY	61.88
MENARDS - LANSING WEST	CONCRETE MIX/LAG SCREW/WASHER/IMPACET SET	56.09
MENARDS - LANSING WEST	PICTURE SHELF	17.98
MICHIGAN.COM	LEGAL NOTICES - MARCH 2016	702.86
MID MICH BLDG INSPECTIONS, LLC	BLDG PERMITS/INSPECTS 06/13/16	1,863.00
MID MICH BLDG INSPECTIONS, LLC	BLDG PERMITS/INSPECTS 06/17/16	2,336.00
MIRACLE RECREATION EQUIP CO.	WALL ENCLOSURE	545.00
MUNICIPAL SUPPLY INC	1" COMPRESSION BALL	1,425.60
NORTH CENTRAL LABORATORIES	SUPPLIES FOR WWTP	583.37
NORTHERN SAFETY CO., INC.	NITRILE GLOVES/RESPIRATOR/EYE WASH	259.18
PARAGON LABORATORIES, INC.	MERCURY TESTING	855.00
PARAGON LABORATORIES, INC.	MERCURY TESTING	195.00
PRECISION LAWN & SNOW	MONTHLY MOW - MAY 2016 - 2 OF 7	1,782.14
BEDNARZ RALPH	COMM ROOM DEPOSIT	100.00
RED WING SHOES	SAFETY FOOTWEAR	191.24
JACKSON ROBERT	MOWING FOR ZONING	400.00
SOIL & MATERIALS ENGINEERS INC	APRIL - MAY 2016 - MUCK PROBES	494.75
SPARROW HEALTH SYSTEM	PHYSICALS	467.50
SPICER GROUP	GL PARKS AND REC MASTER - MAY 2016	1,710.10
STATE OF MICHIGAN	2015 PILOT	19,653.92
SUPERIOR ASPHALT, INC.	PAVING MATERIAL	1,800.00
SYNAGRO CENTRAL	BIOSOLID DISPOSAL/ANALYSES	25,132.26
COTE TIM	CLEANING 06/13/16 TO 06/26/16	550.00
U.S. POSTAL SERVICE	CYCLE 3 WATER BILLS	288.95
USA BLUE BOOK	HACH FLUORIDE REAGENT	227.80
VERIZON WIRELESS	DPS CELLS - ACCT #242013090	186.74
VISUAL ENTITIES	VINYL LETTERING	489.70
GRAINGER INC W W	YELLOW FLAG DISCON	43.31
ZIEMNICK FOSTER ENG., LLC	SITE PLAN - CAPITOL BEDDING	400.00
ZIEMNICK FOSTER ENG., LLC	SAW GRANT - MAY 2016	4,910.00
ZIEMNICK FOSTER ENG., LLC	SAW GRANT - APRIL 2016	8,000.00
ZIEMNICK FOSTER ENG., LLC	SAW GRANT - MARCH 2016	15,590.00
	TOTAL	**163,010.97**

GRAND LEDGE CITY COUNCIL
310 GREENWOOD ST.
GRAND LEDGE MI 48837
(517) 627-2149

CITY COUNCIL MINUTES – REGULAR MEETING
MONDAY, 13 JUNE 2016
7:30 P.M.
COUNCIL CHAMBERS, CITY HALL
310 GREENWOOD ST.

DRAFT

I. **ROLL CALL OF COUNCIL** – Mayor Kalmin Smith; Mayor Pro-Tem Keith Mulder; and Council members Tom Jancek, Rick Lantz, Jamie Malecki, Thom Sowle, and Don Willems

OTHERS PRESENT – Adam Smith, City Administrator; Gregory Newman, City Clerk; Cheryl Grice, Finance Director / Treasurer; Martin Underhill, Chief of Police; Larry LaHaie, Public Service Director; Susan Stachowiak, Zoning Administrator; Amee King, Assistant City Administrator;

II. **PLEDGE OF ALLEGIANCE**

Martin Underhill, Chief of Police, led those in attendance in the Pledge of Allegiance.

III. **AUDIENCE PARTICIPATION**

Mary Stephenson, 13289 Crabapple, commented on the City's response to her concerns about a water spigot located next to her son's grave at Oakwood Cemetery.

IV. **APPROVAL OF CONSENT AGENDA**

A. **Motion (from staff)** – To approve the Monday, 13 June 2016 City Council consent agenda, as follows:

i. Financial transactions and bills.

ii. Monday, 23 May 2016 regular City Council minutes.

iii. Monday, 23 May 2013 Closed Session minutes.

iv. Right-of-Way Use Application from the Grand Ledge Area Chamber of Commerce for the 2016 Yankee Doodle Days.

v. Right-of-Way Use Application from the Grand Ledge Education Foundation for the 2016 Josh Spalsbury Memorial Comet Chase 5K.

vi. Right-of-Way Use Application from the Duo at the Ledge Races for the 02 July 2016 Duo at the Ledge.

vii. Approval of the appeal by Chuck Pantera from the Tree Board's lack of action, per the Downtown Development Authority's recommendation.

COUNCIL MEMBER SOWLE MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO APPROVE THE MONDAY, 13 JUNE 2016 CITY COUNCIL CONSENT AGENDA.

