

**City of Swartz Creek
AGENDA**

Regular Council Meeting, Monday, July 25, 2016, 7:00 P.M.

Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473

1. **CALL TO ORDER:**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
 - 4A. Council Meeting of July 11, 2016 MOTION Pg. 20
5. **APPROVE AGENDA:**
 - 5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**
 - 6A. City Manager's Report MOTION Pg. 2
 - 6B. Elms Park Bid Pg. 27
 - 6C. Supervisors Labor Agreement Pg. 36
 - 6D. Street Project Selection Committee Minutes, Schedule, & Engineering Proposal Pg. 75
 - 6E. Water Tower Painting Bid Specification Proposal Pg. 89
 - 6F. Qualified Bidding Selection Process Guild Lines (Conflict of Interest Matrix) Pg. 95
 - 6G. Fire Authority Agreement Draft Pg. 124
 - 6H. July Planning Commission & June Police Authority Minutes Pg. 135
7. **MEETING OPENED TO THE PUBLIC:**
 - 7A. General Public Comments
8. **COUNCIL BUSINESS:**
 - 8A. Elms Park Bid RESO Pg. 13
 - 8B. Supervisors Agreement & Retirement Agreement RESO Pg. 14
 - 8C. 2017 Street Project Engineering Appropriation RESO Pg. 15
 - 8D. Water Tower Specification/Bid Proposal RESO Pg. 17
 - 8E. Property Appraisal for Michigan Tax Tribunal RESO Pg. 18
 - 8F. Fire Authority Agreement Adoption RESO Pg. 18
10. **MEETING OPENED TO THE PUBLIC:**
11. **REMARKS BY COUNCILMEMBERS:**
12. **ADJOURNMENT:** MOTION

Next Month Calendar

Police Authority:	Wednesday, July 27, 2016, 10:00 a.m., PDBMB
State Primary Election:	Tuesday, August 2, 2016
Planning Commission:	Tuesday, August 2, 2016, 7:00 p.m., PDBMB
Park Board:	Wednesday, August 3, 2016, 6:00 p.m., PDBMB
City Council:	Monday, August 8, 2016, 7:00 p.m., PDBMB
Downtown Development Authority:	Thursday, August 11, 2016, 7:00 p.m., PDBMB
Fire Board:	Monday, August 15, 2016, 6:00 p.m., Public Safety Building
City Council:	Monday, August 22, 2016, 7:00 p.m., PDBMB
Police Authority:	Wednesday, August 24, 2016, 10:00 a.m., Mundy Township Offices

**City of Swartz Creek
CITY MANAGER'S REPORT**

Regular Council Meeting of Monday, July 25, 2016 - 7:00 P.M.

TO: Honorable Mayor, Mayor Pro-Tem & Council Members
FROM: Adam Zettel, City Manager
DATE: July 20, 2016

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **OUTSTANDING APPEALS (*Update-Business Item*)**

The Genesee Valley Meadows Golf Course appeal and appraisal process is ongoing. Information from the owner is sparse, but we will do what we can. We should know where we stand by mid-August.

The Nemer Enterprises appeal still remains, though the owner verbally indicated a withdrawal. Our assessor recommends we hold position on the raceway and mini-storage, with the mini-storage recently providing information that will assist with a tentative valuation.

In the meantime, it is time to act on the Centerpiece Plaza. This property has filed appeals at the board of review and/or Michigan Tax Tribunal for six of the last seven years and has received many reductions. They are requesting a valuation of \$17 per square foot, which is less than half of what comparable retail strips are valued at and are settling at within the city. Our assessor is asking that \$4,500 be allocated to cover appraisal and legal costs. I have included a resolution to enable this, using the same firm we have used in the past for retail appraisals, Cook, Pray, Rexroth & Associates.

Staff previously settled negotiated appeals for El Portrero and the Carriage Plaza that the assessor found reasonable upon submission of a privately funded appeal. A complete listing of outstanding appeals is as follows:

Year	Parcel #	Docket #	Owner	Petitioner's Representative	Current Assessed	Current Taxable	Proposed Assessed	Proposed Taxable	Status	Notes
2015	58-32-100-004	15-002500	Shkreli Investments	Fred Gordon	286,600	286,600	50,000	50,000	answered 6/16/15	Gen Valley Golf
										Assessment appears fair - recommend getting an appraisal
2015	58-35-576-039	15-002131	CenterpiecePlaza	Laura Hallahan	182,600	181,762	110,000	110,000	answered 6/9/15	8048 Miller
2015	58-35-576-040	15-002131	CenterpiecePlaza	Laura Hallahan	21,900	19,778	15,000	15,000	answered 6/9/15	8048 Miller
										Assessment appears fair - attorney to file interrogatores to get leases, income and expenses statements for potential appraisal
2015	58-35-400-001	15-001904	Sports Creek	Michael Shapiro	1,207,400	918,667	500,000	500,000	answered 6/9/15	Raceway
										Hold for now - Assessor to acquire more information
2015	58-02-200-033	15-002502	Nemer Enterprises	Kal Nemer	293,400	196,940	190,000	190,000	answered 6/16/15	Morrish Rd office
										Attorney to filed interrogatores to get leases, income and expenses statements for potential appraisal
2015	58-02-200-029	15-002787	S.C. Mini Storage	Steve Johnson	765,300	765,300	550,000	550,000	answered 8/4/15	Storage (Morrish)
										Assessment appears fair - pending further deliberation

✓ **STREETS (*See Individual Category*)**

- ✓ **MORRISH AND BRISTOL SIGNAL** *(No Change of Status)*
The agreements have been executed locally and sent on for other signatures. I will keep the city council informed on the timeline for signal installation.
- ✓ **2017-2020 TRAFFIC IMPROVEMENT PROGRAM (TIP)** *(No Change of Status)*
The three year plan for street funding has been drafted by the county, and the city has committed to a 20% match for those streets that were awarded funding.

Please note that the area of Worcester that is tentatively funded is only the section between Winston and Cappy Lane. While this is a small section, the extra funds will doubtlessly help with the planned reconstruction. Unfortunately, if we desire the federal funds, we must wait until next year, at the soonest, to commence work.