COUNCIL MEMBER MULDER MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO AMEND THE MONDAY, 13 JUNE 2016 CITY COUNCIL CONSENT AGENDA, BY INSERTING AS ITEM VI. A RIGHT-OF-

WAY USE APPLICATION FROM THE DUO AT THE LEDGE RACES FOR THE 02 JULY 2016 DUO AT THE LEDGE. MOTION CARRIED UNANIMOUSLY.

COUNCIL MEMBER LANTZ MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO AMEND THE MONDAY, 13 JUNE 2016 CITY COUNCIL CONSENT AGENDA, BY INSERTING AS ITEM VII. APPROVAL OF THE APPEAL BY CHUCK PANTERA FROM THE TREE BOARD'S LACK OF ACTION, PER THE DOWNTOWN DEVELOPMENT AUTHORITY'S RECOMMENDATION. MOTION CARRIED UNANIMOUSLY.

MOTION TO APPROVE THE MONDAY, 13 JUNE 2016 CITY COUNCIL CONSENT AGENDA, AS AMENDED BY INSERTING AS ITEM VI. A RIGHT-OF-WAY USE APPLICATION FROM THE DUO AT THE LEDGE RACES FOR THE 02 JULY 2016 DUO AT THE LEDGE AND INSERTING AS ITEM VII. A MOTION TO APPROVE THE APPEAL BY CHUCK PANTERA FROM THE TREE BOARD'S LACK OF ACTION, PER THE DOWNTOWN DEVELOPMENT AUTHORITY RECOMMENDATION. MOTION CARRIED UNANIMOUSLY.

V. APPROVAL OF REGULAR AGENDA

A. Motion – To approve the Monday, 13 June 2016 regular City Council agenda.

COUNCIL MEMBER LANTZ MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO APPROVE THE MONDAY, 13 June 2016 REGULAR CITY COUNCIL AGENDA. MOTION CARRIED UNANIMOUSLY.

VI. COMMITTEE AND BOARD REPORTS

VII. STAFF REPORTS

Administrator's Office

Adam Smith, City Administrator, commented on the City's efforts to timely and professionally communicate and address concerns, and reported on the City's website update.

Amee King, Assistant City Administrator, reported on Public Works Supervisor hiring process and the seasonal employee hiring process.

Clerk's Department

Gregory Newman, City Clerk, reported on election cycle preparations, Oakwood Cemetery Rules review, and the legal opinion determining Council member Willems is qualified to run for office in Ward 1.

Finance Department

Cheryl Grice, Finance Director / Treasurer, reported on department head meetings to review the Fiscal Year 2016 budget.

Police Department

Martin Underhill, Chief of Police, reported on increasing activity with the warmer weather, and on Detective James' resignation and Detective Dewitt's appointment.

Department of Public Services

Larry LaHaie, Public Service Director, reported on water system communication problems, seasonal employee activities, sludge hauling, Olivet and Sunfield testing, Oakwood Cemetery activities, and the E. River St. and Russell St. reconstruction project.

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The City Council discussed the Memorial Tree Trail cleaning, and the infrastructure improvements included in the E. River St. and Russell St. reconstruction project.

Assessing Department

Adam Smith, City Administrator, reported on the Assessing Department report included in the packet.

Planning and Zoning Department

Susan Stachowiak, Zoning Administrator, reported on code enforcement and compliance activities, and the Planning Commission's continuing work on the Zoning Ordinance and the Master Plan.

The City Council discussed the expected start of the Speedway project by the end of August 2016, and the City's options to reduce the dust from the Speedway site.

Building Department

Adam Smith, City Administrator, mentioned the Building Department report included in the packet.

A. **Motion** – To receive and place on file the May 2016 staff reports.

COUNCIL MEMBER MULDER MOVED, COUNCIL MEMBER SOWLE SECONDED, TO RECEIVE AND PLACE ON FILE THE MAY 2016 STAFF REPORTS. MOTION CARRIED UNANIMOUSLY.

VII. UNFINISHED BUSINESS

A. **Public Hearing** – On an Agreement for Conditional Transfer of Property and Governmental Functions Pursuant to 1984 P.A. 425 and 1967 P.A. 8.

Adam Smith, City Administrator, explained the Grand Ledge Area Emergency Services Authority's request for a 425 Agreement for its property located in Oneida Township.

MAYOR SMITH OPENED THE PUBLIC HEARING ON AN AGREEMENT FOR CONDITIONAL TRANSFER OF PROPERTY AND GOVERNMENTAL FUNCTIONS PURSUANT TO 1984 P.A. 425 AND 1967 P.A. 8., AT 8:08 P.M.

No public comment.

MAYOR SMITH CLOSED THE PUBLIC HEARING ON AN AGREEMENT FOR CONDITIONAL TRANSFER OF PROPERTY AND GOVERNMENTAL FUNCTIONS PURSUANT TO 1984 P.A. 425 AND 1967 P.A. 8., AT 8:08 P.M.

B. **Resolution #18 of 2016** – To approve an agreement for Conditional Transfer of Property and Governmental Functions Pursuant to 1984 P.A. 425 and 1967 P.A. 8.