Listed below are the portions selected for federal funding, which include:

<u>Road</u>	<u>Point of Beginning</u>	<u>Point of End</u>	<u>Length (Miles)</u>	<u>Lanes</u>	<u>Lane Feet</u>	<u>Width (Feet)</u>	<u>ADT</u>	<u>Total Cost</u>	<u>Federal Match</u>	<u>Local Match</u>	
Worcester	Cappy	Winston	0.1	2	1056	28	691	\$172,474	\$137,979	\$34,495	
Fairchild	Cappy	Miller	0.28	2	2956.8	44	2456	\$305,104	\$247,234	\$61,021	
								<u>Cost</u>			
								Totals:	\$477,578	\$385,213	\$92,365

- ✓ **MORRISH ROAD CLASSIFICATION-BRIDGE CAPACITY** *(No Change of Status)*
Morrish Road has been submitted for classification as a “minor arterial” from a “major collector”. The MDOT approved the change. Now we await review by the Federal Highway Administration sometime this calendar year.
- ✓ **CONCRETE REPAIR PROJECT** *(Update)*
Repairs for Natalie Drive and Miller Road are complete. Tom may continue work with this contractor on small repairs to other concrete surfaces that the city controls, such as parking areas.
- ✓ **YARMY & PARKRIDGE ROAD WORK** *(Update)*
The rehabilitation of Yarmy and surface treatment for Parkridge are substantially complete. The hairline cracking at the entrance to Parkridge has also been addressed. Overall, the project finished ahead of schedule and under budget.
- ✓ **2016 STREET BIDS-SCRAP TIRE GRANT** *(Update)*
Kennedy is currently working on the intersections of Fairchild-Miller and Winston-Miller, including the Winston water main. We expect to be on schedule, with work being completed by late-July. Fairchild will be resurfaced at the same time that Winston is, which is awaiting water main completion. We are attempting to avoid emulsion delays such as those for the downtown parking lot in 2014.
- ✓ **WATER – SEWER ISSUES PENDING** *(See Individual Category)*
- ✓ **SEWER REHABILITATION PROGRAM** *(Update)*
Mr. Svrcek, Rowe PSC, and Liqui-Force are going to be meeting regarding the next phase of sewer work. I expect to have a proposal by September.

✓ **KWA (No Change of Status)**

The city of Flint made an announcement on June 21st indicating that they shall remain as a member of the KWA. The project still appears to be on time and on budget.

✓ **WATER LOSS (No Change of Status)**

The current rate calculation worksheets place water loss at about 18%. This is consistent from previous accountings, and it is still high. The county agrees and is evaluating their master meters more thoroughly.

Mr. Svrcek believes that recent corrections to the billing system are resulting in additional savings that have yet to be measured based upon the annual water loss review. (The last quarter is about 1.3% lower). We will obviously continue to monitor this. 10-12% is the target range for the time being. This rate is generally accepted to account for hydrant use (flushing, training, fire flows), leaks, breaks, and theft. If we cannot achieve this target by the next evaluation, we will likely look to engage in hydrogen infusion leak detection.

In the meantime, we continue to evaluate master meter and retail billing. We are also physically searching for breaks that may be currently undetected due to their proximity to a storm drain or water body (Swartz Creek).

Note that water loss is difficult to monitor because, unlike systems that pressurize their own systems, we can only track usage on the quarterly basis in which we bill customers. Because this process can take a week, we generally require an annual review to lessen the impact of the extended reading period.

✓ **SHARED SERVICES, POLICE DEPARTMENTS (Business Item)**

A meeting was held on Wednesday, June 22, 2016 at 10:00 a.m. at the Mundy Township offices. The meeting had one agenda item, which resulted in a closed session to discuss details of an ongoing labor agreement negotiation. Obviously, I don't have more information about that. The minutes are included for reference anyway.

As the council is aware, the authority board was granted a time extension through October 31, 2016 to finalize a labor agreement and subsequent budget. Other major components that are outstanding include the asset transfer list, building accommodation plans, administrative staffing, and the matter of future services for other units.

The next meeting is scheduled for 10:00 a.m., July 27, 2016 at the Paul D. Bueche Municipal Building. However, the board chair indicated a special meeting may be held sooner if required to review a labor agreement.

✓ **SPRINGBROOK EAST & HERITAGE VACANT LOTS (No Change of Status)**

The lighting plan has been approved and funds received by the developer to support this. The developer has also placed funds into escrow to fund the remaining items on the punch list, including curb backfill on Russell and sidewalk work. As such, the escrow requirement has been deemed fulfilled on the remaining lots.

All but one of the twelve lots in Springbrook East have sold.

The city still owns four lots in Heritage Village. We have no plan for these at this time. Perhaps an auction of these lots is in order. In this case, I am not sure if there was an intention to share additional revenues with the association or not. The city sold one lot in 2014 "at cost." Purchase agreements with other buyers fell through.

✓ **MEIJER COMMUNITY DONATION** *(No Change of Status)*

We have a recommendation to honor the Meijer donation for the Fortino Drive sidewalk at a Tuesday night concert. This appeared to be well received by the council. Any additional thoughts?

✓ **WINCHESTER WOODS LOTS** *(Update)*

The contract to create a viable road surface has been approved. The city has been clearing brush and debris so the contractor can access this area. I will keep the city council up to date on the progress.

Moving forward, we will need to consider finishing the sanitary sewer line on Young Drive and the area-wide drainage. I am going to reach out to Gaines Township and some key property owners in the area to ascertain interest.

✓ **NEWSLETTER** *(No Change of Status)*

The newsletter has been distributed. Let me know what you think.

✓ **CAPPY LANE LIFT STATION** *(Update)*

We hit a snag. The new generator is powered by natural gas. This requires a new gas line feed to the site. The new feed requires a new easement. This process will take some time, but we do expect it to conclude well.

Due to the backorder on required components, specifically the generator, the project is not likely to commence until mid-August, with an October completion. We expect the station to remain operational throughout this process. I will keep the city council advised on the timeline.

✓ **BUILDING SERVICES** *(No Change of Status)*

The services provided by Safe Built, as provided by Mundy Township, are going well. They still do not have a full time employee prospect, but I think this is just a matter of time.

I have reached out to Durand, and was able to discuss the matter further. They understand that we must review our options for any potential partner in providing this service. In a recent turn of events, the Durand City Manager has resigned. This move will greatly reduce any short term prospect of finalizing an option to engage in a formal service arrangement with Durand.

For now, the status quo is to remain with Mundy Township to see how the transition to a new official goes.