COUNCIL MEMBER LANTZ MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO ADOPT RESOLUTION #18 OF 2016, TO APPROVE AN AGREEMENT FOR CONDITIONAL TRANSFER OF PROPERTY AND GOVERNMENTAL FUNCTIONS PURSUANT TO 1984 P.A. 425 AND 1967 P.A. 8.

Adam Smith, City Administrator, explained the agreement approves a 425 Agreement for the Grand Ledge Area Emergency Services Authority property in Oneida Township.

MOTION TO ADOPT RESOLUTION #18 OF 2016, TO APPROVE AN AGREEMENT FOR CONDITIONAL TRANSFER OF PROPERTY AND GOVERNMENTAL FUNCTIONS PURSUANT TO 1984 P.A. 425 AND 1967 P.A. 8, CARRIED UNANIMOUSLY.

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C. **Resolution #19 of 2016** – To approve a Lease Agreement with the Grand Ledge Area Chamber of Commerce.

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER LANTZ SECONDED, TO ADOPT RESOLUTION #19 OF 2016, TO APPROVE A LEASE AGREEMENT WITH THE GRAND LEDGE AREA CHAMBER OF COMMERCE.

Adam Smith, City Administrator, explained the Charter requirements for leasing property.

The City Council debated lease of Meeting Room B106 by the Grand Ledge Area Chamber of Commerce.

MOTION TO ADOPT RESOLUTION #19 OF 2016, TO APPROVE A LEASE AGREEMENT WITH THE GRAND LEDGE AREA CHAMBER OF COMMERCE. AYES: JANCEK, LANTZ, MALECKI, SOWLE, SMITH, WILLEMS. NAYS: NONE. MOTION CARRIED UNANIMOUSLY.

D. **Resolution #20 of 2016** – From Local Governing Body Accepting a Grant – Acquisition, Project Number TF15-0195.

COUNCIL MEMBER MULDER MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO ADOPT RESOLUTION #20 OF 2016, FROM LOCAL GOVERNING BODY ACCEPTING A GRANT – ACQUISITION, PROJECT NUMBER TF15-0195.

Adam Smith, City Administrator, explained the grant covers the Oak Park Expansion Project and explained the existing encroachments onto Oak Park by adjacent property owners.

MOTION TO ADOPT RESOLUTION #20 OF 2016, FROM LOCAL GOVERNING BODY ACCEPTING A GRANT – ACQUISITION, PROJECT NUMBER TF15-0195, CARRIED UNANIMOUSLY.

E. **Resolution #21 of 2016** – To accept the bid for the 2016 Capital Improvement and Refunding Bonds.

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER MULDER SECONDED, TO ADOPT RESOLUTION #21 OF 2016, TO ACCEPT THE BID FOR THE 2016 CAPITAL IMPROVEMENT AND REFUNDING BONDS.

Adam Smith, City Administrator, presented a replacement resolution based on today's bid sale, reported on the 1.95% interest rate, explained the projects covered by the bonds, explained the refunding bonds included in the bond issue.

MOTION TO ADOPT RESOLUTION #21 OF 2016, TO ACCEPT THE BID FOR THE 2016 CAPITAL IMPROVEMENT AND REFUNDING BONDS, CARRIED UNANIMOUSLY.

F. **Resolution #22 of 2016** – To adopt the Annual Budget and Appropriations Measure for the Fiscal Year Ending 30 June 2017, and the Tax Levy and Rates.

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER LANTZ SECONDED, TO ADOPT RESOLUTION #22 OF 2016, TO ADOPT THE ANNUAL BUDGET AND APPROPRIATIONS MEASURE FOR THE FISCAL YEAR ENDING 30 JUNE 2017, AND THE TAX LEVY AND RATES.

Adam Smith, City Administrator, presented the final Fiscal Year Ending 30 June 2017 Budget.

MOTION TO ADOPT RESOLUTION #22 OF 2016, TO ADOPT THE ANNUAL BUDGET AND APPROPRIATIONS MEASURE FOR THE FISCAL YEAR ENDING 30 JUNE 2017, AND THE TAX LEVY AND RATES, CARRIED UNANIMOUSLY.

IX. NEW BUSINESS

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A. **Resolution #23 of 2016** – MERS Retiree Health Funding Vehicle.

COUNCIL MEMBER MULDER MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO ADOPT RESOLUTION #23 OF 2016, MERS RETIREE HEALTH FUNDING VEHICLE.

Adam Smith, City Administrator, explained the MERS Retiree Health Funding Vehicle to address the City's unfunded retiree health care liabilities.

MOTION TO ADOPT RESOLUTION #23 OF 2016, MERS RETIREE HEALTH FUNDING VEHICLE, CARRIED UNANIMOUSLY.

B. **Motion** – To amend the Personnel Manual, Article IV, Employee Benefits.

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER LANTZ SECONDED, TO AMEND THE PERSONNEL MANUAL, ARTICLE IV, EMPLOYEE BENEFITS.

Adam Smith, City Administrator, explained the amendment eliminates the retiree health care benefit for future employees, and explained the need to negotiate the benefit removal from the collective bargaining units.