✓ **SUNOCO (Update)**

The demolition is complete. We are now engaged in closeout activities with the contractor. The demolition went very smoothly and there were no compromising or remarkable findings during this phase. The next step is to engage Mobile-Exxon to ascertain what their plans are for site remediation. Since the last meeting, I have engaged the State of Michigan DEQ in a formal review of the site. This will ensure that we are addressing all known hazards with Mobile-Exxon. It may also inspire them to act. The rest prior report is as follows:

We met with representatives of Mobile-Exxon on June 6th. We met onsite and followed up with a staff meeting in city hall. Attendees included company reps, their environmental specialists, and legal counsel. We had myself, Mr. Svreck, Mr. Gildner, Mr. Mike Smith (city environmental specialist) and Mr. Kevin Levalle (city environmental counsel).

We discussed potential plans to clean the site through excavation activities by Mobile-Exxon, as well as the potential to “close” the site with the Michigan Department of Environmental Quality. Though no plans are formal, they definitely appear interested in submitting a request to access the site for cleanup activities. They also may need to work with the city to seek deed restrictions on future use, as well as a groundwater withdrawal restriction ordinance.

These steps will occur later and will need to be negotiated. In the meantime, we await a formal plan/application to access the site to perform physical cleanup. This is likely to require legal assurances, right of way permits, and other accommodations. The city council will need to approve all such terms.

Concerning the future use, much of that may depend on the site cleanup. Until we know what is required, we cannot be certain of what future uses will be allowed and what the timeframe is for such activity. Ideas were for private development, open space, and parking. The apparent frontrunner concept includes a well landscaped public space that can function as a parking lot and plaza.

✓ **STREET PROJECT REVIEW COMMITTEE (Business Item)**

The committee met on July 12th and finalized a recommendation for Phase I of the street program. There was full attendance and the minutes and proposed schedule are attached.

They have created an objective list of 2017 projects that they feel should be done, including water main. In their deliberations, the committee considered street condition, existing plan phasing, site access complications, time sensitive repair priorities, and financial capabilities.

After many revisions and added public input, the committee recommends an aggressive first year program that will address many lane miles of preventative maintenance, two time sensitive rehabilitations (Abbey Lane & Ingalls Street), and two Winchester Village full reconstruction projects (Worchester and Chesterfield).

Executing this plan will require some initial borrowing. Borrowing was found to be advisable to eliminate two of the streets that are in the greatest state of disrepair. Immediately addressing these streets was found to be a benefit for the following reasons: the public expressed an interest in doing so, the borrowing costs should be offset by added costs observed in inflation as well as immediate maintenance savings, and there will be construction engineering savings realized by combining these connecting projects.

Included in the packet as a master resolution that will accept the schedule, order commencement of engineering/bidding for 2017 projects, and direct staff to engage in borrowing to defray such costs. Note that the State Infrastructure Bank (SIB) Loan Program is the preferred avenue for lending. They offer ~2.5% loans with little or no underwriting, and the loan is not competitive at this time. An informational sheet is attached.

✓ **ELMS PARK RENOVATIONS (*Business Item*)**

Oak Construction was the sole bid on the additional improvements to Elms Park (ADA parking, walkways, and exercise trail). Unfortunately, this bid is about 1.5 times what the engineer estimated. The likely reason is due to the time of year in which this was bid. We appeared to be a bit too late into the construction season, and nearly all contractors have locked in their schedules.

Our engineer recommends bidding this during the winter months when the interest and pricing will be in our favor. While any delay is frowned upon, this will enable the improvements to coincide with the Dog Park and Tot Lot projects. There should not be any adverse impacts on our grant status.

Note that the resolution in the packet is written in the standard affirmative, meaning that a “yes” vote will result in approval of the bid. I recommend we follow the engineer’s advice and release bids again in the winter. This will require amending the resolution or failure of the resolution as written.

In other news, Oak Construction is working on the restrooms and the facilities are unavailable for this time period. Those with pavilion rentals were informed of this potential conflict in advance. Work should be complete by the end of July and include two unisex bathrooms with new fixtures, locking doors, baby changing stations, ventilation, and wall coverings. Four port-a-johns and an additional washing station have been placed near the restrooms on a temporary basis.

The dog park has been approved. The scouts indicated that this should be installed early in 2017. The park board will be addressing operating rules/guidelines for this facility this summer. In the meantime, we await progress by the scouts.

✓ **FINANCE DIRECTOR DUTIES (*Update-Business Item*)**

Ms. Aguilar requests to retire on or before June 30, 2017. We have negotiated a retirement agreement that will accommodate this and result in an interim reduction in compensation by virtue of furlough days for the remainder of her employment. This is a direct result of the separation of the City Clerk functions from her description.

In addition, the agreement enables the Finance Director to purchase approximately six months of service time as it relates to post employment medical benefits (note that such time does not impact any pension obligations of the city). Trust me when I say that this matter has been heavily vetted by the employee and employer. We believe the terms to be mutually beneficial insomuch as the city can continue to benefit from Ms. Aguilar's expertise for an extended period without compromising her existing retirement plans.

Note that this agreement is proposed as an exhibit to the collective bargaining agreement that is before the city council and is subject to affirmation of said agreement.

✓ **CLOCK DONATION (Update)**

The Fortino family is moving forward with plans to install the clock on the traffic island at the corner of Paul Fortino Drive and Civic Drive. As completion approaches, which is expected to be in October, additional recognition is probably in order.

To ensure we match the donations aesthetic, we are looking to perform some curb repair work in the vicinity of the clock location, and Mr. Svrcek is going to order a sample decorative sign for Civic & Paul Fortino Drives that could be used in other areas of the city.

✓ **FIRE SERVICES AGREEMENT (Business Item)**

The existing agreement for fire service expires on November 1, 2016. Since our respective municipalities are to begin the budgeting process before August, it makes sense to have this agreement revisited and agreed to by both municipalities prior to mid-summer.

Supervisor Gehringer and I met on this matter on May 16th. We believe the agreement drafted by the prior administrations is sound, and we find the arrangement should continue in order to provide the joint fire service. Proposed changes include some additional language on budgeting considerations, definition of maintenance costs for buildings, and more clear guidance on the tracking of fixed assets.

I believe the proposed changes address the needs of both municipalities. They should be mutually beneficial and serve to align the agreement with standing practices, especially the provision regarding charges for building maintenance. Items that were discussed but not found to be mutually agreeable were the creation of a neutral seventh member, similar to the seventh member that serves the police authority. Clayton Township has bounced this draft off of their township board, and it was approved..

We all know that there have been some bumps along the way related to the provision of this joint service, but I find the instrument that binds the city council and township board appropriate. I recommend approval of this agreement and have included a marked copy of the current agreement in the packet for reference.

✓ **OTHER COMMUNICATIONS & HAPPENINGS (Update)**

✓ **STREET COMMITTEE MINUTES (Update)**

These are attached for your reading enjoyment.

✓ **BOARDS & COMMISSIONS** *(See Individual Category)*

✓ **PLANNING COMMISSION** *(No Change of Status)*

The commission held their regular July meeting on the 5th. The keeping animals, specifically chickens and ducks, was discussed. This has been a topic of debate in our community and many others for about a decade. At this point in time, there appears to be sufficient cause to consider allowing chickens and/or ducks on a limited basis. The planning commission has requested a draft ordinance to review at their August meeting. I will send minutes along with a draft ordinance when available.

✓ **DOWNTOWN DEVELOPMENT AUTHORITY** *(No Change of Status)*

The board met on May 12, 2016. The board waived their rights to capture any street levy funds. This will ensure that the full amount goes to the street program. The group also discussed their budget, deciding to release a solicitation for façade grant applications and to hold off on other spending as everyone awaits the Sunoco demolition bids.

There will not be a July meeting.

✓ **ZONING BOARD OF APPEALS** *(No Change of Status)*

The zoning board of appeals held their annual meeting on May 18th, 2016. The board held this meeting for training purposes only. No other meetings are scheduled.

✓ **PARKS AND RECREATION COMMISSION** *(Update)*

Fundraising for the tot-lot is picking up. A slip and slide event is planned for July 23rd at Elms Park (this weekend). The mom-to-mom sale was cancelled. A pumpkin sale is also planned for October 1st.

The park board is holding these fundraisers and donation-only events. They are enabled to conduct such fundraising under the city name per the enabling ordinance, and I have checked to ensure we are covered for such activities with our insurance agent. The city (including the park board) is covered.

The park board will continue to explore the creation of a non-profit (such as the Friends of the Perkins Library) that can have more flexibility and control over more creative fundraising events.

For this series of events, bear with me as we work with them on achieving their goals. Know that I intend to bring more accountability to the process in the future.

Meetings covering their other activities are attached. Their next meeting is planned for Wednesday, August 3, 2016, at 6:00 p.m.

✓ **BOARD OF REVIEW** *(Update)*

The Board of Review met on July 19th. Mr. Richard Ballreich was selected as the Chair of the Board. Four parcels were addressed at the meeting, including principle

residency exemptions, capping of taxable value, and a disabled veteran exemption. The next meeting is scheduled for December 13, 2016.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **WATER TOWER SPECS AND BID PROPOSAL FOR PAINTING** (*Business Item*)

Based upon the discussion regarding the water tower at the last meeting, Mr. Svrcek has secured a professional service proposal to move forward with painting the tower. We are of the opinion that the tower has numerous potential uses and should not be slated for demolition in the near term. Demolition is extremely expensive and steel prices are relative low, making pricing even more problematic. Future potential uses include:

- ✓ Emergency backup for the community as part of the county system
- ✓ Provision of cellular and/or other wireless communication
- ✓ Function as an alternative economic use (housing, restaurant, other)

With that said, the tower is definitely in need of painting to both ensure integrity of underlying materials and to keep the appearance in line with expectations of the public. I have included a resolution to move this process forward. Because the painting of the tower is more technical and specialized than one might think, we are retaining the services of the tower's structural engineers/inspectors to create accurate and reputable specifications that will be competitively bid (similar to any other engineering project).

If the city council chooses to move forward, we will start immediately to have the tower painted to reflect the current configuration. Of course, the council could by its own action or a delegated action opt to have an alternate form of text or logo placed upon the tower. This would need to be done before completion of the bid specifications.

✓ **SUPERVISORS ASSO. COLLECTIVE BARGAINING AGREEMENT** (*Business Item*)

There is tentative agreement with the Swartz Creek Supervisors Association. Due to circumstances, the group is opting to pursue a one year agreement with a 2% wage increase. This is in line with the AFSCME agreement already approved. Because it is a one year agreement, there was not the financial ability to also make additional contributions to the 401 retirements or active employee Health Care Savings Programs. However, we did modify the post-retirement healthcare to allow for a contribution to a HCSP in lieu of providing partial payments towards medical and prescription coverage. Lastly, incremental increases were agreed to for active employee medical & prescription coverage opt out and post-retirement medical & prescription stipends.

The agreement also partially addresses the succession of Finance Director duties. This topic, along with the Finance Director-Office Manger Retirement Agreement are discussed in detail below.

I have included the collective bargaining agreement and the retirement agreement with the packet. Note that the retirement agreement is subject to affirmation of the city council via a successful vote on the collective bargaining agreement. I recommend approval of the collective bargaining agreement and retirement agreement.

✓ **QUALIFIED BIDDING SELECTION PROCESS** (*Update*)

The city went through a rigorous process to approve area engineering firms for preliminary and construction engineering services for federal aid eligible street projects, such as Miller Road. This process last occurred in August of 2013 and was valid for three years. We are investigating a new round of QBS approval, but it doesn't look promising.

Why? According to the MDOT, the city would need to have a separate engineer to do preliminary engineering and a separate engineer to perform construction engineering for services under \$100,000. For services over that amount (Miller Road), the services would need to be split AND a separated QBS process would need to be done for each project! This is an incredibly time consuming process. Since the QBS edibility is only required for communities that use federal aid for engineering, we need not get involved for another QBS endeavor.

At this point, we have no federal aid eligible preliminary or construction engineering occurring. This is not likely to change for two more years. Even then, if the Metropolitan Planning Organization discontinues the use of federal funds for those purposes, it will be a moot point.

As it stands, we may have the option to get match monies (80%) for the Fairchild PE/CE, which probably amounts to \$35,000-\$40,000. We will decide as we get closer to that time (later 2017) if it is worth pursuing QBS to acquire this match or if it is in our best interest to use local funds to pay for those services. MDOT feels this process is becoming cumbersome and most communities will opt to cover engineering services without federal aid, avoiding the QBS process altogether. I agree with this approach, as the MPO would be able to put this money into asphalt instead of professional services.

With that said, there is absolutely no reason to perform the QBS process now. I will revisit this with the council as it relates to our next eligible project (Fairchild Street). IN the meantime, I am advocating the MPO follow the practice of most other MPOs and discontinue use of federal aid for engineering.

Council Questions, Inquiries, Requests, Comments, and Notes

Health Care Savings Program: Additional employee contributions can be made voluntarily on an after tax basis. HCSP funds CAN be used for assisted living/nursing care lodging and meals.