MOTION TO AMEND THE PERSONNEL MANUAL, ARTICLE IV, EMPLOYEE BENEFITS, CARRIED UNANIMOUSLY.

C. **Motion** – To amend the Compensation Plan by increasing the Grade and Step Schedule by 2%, effective the first full pay period after 01 July 2016, for full-time employees, equivalent to but excluding those employees subject to collective bargaining agreements.

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER MULDER SECONDED, TO AMEND THE COMPENSATION PLAN BY INCREASING THE GRADE AND STEP SCHEDULE BY 2%, EFFECTIVE THE FIRST FULL PAY PERIOD AFTER 01 JULY 2016, FOR FULL-TIME EMPLOYEES, EQUIVALENT TO BUT EXCLUDING THOSE EMPLOYEES SUBJECT TO COLLECTIVE BARGAINING AGREEMENTS.

Adam Smith, City Administrator, explained the motion applies the same wage increase to non-union employees as was bargained for union employees.

MOTION TO AMEND THE COMPENSATION PLAN BY INCREASING THE GRADE AND STEP SCHEDULE BY 2%, EFFECTIVE THE FIRST FULL PAY PERIOD AFTER 01 JULY 2016, FOR FULL-TIME EMPLOYEES, EQUIVALENT TO BUT EXCLUDING THOSE EMPLOYEES SUBJECT TO COLLECTIVE BARGAINING AGREEMENTS, CARRIED UNANIMOUSLY.

D. **Resolution #24 of 2016** – To approve a bid award for E. River St. and Franklin St. Reconstruction Project.

COUNCIL MEMBER LANTZ MOVED, COUNCIL MEMBER WILLEMS SECONDED, TO ADOPT RESOLUTION #24 OF 2016, TO APPROVE A BID AWARD FOR E. RIVER ST. AND FRANKLIN ST. RECONSTRUCTION PROJECT.

Adam Smith, City Administrator, presented a replacement resolution and the bids received, reported on the bids received, and mentioned the low bidder was also awarded Jenne St. Reconstruction project Phases 1 and 2.

MOTION TO ADOPT RESOLUTION #24 OF 2016, TO APPROVE A BID AWARD FOR E. RIVER ST. AND FRANKLIN ST. RECONSTRUCTION PROJECT, CARRIED UNANIMOUSLY.

X. AUDIENCE PARTICIPATION

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XI. COMMUNICATIONS FROM THE MAYOR AND COUNCIL

Council member Malecki commented on the letter from the W. Front St. residents thanking the City Council for the recent traffic control orders addressing parking.

Council member Mulder mentioned the 2016 Yankee Doodle Days.

XII. CLOSED SESSION

XIII. ADJOURNMENT

COUNCIL MEMBER WILLEMS MOVED, COUNCIL MEMBER LANTZ SECONDED, TO ADJOURN THE MONDAY, 13 JUNE 2016, REGULAR CITY COUNCIL MEETING, AT 8:26 P.M. MOTION CARRIED UNANIMOUSLY.

Gregory L. Newman, City Clerk

Kalmin D. Smith, Mayor

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CITY OF GRAND LEDGE BUDGET AMENDMENTS/APPROPRIATION REQUEST

Quarter Ending 6/30/16

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT BUDGET/ WORKING CAPITAL AT BEGINNING OF FISCAL YEAR	REQUESTED INCREASE (DECREASE)	AMENDED BUDGET APPROPRIATION/ ESTIMATED REVENUE	REASON FOR AMENDMENTS
General Fund					
101-170.294-974.002	Special Projects - Capital Improvements	23,000	8,500	31,500	Art Project - Local Share of Costs
101-000.000-390.000	Working Capital	908,022	(8,500)	899,522	
101-300.410-703.000	Planning & Zoning Salaries / Wages	27,000	12,000	39,000	To record increase in activity for FY16
101-000.000-390.000	Working Capital	908,022	(12,000)	896,022	
101-170.101-477.000	Building Permits	95,000	80,000	175,000	To record activity in Building Department (net zero)
101-300.371-811.000	Contractual	95,000	80,000	175,000	
Grant Fund					
274-750.905-699.101	Transfer in from General Fund	-	140,000	140,000	To record 603 E River Street Land Acquisition Project
274-750.905-541.001	State Grant	-	148,883	148,883	
274-750.905-971.000	Land Acquisition	-	250,632	250,632	
274-000.000-390.000	Working Capital	-	38,251	38,251	
274-750.906-699.101	Transfer in from General Fund	-	18,000	18,000	To record Oak Park Expansion Project
274-750.906-541.001	State Grant	-	48,000	48,000	
274-750.906-971.000	Land Acquisition	-	60,000	60,000	
Municipal Streets					
204-440.495-999.410	Transfer out to Capital Improvement Fund	-	250,000	250,000	To Record Construction costs for E. River St.
204-000.000-390.000	Working Capital	341,011	(250,000)	91,011	In Anticipation of Bond Proceeds
410-000.000-699.204	Transfer in from Muncipal Street Fund	-	250,000	250,000	Repayment in FY17 Budget from Bond Proceeds
410-000.000-390.000	Working Capital	-	250,000	250,000	
Parks and Recreation					
208-750.902-811.006	Contractual	-	16,000	16,000	Record 6 months of expense for Eaton County contract
208-000.000-390.000	Working Capital	51,563	(16,000)	35,563	
DDA Debt Fund					
394-905.906-998.000	Debt-Paying Agent Fee	550	450	1,000	To record Paying Agent Fees
394-000.000-390.000	Working Capital	7,195	(450)	6,745	
Island Bridge & Park Debt Fund					
397-905.906-998.000	Debt-Paying Agent Fee	250	250	500	To record Paying Agent Fees
397-000.000-390.000	Working Capital	1,108	(250)	858	