FANG: There are currently nineteen (19) dues paying members, with the following municipalities providing officers to FANG:

- Section Commander, D/F/Lieutenant from the Michigan State Police
- Two (2) D/Lieutenant's from the Michigan State Police
- D/Sergeant from the Michigan State Police
- Two (2) D/Trooper/Specialist from the Michigan State Police
 - Positions will be vacant starting July 17, 2016 until further notice
- D/Sergeant from the City Burton Police Department
- Officer from the City of Burton Police Department
- Officer from Davison Township Police Department
- Officer from Flint Township Police Department

- Officer from Grand Blanc Township Police Department
- Officer from Mt. Morris Township Police Department
- S/A from Bureau of Alcohol Tobacco and Firearms
- Full time Administrative Assistant from Montrose Township-Funded by FANG
- One (1) Part time Civilian-Forfeiture and Property Administrator from Montrose Township-Funded by FANG.

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, July 25, 2016, 7:00 P.M.**

Resolution No. 160725-4A MINUTES – JULY 11, 2016

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, July 11, 2016, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-5A AGENDA APPROVAL

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of July 25, 2016, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of July 25, 2016, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8A PARK IMPROVEMENT BID APPROVAL

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns operates and maintains a system of parks in the community, including grounds, facilities, and equipment; and

WHEREAS, at the recommendation of the Parks and Recreation Advisory Board, the City Council directed the city manager to apply for a Recreation Passport Grant to fund renovations and improvements at Elms Park; and

WHEREAS, city staff, with technical assistance from Rowe Professional Services Company, created a scope of work and grant applicant to the State of Michigan Department of Natural Resources for said grant; with DNR approval of the city's request occurring in December of 2015; and

WHEREAS, the city desires to bid and construct said improvements as quickly as possible; and

WHEREAS, the city accepted the terms of the Agreement as received from the Michigan Department of Natural Resources by resolution on January 11, 2016 and subsequently received approval from the DNR to bid the bathroom renovation improvements related to this grant project and

WHEREAS, in accordance with the City's Purchasing Ordinance, Chapter 2, Article VI, Section 2-402, as well as DNR bidding requirements, the city solicited sealed bids for this project; and

WHEREAS, the city received one valid and qualified bid.

NOW, THEREFORE BE IT RESOLVED that the City of Swartz Creek City Council accepts the low bid of \$69,870 for completion of the Elms Park renovations as specified by the city's engineer and approved by the Michigan Department of Natural Resources, said bid submitted by Oak Construction Corporation, such expenses to be apportioned and expensed from the Elms Park Project Fund and submitted for reimbursement to the DNR.

BE IT FURTHER RESOLVED that the City Council hereby directs the city manager to submit necessary documents to the DNR for final approval of this project component and further directs the manager to execute any and all agreements, contracts, pay authorizations, and related documents necessary to carry out restoration of the bathrooms under the terms of the Recreation Passport Grant and engineer's contract.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8B SUPERVISORS AGREEMENT APPROVAL

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek entered into a labor agreement with the Swartz Creek City Supervisor's Association on August 27, 2012, amended April 7, 2014, October 13, 2014 & January 25, 2016, for the purpose of setting terms and conditions

of employment and to promote orderly and productive labor relations between the Employer and the Association, and;

WHEREAS, the effective Supervisors Agreement expired on June 30, 2016, and;

WHEREAS, the current Finance Director has announced retirement to be effective on or before June 30, 2017, and;

WHEREAS, the Employer and Supervisors Association negotiated a tentative agreement that will continue relations with the implementation of a new agreement.

NOW THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council hereby approves the amended and restated 2016-2017 Collective Bargaining Labor Agreement between the City and the Swartz Creek Supervisor's Association, a copy of which is attached hereto.

BE IT FURTHER RESOLVED the City of Swartz Creek City Council hereby approves the Retirement Agreement for Finance Director-Office Manager Aguilar and hereby makes said agreement an exhibit to the collective bargaining agreement.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8C 2017 STREET PROJECTS BID PROPOSAL

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns, operates, and maintains a system of major streets, local streets, and water main, and

WHEREAS, the city has a twenty year asset management plan on file that is funded in part by a twenty year street levy, and

WHEREAS, this plan, which includes various levels of preventative maintenance, preservation, and reconstruction on city streets, as well as water main replacement, was assessed by the Street Project Selection Committee at its meeting on July 12, 2016, and

WHEREAS, the committee recommends seeking bids for specific preventative maintenance, preservation, and reconstruction projects for completion in 2017 (year two), as well as subsequent projects for future years, and

WHEREAS, such projects must be bid timely in order for construction to commence in 2017 with optimal pricing, and

WHEREAS, the committee, in response to public demand and in the best financial interest of the city, recommends the borrowing of funds to enable accelerated reconstruction of streets, and

WHEREAS, the State of Michigan offers a loan program with an expected interest rate of 2.5% and little or no underwriting charge, said costs being found to be offset by the anticipated inflationary and maintenance costs expected from any delay of street replacement.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council affirms the recommendation of the Street Project Selection Committee to commence engineering work and bidding for the following streets and water main:

<u>Street</u>	<u>Repair Type</u>	<u>Est. Construction Cost</u>
Worcester	Reconstruct	\$770,000
Chesterfield Drive	Reconstruct	\$650,000
Abbey Lane	Preservation	\$300,000
Ingalls	Preservation	\$300,000
Brady	Maintenance	\$10,000
McLain	Maintenance	\$20,000
1 st Street	Maintenance	\$10,000
2 nd Street	Maintenance	\$10,000
3 rd Street	Maintenance	\$10,000
Ford Street	Maintenance	\$10,000
Wade Street	Maintenance	\$20,000
Jennie Lane	Maintenance	\$20,000
Seymour (north) Road	Maintenance	\$25,000
Holland Drive	Maintenance	\$10,000
Hayes Street	Maintenance	\$10,000

Total: \$2,175,000

<u>Water Main</u>	<u>Repair Type</u>	<u>Est. Cost</u>
Worcester	Replace	\$596,000
Chesterfield Drive	Replace	\$450,000

Total: \$1,046,000

BE IT FURTHER RESOLVED, that the City Council approves the engineering proposal by ROWE Professional Services Company, dated July 20, 2016, for an amount not to exceed \$110,338 for design and bidding services related to the above projects, with appropriations to be made to Fund 101 (General), Fund 202 (Major Streets), Fund 203 (Local Streets), Fund 204 (Municipal Streets) and Fund 590 (Water) as directed by the finance director.

BE IT FURTHER RESOLVED, that the City Council approves and allocates an additional \$10,000 for field work costs related to 2018 projects, with appropriations to be made to Fund 202 (Major Streets), Fund 203 (Local Streets), Fund 204 (Municipal Streets) and Fund 590 (Water) as directed by the finance director.

BE IT FURTHER RESOLVED, that the City Council directs the Mayor to execute said engineering proposal on behalf of the city.

BE IT FURTHER RESOLVED, that the City Council directs the city manager to pursue financing in the amount of \$1,600,000 from the State of Michigan Department of Transportation State Infrastructure Bank (SIB) Loan Program to defray costs of the street and water main projects, with final approval of any such loan to be approved by the city council.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8D WATER TOWER BID PROPOSAL

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns, operates, and maintains a system of a water distribution system, including a 300,000 gallon Toro Ellipse Elevated Water Tower, and

WHEREAS, the water tower, though structurally sound, is physically disconnected from the water distribution system, and

WHEREAS, the water tower houses a wireless network provider and there is additional demonstrated interest to house wireless cellular carriers, and

WHEREAS, the water tower may yet be reconnected to the city and/or county water system to assist with the maintenance of pressures and/or provision of emergency water supplies in the future, and

WHEREAS, alternate uses for the structure may also be advisable or desirable, and

WHEREAS, painting of the structure is highly advisable for protective and aesthetic purposes if the tower is not to be removed in the foreseeable future.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council approves the engineering proposal by Dixon Engineering and Inspection Services, dated July 12, 2016, for an amount not to exceed \$3,000 for bidding services related to painting the water tower.

BE IT FURTHER RESOLVED, that the City Council directs the Mayor to execute said proposal on behalf of the city and for the city finance director to appropriate such costs to the Water Fund.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8E MTT APPRAISAL APPROPRIATION (Centerpiece Plaza)

Motion by Councilmember: _____

I Move the City of Swartz Creek amend the budget to allocate \$4,500 of unencumbered, unreserved general fund monies to the assessing department for the purpose of contesting the tax appeals by CenterpiecePlaza.com, LLC, for real property identified as 58-35-576-039 & 58-35-576-040, costs to include an appraisal, legal services, and other related expenses to be provided by the city's legal counsel and an appraisal firm, Cook, Pray, Rexroth & Associates, as selected by the city manager with the authority of the city council under Section 2-402(a)(2) of the city ordinances.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 160725-8F FIRE SERVICES AGREEMENT, CLAYTON TOWNSHIP

Motion by Councilmember: _____

WHEREAS, the City and the Township have, for many years, jointly provided fire protection services to their geographical areas; and

WHEREAS, the joint provision of such fire protection services was covered by a written Agreement; and

WHEREAS, the current Agreement between the City and the Township extends through November 1, 2016 but both the City and the Township desire to affirm terms for the provision of fire protection services prior to the commencement of budgetary processes for fiscal year 2017; and

WHEREAS, the Michigan Urban Cooperation Act of 1967, 1967 PA 7 (Ex Sess) [MCL 124.501 et seq] ("UCA") authorizes two (2) Municipalities to enter into an interlocal Agreement by which they agree to exercise jointly "any power, privilege, or authority that the agencies share in common and that each might exercise separately;" and

WHEREAS, Section 7 of the UCA [MCL 124.507] provides that such an interlocal Agreement "may provide for a separate legal or administrative entity to administer or execute the Agreement which may be a Commission, Board or Council constituted pursuant to the Agreement," and that such administrative entity "shall be a Public Body, Corporate or Politic for the purposes of this act;" and

WHEREAS, the City and the Township share in common the power and authority to establish and maintain a Fire Department and provide fire protection services; and

WHEREAS, as empowered to do so by the UCA, the City and the Township wish to continue to jointly provide fire protection services and operate a Fire Department to serve the City and the Township and to do so under the terms and conditions of this Agreement;

NOW, THERFORE, the City of Swartz Creek City Council hereby approves the Amended and Restated 2016-2019 Fire Department Agreement as included and filed with the July 25, 2016 city council packet, said agreement to commence on November 2, 2016 and terminate at midnight on November 1, 2019.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 07/11/2016**

The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Abrams, Florence, Gilbert, Hicks, Krueger, Pinkston, Porath.

Councilmembers Absent: None.

Staff Present: City Manager Adam Zettel, City Clerk Connie Eskew.

Others Present: Tommy Butler, Jim Barclay, Steve Shumaker, Boots Abrams, Sharon Shumaker, Bob Plumb, Dennis Cramer, Lania Roche, Penny Messer, Elaine Tucker, Maria Suzette Hodge, Wanda Tyler .

APPROVAL OF MINUTES

Resolutions No. 160711-01

(Carried)

Motion by Councilmember Porath
Second by Mayor Pro Tem Abrams

I Move the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting held Monday June 27, 2016 to be circulated and placed on file.

YES: Florence, Gilbert, Hicks, Krueger, Pinkston, Porath, Abrams.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 160711-02

(Carried)

Motion by Mayor Pro Tem Abrams
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Agenda as amended for the Regular Council Meeting of July 11, 2016, to be circulated and placed on file.

YES: Gilbert, Hicks, Krueger, Pinkston, Porath, Abrams, Florence.
NO: None. Motion Declared Carried.

City Manager's Report

Resolution No. 160711-03

(Carried)

Motion by Councilmember Florence
Second by Councilmember Gilbert

I Move the Swartz Creek City Council accept the City Manager's Report of July 11, 2016, including reports, communications and discussions about water tower, to be circulated and placed on file.

Discussion Ensued.

YES: Hicks, Krueger, Pinkston, Porath, Abrams, Florence, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Steve Shumaker, resides at 7446 Country Meadow, commented on the KWA.

GFWC-Swartz Creek Women's Club

Presentation

The GFWC-SCWC presented to the City a check for \$1256.25 for the police dog. This was from donations from the rock-a-thon during hometown days.