6/22/2016 print date

Grand Ledge City Council Resolution #_____ of 2016

A Resolution to Approve a Contract with the Michigan Department of Transportation for the Jenne St. Reconstruction Project from Edwards St. to M-43.

A resolution adopted by the Grand Ledge City Council, at a regular meeting held on Monday, 27 June 2016, in the Council chambers, City Hall, 310 Greenwood St. Grand Ledge, Michigan.

Whereas, the City of Grand Ledge, Michigan ("City") is a municipal corporation organized under the provisions of the Home Rule City Act, Public Act 279 of 1909, as amended, and is governed by the provisions of the Grand Ledge City Charter adopted 03 January 1963, as amended ("Charter"); and

Whereas, Charter §C-14.1(a) provides:

"That the power to make and to authorize the making of contracts on behalf of the City is vested in the Council and shall be exercised in accordance with the provisions of law."; and

Whereas, the Michigan Department of Transportation has provided a contract for the Jenne St. Reconstruction Project from Edwards St. to M-43;

Now, Therefore, It Is Resolved:

1. The City determines it is in the best interests of the public health, safety and welfare to approve the Contract with the Michigan Department of Transportation for the Jenne St. Reconstruction Project from Edwards St. to M-43, as attached.

2. The City directs the City Administrator and Finance Director / Treasurer to appropriate the funds necessary to implement said contract.

3. The Mayor and the Clerk of the City, or their duly authorized agent or representative, are authorized and directed to execute said contract on behalf of the City of Grand Ledge; to do any other act(s) or thing(s) which shall be necessary to execute said contract on behalf of the City of Grand Ledge; to preserve and protect the rights, duties and obligations of the City thereunder; and to do any act or thing required by statute, Charter, ordinance, rule, regulation or other provision of law in order to execute said contract.

Motion by

Second by

Ayes:

Nays:

Absent:

Approved:

_____

Kalmin D. Smith, Mayor

I, Gregory L. Newman, Grand Ledge City Clerk, certify this is Resolution #_____ of 2016, adopted by the Grand Ledge City Council at a regular meeting held on Monday, 27 June 2016; a meeting held in accordance with the Open Meetings Act, Public Act No. 267 of 1976, as amended.

_____

Gregory L. Newman, City Clerk

The City of Grand Ledge

PUBLIC SERVICE

310 Greenwood St. • Grand Ledge MI 48837
Ph: 517.627.2144 • Fax: 517.622.3684 • www.grand-ledge.com

Date: June 24, 2016

To: Grand Ledge City Council

From: Larry LaHaie, Public Service Director

RE: Contract between the City of Grand Ledge and Michigan Dept. of Transportation for Federal Highway Administration funding of the Jenne Street reconstruction project.

The attached contract between the Michigan Dept. of Transportation and the City of Grand Ledge will allow use of Federal Highway Administration funds for the reconstruction of Jenne Street between Edwards Street and M-43. The work will include street reconstruction (construction of new street base, edge drain installation, paving, curb/gutter, and driveway approaches), and replacement of sanitary and storm sewer. It will also include construction of sidewalk on the south side of M-43 between Andre Drive and Sandstone Creek.

The total amount of the contract is based on an estimated cost of $697,100.00. Of that amount, $403,916 will be financed through the use of Federal Highway Funds, while the remaining $237,820 will be funded by the City through the FY-2017 Major Street and Water/Sewer budgets.

A City Council Resolution supporting the approval of the contract is required and is provided with the contract. Please note that the contract will require the signatures of both Mayor Smith and the City Clerk.

STP & HSIP DA

Control Section	HSIP 23609
Job Number	127373A
Project	HSIP 1623(008)
Federal Item No.	RT 0400
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	16-5154

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 GRAND LEDGE, 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 Grand Ledge, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated March 10, 2016, attached hereto and made a part hereof:

PART A – FEDERAL PARTICIPATION
Hot mix asphalt removal and surfacing along Jenne Street from Edwards Street southerly to Highway M-43 (Saginaw Highway); including storm sewer, sidewalk, restoration, and pavement marking work; and all together with necessary related work.

PART B – NO FEDERAL PARTICIPATION
Water main and sanitary sewer work within the limits as described in PART A; and all together with necessary related work.