MERS HEALTH CARE SAVINGS PROGRAM ESTABLISHMENT

Resolution No. 160711-04

(Carried)

Motion by Councilmember Hicks
Second by Councilmember Porath

WHEREAS, the Municipal Employees' Retirement System ("MERS") Plan Document of 1996, effective October 1, 1996, authorized the Municipal Employees' Retirement Board ("Board") to establish additional programs including but not limited to defined benefit and defined contribution program (MERS Plan Document Section 36(2)(a)); MCL 38.1536(2)(a)); and

WHEREAS, the Board has authorized MERS' establishment of the health care savings program ("HCSP" or "Program"), which a participating municipality or court, or another eligible public employer that is a political subdivision of the State which constitutes a "municipality" under MERS Plan Document Section 2B(4); MCL 38.1502b(2) ("Eligible Employer"), may adopt for its Eligible Employees; and

WHEREAS, MERS has been determined by the Internal Revenue Service to be a tax qualified "governmental plan" and trust under section 401(a) of the Internal Revenue Code of 1986, and all trust assets within MERS reserves are therefore

exempt from taxation under Code section 501(a) (IRS Letter of Favorable Determination dated June 15, 2005); and

WHEREAS, the Board has established a governmental trust (the “Trust Fund”) to hold the assets of the HCSP, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS’ duly-appointed Program Administrator; and

WHEREAS, 1999 PA 149, the Public Employee Health Care Fund Investment Act, MCL 38.1211 et seq. (“PA 149”) provides for the creation by a public corporation of a public employee health care fund, and its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries; and

WHEREAS, a separate MERS health care trust fund created under PA 149 also constitutes a governmental trust established by a public corporation (“municipality”) as an Eligible Employer, provided that all such employers shall be the State of Michigan, its political subdivisions, and any public entity the income of which is excluded from gross income under Section 115 of the Internal Revenue Code; provided further, that the PA 149 trust shall not accept assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code; and

WHEREAS, the Board acts as investment fiduciary for the pooled assets of each MERS participating municipality and court enrolled in MERS Defined Benefit Plan, Health Care Savings Program, the Retiree Health Funding Vehicle, and the Investment Services Pool Program, on whose behalf MERS performs all plan administration and investment functions, and such participating municipalities and courts have full membership, representation and voting rights at the Annual Meeting as provided under Plan Section 45; MCL 38.1545; and

WHEREAS, the Board also acts as investment fiduciary for those participating employers who are non-MERS participating municipalities and courts that have adopted the MERS Health Care Savings Program, Retiree Health Funding Vehicle, or Investment Service Pool Program, and such entities are not accorded membership, representation or voting rights provided to MERS participating municipalities and courts at the Annual meeting under Plan Section 45; MCL 38.1545; and

WHEREAS, adoption of this Uniform Resolution and Participation Agreement (the “Uniform Resolution”) by each Eligible Employer is necessary and required in order that the benefits available under the MERS HCSP may be extended.

- It is expressly agreed and understood as an integral and nonseverable part of extension or continuation of coverage under this HCSP Resolution that Section 43B of the MERS Plan Document shall not apply to this Uniform Resolution Adopting MERS HCSP, the Participation Agreement, the Trust

Plan Document, the Trust Agreement, and their administration or interpretation.

- In the event any alteration of the language, terms or conditions stated in this Uniform Resolution Adopting MERS HCSP is made or occurs, under MERS Plan Document Section 43B or other plan provision or other law, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty: to administer (or to have administered) the Trust; or to continue administration by the Program Administrator or by MERS directly; and

WHEREAS, concurrent with this HCSP Uniform Resolution, and as a continuing obligation, this governing body has completed, approved, and submitted to MERS documents necessary for participation in and implementation of the HCSP. This obligation applies to any documents deemed necessary to the operation of the Trust by the Program Administrator.; and

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts the MERS HCSP as provided below.

SECTION 1. HCSP PARTICIPATION

EFFECTIVE July 1, 2016, (to be known as the ADOPTION DATE) the MERS HCSP is hereby adopted by the City of Swart Creek

- CONTRIBUTIONS** shall be as allowed and specified in the MERS Health Care Savings Program Adoption Agreement. Basic Employer Contributions, Mandatory Salary Reduction Contributions, Mandatory Leave Conversion Contributions, and Post-Tax Employee Contributions, shall be remitted pursuant to MERS by the Eligible Employer, and credited to the Eligible Employer's separate fund within the MERS Trust Fund.
- INVESTMENT** of funds accumulated and held in the Health Care Savings Program Trust Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, as provided by MERS Plan Document Section 39; MCL 38.1539, and PA 149.
- THE ELIGIBLE EMPLOYER** shall abide by the terms of the HCSP, including all investment, administration, and service agreements, and all applicable provisions of the Code and other law. It is affirmed that no assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code shall be transferred to, or accepted by, MERS.

SECTION 2. IMPLEMENTATION DIRECTIONS FOR MERS

- A. The governing body of this Eligible Employer desires that all assets placed in its MERS HCSP Trust Fund (as a sub-fund within all pooled HCSP trust funds with MERS) be administered by MERS, which shall act as investment fiduciary with all powers provided under Public Employee Retirement System Investment Act, pursuant to PA 149, all applicable provisions of the Internal Revenue Code and other relevant law.
- B. The governing body desires, and MERS upon its approval of this Resolution agrees, that all funds accumulated and held in the MERS HCSP Trust Fund shall be invested and managed by MERS within the collective and commingled investment of all HCSP funds held in trust for all Eligible Employers.
- C. All monies in the MERS HCSP Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of "Eligible Employees" who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer, and for any expenses of administration, and shall not be used for any other purpose, and shall not be distributed to the State.
- D. The Eligible Employer will fund on a defined contribution, individual account, basis its MERS HCSP Trust sub-fund to provide funds for health care benefits for "Eligible Employees" who shall constitute "qualified persons." Participation in and any coverage under HCSP shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9 Section 24 of the Michigan Constitution of 1963.
- E. The Eligible Employer designates and incorporates as "Eligible Employees" who shall constitute "qualified persons" under this HCSP Resolution those who are "Eligible Employees as defined in the HCSP Participation Agreement under this HCSP.
- F. The Eligible Employer may designate the appropriate employer contacts who shall receive necessary reports, notices, etc.; shall act on behalf of the Eligible Employer; and may delegate any administrative duties relating to the Fund to appropriate departments.

SECTION 3. EFFECTIVENESS OF THIS HCSP UNIFORM RESOLUTION

This Resolution shall have no legal effect until a certified copy of this adopting Resolution is filed with MERS, and MERS determines that all necessary requirements under MERS Plan Document Section 36(2)(a), 1999 PA 149 and other relevant laws, and this Resolution have been met. Upon MERS' determination that all necessary documents have been submitted, MERS shall record its formal

approval upon this Resolution, and return a copy to the Eligible Employer's designated primary contact.