WITNESSETH:

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

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

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

HIGHWAY SAFETY IMPROVEMENT PROGRAM
SURFACE TRANSPORTATION PROGRAM

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

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

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

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

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

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

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT, including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

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

4. The REQUESTING PARTY, 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 accordance with the following:

PART A
Federal Highway Safety Improvement Program Funds shall be applied to the eligible items of the PART A portion of the PROJECT COST at a participation ratio equal to 80 percent up to an amount not to exceed $403,916. Federal Surface Transportation Program Funds shall be applied, after deduction of Federal Highway Safety Improvement Program Funds, at a participation ratio equal to 80 percent. The balance of the PART A portion of the PROJECT COST, after deduction of Federal Highway Safety Improvement Program Funds and Federal Surface Transportation Program Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

PART B
The PART B portion of the PROJECT COST is not eligible for Federal participation and shall be charged to and paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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

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

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon an effective billing rate and the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses. The initial effective billing rate for the federal funding for the PART A portion of the PROJECT is calculated by using the federal funding for the PART A portion of the PROJECT set at the time of the award of the construction contract, as described in Section 5, and dividing by the total costs of the PART A portion of the PROJECT eligible for federal funding and authorized at the time of the award of the construction contract.

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

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

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

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

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

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

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Department of Environmental Quality, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Department of Environmental Quality and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. Each party to this contract will remain responsive for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

The DEPARTMENT shall not be subject to any obligations or liabilities by contractors of the REQUESTING PARTY or their subcontractors or any other person not a party to this contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.

It is expressly understood and agreed that the REQUESTING PARTY shall take no action or conduct which arises either directly or indirectly out of its obligations, responsibilities, and duties under this contract, which results in claims being asserted against or judgments being imposed against the State of Michigan, the DEPARTMENT, and/or the Michigan State Transportation Commission.

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

17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction and to:

A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.

B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.

C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF GRAND LEDGE

By_____
Title:

By_____
Title:

FORM APPROVED
5/20/2016
P.L.B
ASSISTANT ATTORNEY GENERAL

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By_____
Department Director MDOT

RDD
5/10/16

APPROVED BY
Administrator
Real Estate

5/23/16
Date

March 10, 2016

EXHIBIT I

CONTROL SECTION	HSIP 23609
JOB NUMBER	127373A
PROJECT	HSIP 1623(008)

ESTIMATED COST

CONTRACTED WORK

	PART A	PART B	TOTAL
Estimated Cost	$574,100	$123,000	$697,100

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	$574,100	$123,000	$697,100
Less Federal Highway Safety Improvement Program Funds *	$403,916	$ -0-	$403,916
Less Federal Surface Transportation Funds	$ 55,364	$ -0-	$ 55,364
BALANCE (REQUESTING PARTY'S SHARE)	$114,820	$123,000	$237,820

*Federal Highway Safety Improvement Program Funds for the PART A portion of the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

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

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.

B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.

1. Engineering

   a. FAPG (6012.1): Preliminary Engineering

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

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

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

2. Construction

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

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

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

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

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

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

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

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

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

3. Modification Or Construction Of Railroad Facilities

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

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

C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of $100,000.00 stipulate the following with respect to their specific jurisdictions:

1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.

2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.

3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.

D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.

E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.

B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.

C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.

D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.

E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than $100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.

H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.

I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.

K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.

L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.

M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.

N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.

O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.

P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.

Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

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

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

The agency shall submit two copies of:

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

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

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

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

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

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

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

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.

3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than $1,000.00 shall be submitted unless it is a final

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

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.

5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.

6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than $1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

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

2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.

3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).

5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

   Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

   a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

   b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

      With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

   c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

   d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.

C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.

D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.

B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.

C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.

D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.

E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.

2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.

3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.

6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.

8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.

9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

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.

Grand Ledge City Council Resolution #_____ of 2016

A Resolution to Exercise the City's Right of First Refusal on Eaton County Tax Foreclosed Properties.

A resolution adopted by the Grand Ledge City Council, at a regular meeting held on Monday, 27 June 2016, in the Council chambers, City Hall, 310 Greenwood St. Grand Ledge, Michigan.

Whereas, the City of Grand Ledge, Michigan ("City") is a municipal corporation organized under the provisions of the Home Rule City Act, Public Act 279 of 1909, as amended, and is governed by the provisions of the Grand Ledge City Charter adopted 03 January 1963, as amended ("Charter"); and

Whereas, from time to time, Eaton County forecloses on real property due to delinquent, unpaid taxes; and

Whereas, the City desires to exercise its right of first refusal to purchase said foreclosed property;

Now, Therefore, It Is Resolved:

1. The City exercises its Right of First Refusal on Eaton County tax foreclosed properties.

Motion by

Second by

Ayes:

Nays:

Absent:

Approved:

Kalmin D. Smith, Mayor

I, Gregory L. Newman, Grand Ledge City Clerk, certify this is Resolution #_____ of 2016, adopted by the Grand Ledge City Council at a regular meeting held on Monday, 27 June 2016; a meeting held in accordance with the Open Meetings Act, Public Act No. 267 of 1976, as amended.

Gregory L. Newman, City Clerk

Cheryl Grice

From: Amy Harris <AHarris@eatoncounty.org>
Sent: Wednesday, June 22, 2016 1:52 PM
To: John Fuentes; cmossner@charlottemi.org; Cheryl Grice; bellevuemi@bellevuemi.net; treasurer@vermontville-mi.gov; vod@iserv.net; jwest@pottervillemi.org; tammy.good@lansingmi.gov; mcarr@cityofeatonrapids.com; bellevuetreasurer@wowway.biz; bentontwptreasurer@gmail.com; gramskitty1 @yahoo.com; tax@carmeltownship.org; garnmn@gmail.com; howardpizzo@comcast.net; janderson@deltami.gov; treasurer@eatontownship.com; TreasurerERTwp@acd.net; denisemperkins@yahoo.com; kalamotownship@yahoo.com; rpalermo@oneidatownship.org; melaniedow.roxandtownship@gmail.com; criscott@centurytel.net; amyjokinyon@hotmail.com; waltontownship@gmail.com; treasurer@twp.windsor.mi.us; ebierly@cityofolivet.org; BReed@deltami.gov; gguetschow@charlottemi.org; jstoppels@cityofeatonrapids.com; Good@lansingmi.gov; Adam Smith; bellevuemi@bellevuemi.net
Cc: Robert Robinson
Subject: Municipal right of first refusal to purchase 2016 foreclosed local properties
Attachments: Foreclosure List for Right of First Refusal.pdf; Application to purchase tax foreclosed property Local Government.pdf; Application to purchase tax foreclosed property County.pdf

To: Township, City and Village Officials,

From: Bob Robinson, Eaton County Treasurer

RE: Right of Refusal listing for County-Foreclosed Properties

Attached is a Governmental Agency Right of Refusal Listing for Eaton County tax-foreclosed parcels. These properties are scheduled for public auction September 8, 2016. The statute-mandated deadline for the local to purchase parcels under a right of refusal is July 5. This list is for the State of Michigan, counties and local municipalities only. Please do not copy or promote the list to the public. Pursuant to Public Act 206 of 1893; MCL 211.78m, tax-foreclosed parcels may be purchased by governmental agencies in the following order:

1. The state of Michigan is granted the right of first refusal to purchase property at the greater of the minimum bid, or its fair market value.

2. A city, village, or township may purchase for a public purpose only, any property located within that municipality by paying the County the minimum bid, minus any taxes levied by that city, village, or township and any interest, penalties or fees owing to the municipality for those taxes. Resale proceeds for all property purchased in this manner must be distributed to Eaton County in accordance with MCL 211.78m(1).

3. If the local municipalities elect not to purchase the property, the county in which the property is located may purchase it by paying the minimum bid amount.

Please see the attached file to review parcels that may be of interest to your governmental agency. Applicants should contact the Treasurer's office for parcel availability immediately prior to submitting an application, as parcel offerings may be cancelled at any time. Some parcels are subject to court-ordered redemption extensions as noted below the local parcel number of affected parcels. Execution and delivery for deeds associated to such parcels will be delayed until redemption periods expire. Payment submitted for parcels that are subsequently redeemed will be refunded to the governmental agencies, upon confirmation of tax payment.

To purchase property, your agency must submit a completed, State, County, or Local Unit of Government Purchase Application (also attached), along with a purchase authorization resolution identifying the intended public purpose for the parcel and certified payment by July 5, 2016.

Further information is available at the Eaton County Treasurers website at the link:
www.eatoncountytreasurer.org

For questions, contact Amy Harris at the Eaton County Treasurers office at (517) 543-4262 or by email at aharris@eatoncounty.org

Township, City and Village Officials,

The applications attached to the first email are old applications used by the State of Michigan. If you are interested in a property, please submit your application to the Eaton County Treasurer, 1045 Independence Blvd. Charlotte, MI 48813. The $300.00 fee will not be charged to submit the application.

Bob Robinson
Eaton County Treasurer

Amy Harris
Deputy Treasurer II
1045 Independence Blvd
Charlotte, MI 48813
Phone: (517)543-4262 Fax: (517)543-9983
Email: aharris@eatoncounty.org
Website: http://www.eatoncountytreasurer.org

This email, including any attachment(s) to it are intended solely for the use of the individual or entity to which it is addressed. If you have received this email in error please notify Eaton County by replying to the original email and deleting any email(s) or attachment(s) that you have received. Eaton County screens all outgoing email and attachment(s) for viruses; however, Eaton County cannot accept liability for any damage caused by any virus transmitted by this email. The recipient should check this email and any attachment(s) for the presence of viruses.

Michigan Department of Treasury
4176 (Rev. 04-11)

Application to Purchase Tax Foreclosed Property — Local Government

Issued under the authority of 206 PA 1893; Section 211.78(m). This information is required to issue a deed.

INSTRUCTIONS: File this completed form, a copy of the resolution approving the purchase and identifying the intended public purpose, and proof of amount owed the local unit. Send payment via check made payable to the "State of Michigan" by the instructed deadline. **Late applications will be rejected.** Direct questions to (517) 241-3265.

TREASURY USE ONLY	
Date Application Received	Date Application Reviewed
Payment Amount	Deed Number
Deed Date	Deed Mail Date

PART 1: APPLICANT INFORMATION

Government Agency Name		
Address (Street Number, PO Box)		
City	State: Michigan	ZIP Code

PART 2: DEED ISSUANCE

Issue deed to: ☐ Same as Government Agency in Part 1

Grantee Name		
Address (Street Number, PO Box)		
City	State: Michigan	ZIP Code

Mail deed to:

Address (Street Number, PO Box)		
City	State: Michigan	ZIP Code

PART 3: BIDDING INFORMATION

County	Sale Number	Local Parcel Number	Minimum Bid as identified on Treasury Web Site	Amount Due Local Unit (see attached evidence)	Balance Owing to State
				Treasury Application Fee	$300.00
☐ Check if additional parcels are attached.				TOTAL	

PART 4: CERTIFICATION

By signing below, I understand that the land herein described shall be used solely for public purposes, as identified on the attached resolution, which authorizes the purchase. The deed issued by the State of Michigan may reserve to the State of Michigan all mineral rights including coal, oil and gas, etc., rights of ingress and egress over and across any watercourse or stream, pursuant to the provisions of Public Act 451 of 1994, as amended and all aboriginal antiquities, mounds, earthworks, etc., pursuant to the provisions of Public Act 451 of 1994.

Representative Name	Title	
Representative Signature	Date	Telephone Number

Return completed application to:
Property Services Division, Michigan Department of Treasury, PO Box 30760, Lansing MI 48909-8260

The City of Grand Ledge

CITY HALL
310 Greenwood St. • Grand Ledge MI 48837
Ph: 517.627.2149 • Fax: 517.627.9796 • www.grand-ledge.com

City of Grand Ledge Personnel Manual
Article IV Employee Benefits
4.14 Cell Phone Stipend

Recommend revision July 2016:

[*Mark-up version*]
The City will provide cell phones for eligible employees who hold positions that include the need for a cell phone on a regular basis as determined by the City Administrator and relevant Department Head ~~(see eligibility below). Employees may choose to use the City provided cell phone or may receive a cell phone stipend to compensate for business related costs incurred when using the individual-owned cell phones.~~

Eligible ~~its~~ employees ~~whose~~ with job duties that include the frequent need for a cell phone may receive and use a City owned cell phone ~~to use~~ or receive a monthly stipend to use their ~~own~~ personal cell phone for city business. The city owned cell phones are intended for internal communication to support the efficiency and effectiveness of all municipal activities. If an employee requests the stipend, it will be added to their regular payroll ~~pay and it will be tax free~~. The stipend will be paid as a flat rate once a month in an ~~the~~ amount equal to an applicable single subscriber rate that the City would normally pay to the cell phone carrier.

~~All employees who choose to use their personal cell phone and receive a stipend, must provide the City their phone number for use in the same manner as a City owned cell phone.~~ Eligible employees are required to utilize the phone's voicemail feature to receive and allow the leaving of messages. The voicemail greeting must include at a minimum the employee's name.

[*Clean version*]
The City will provide cell phones for eligible employees who hold positions that include the need for a cell phone on a regular basis as determined by the City Administrator and relevant Department Head.

Eligible employees with job duties that include the frequent need for a cell phone may receive and use a City owned cell phone or receive a monthly stipend to use their personal cell phone for city business. The city owned cell phones are intended for internal communication to support the efficiency and effectiveness of all municipal activities. If an employee requests the stipend, it will be added to their regular payroll. The stipend will be paid as a flat rate once a month in an amount equal to an applicable single subscriber rate that the City would normally pay to the cell phone carrier.

Eligible employees are required to utilize the phone's voicemail feature to receive and allow the leaving of messages. The voicemail greeting must include at a minimum the employee's name.

The City of Grand Ledge

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City of Grand Ledge Personnel Manual
Article IV Employee Benefits
4.8 Vacation Days – Paragraph 1

Recommend revision July 2016:

[*Mark-up version*]
Regular full-time employees are eligible to earn and use vacation time as described in this policy. The full-time City Clerk, City Treasurer/Finance Director, Police Chief, Director of Public Services, Assistant City Administrator, Utility~~y~~ies Supervisor, Wastewater Treatment Plant Supervisor and ~~Street Supervisor~~ Public Works Supervisor accrue forty (40) additional vacation hours per year; the City Administrator accrues eighty (80) additional vacation hours per year. The City encourages all employees to fully use available vacation time. Vacation time accruals are limited to two (2) times the annual allotment. When ~~that~~ the maximum allotment is reached accrual will stop until the total available time is once again less than that allotment. Employees will accrue vacation leave credits on a monthly basis as a proportionate share of the maximum annual accrual rates applicable to their years of service.

[*Clean version*]
Regular full-time employees are eligible to earn and use vacation time as described in this policy. The full-time City Clerk, City Treasurer/Finance Director, Police Chief, Director of Public Services, Assistant City Administrator, Utilities Supervisor, Wastewater Treatment Plant Supervisor and Public Works Supervisor accrue forty (40) additional vacation hours per year; the City Administrator accrues eighty (80) additional vacation hours per year. The City encourages all employees to fully use available vacation time. Vacation time accruals are limited to two (2) times the annual allotment. When the maximum allotment is reached accrual will stop until the total available time is once again less than that allotment. Employees will accrue vacation leave credits on a monthly basis as a proportionate share of the maximum annual accrual rates applicable to their years of service.