In the event an amendatory resolution or other action by the Eligible Employer is required by MERS, such Resolution or action shall be deemed effective as of the date of the initial Resolution or action where concurred in by this governing body and MERS (and the Program Administrator if necessary). Section 54 of the MERS Plan Document shall apply to this Resolution and all acts performed under its authority. The terms and conditions of this Resolution supersede and stand in place of any prior resolution, and its terms are controlling.

Discussion Ensued.

YES: Krueger, Pinkston, Porath, Abrams, Florence, Gilbert, Hicks.

NO: None. Motion Declared Carried.

APPOINTMENTS

Resolution No. 160711-05

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Hicks

I Move the Swartz Creek City Council concur with the Mayoral appointment as follows, said terms subject to provisions of the city charter, code of ordinances, state law, and *various bylaws (rules and procedures)*:

#160711-05a MAYORAL APPOINTMENT:

Betty Binder

Planning Commission

Remainder of Three-Year Term Expiring June 30, 2017

Discussion Ensued.

YES: Pinkston, Porath, Florence, Gilbert, Hicks, Krueger.

NO: Abrams. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC

Maria Suzette Hodge, business owner at 8057 Miller Rd., inquired about dates of the next DDA meeting and the façade program.

Dennis Cramer, resides at 5299 Worchester Dr., stated letters of thanks to various businesses from the Save our Streets committee.

REMARKS BY COUNCILMEMBERS:

Councilmember Gilbert commented on the decrease of fire runs on the 4th of July.

Councilmember Hicks thanks the women's club for all their contributions.

Councilmember Florence had an opportunity at the United Methodist Church, to observe Officer Szmansky during Camp 911 and was very impressed.

Councilmember Porath commented he is interested in more discussion in regards to the water tower prospects.

Mayor Krueger mentioned an option in regards to the water tower.

Adjournment

Resolution No. 160711-06

(Carried)

Motion by Mayor Pro Tem Abrams
Second by Councilmember Hicks

I Move the Swartz Creek City Council adjourn the regular meeting at 7:50 pm.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Eskew, City Clerk



ROWE PROFESSIONAL SERVICES COMPANY

Large Firm Resources. Personal Attention. sm

July 11, 2016

Mr. Adam Zettel, City Manager
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

Subject: Bid Summary – Elms Park Site Improvements

Dear Mr. Zettel:

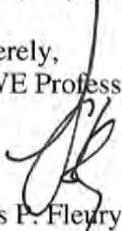
A single bid was opened and read at the bid opening on Friday, July 8, 2016 and has been reviewed and audited. The sole bidder, Oak Construction Corporation, submitted a bid price of \$69,870.

We have not been receiving many bidders on recent projects during this portion of the construction season. This is also a smaller project that may be more cost effective if it was paired with a larger project. Since the MDNR Recreation Passport grant is valid through March 2018, we recommend re-bidding this in conjunction with a future project such as the city road improvements, to receive more bids and better costs.

With your approval, we will notify MDNR of this approach and communicate with Oak Construction Corporation that we will not be awarding a contract for this work at this time.

If you have any questions or need additional information regarding this matter, please feel free to contact me at (810) 341-7500.

Sincerely,
ROWE Professional services company


Louis P. Fleury, P.E.
Project Manager

R:\Projects\14C0215\Docs\Correspondence Out\Bid Award Submittal to MDNR\Site\Recommendation Letter 1.docx

Engineering | Surveying | Aerial Photography/Mapping | Landscape Architecture | Planning

Corporate: The ROWE Building, 540 S. Saginaw Street, Ste. 200 • Flint, MI 48502 • O (810) 341-7500 • F (810) 341-7573

With Offices In: Lapeer, MI • Mt. Pleasant, MI • Farmington Hills, MI • Lansing, MI • Grayling, MI • Tri-Cities, MI • Myrtle Beach, SC
City Council Packet

www.rowepsc.com

July 25, 2016

BID FORM

Elms Park Community Renovation Project - Phase II Site Improvements, City of Swartz Creek

14C0215-A

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to:
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER’S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER’S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

<u>Addendum No.</u>	<u>Addendum, Date</u>
_____	N/A _____
_____	_____
_____	_____
_____	_____

- B. Bidder has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and satisfied itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Bidder is familiar with and has satisfied itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, if any, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions,

if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.

- E. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and any Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder; and (3) Bidder's safety precautions and programs.
- F. Bidder agrees, based on the information and observations referred to in the preceding paragraph, that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.
- G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
- H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and confirms that the written resolution thereof by Engineer is acceptable to Bidder.
- I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance and furnishing of the Work.
- J. The submission of this Bid constitutes an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article, and that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

ARTICLE 4 – BIDDER'S CERTIFICATION

4.01 Bidder certifies that:

- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;
- B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
- C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
- D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:
 - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process;
 - 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and
4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

Lump Sum Bid Price	\$ 72,235.00
--------------------	-------------------------

\$69,870.00 HMF

ARTICLE 6 – TIME OF COMPLETION

- 6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

- 7.01 The following documents are submitted with and made a condition of this Bid:
 - A. Required Bid security.

ARTICLE 8 – DEFINED TERMS

- 8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 9 – BID SUBMITTAL

BIDDER: *[Indicate correct name of bidding entity]*

Oak Construction Corporation

By:

[Signature]

Holly Faler

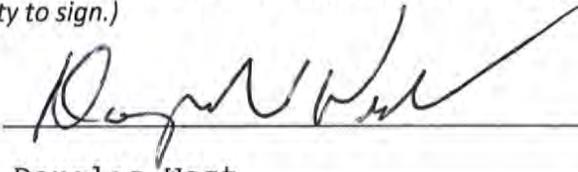
[Printed name]

Holly Faler

(If Bidder is a corporation, a limited liability company, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:

[Signature]



[Printed name]

Douglas West

Title:

Estimator

Submittal Date:

7/8/16

Address for giving notices:

Oak Construction Corporation

P O Box 147

Flushing, MI 48433

Telephone Number:

810-644-2302

Fax Number:

810-644-2282

Contact Name and e-mail address:

oakconstructionco@yahoo.com

Douglas West



OAK CONSTRUCTION CORPORATION

PO Box 147 Flushing, MI 48433
(810) 644-2302 PHONE (810) 644-2282 FAX

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF OAK CONSTRUCTION CORPORATION HELD ON January 25, 2012

A special meeting of the Board of Directors of Oak Construction Corporation was held at the office of 7077 South Fork Drive, Swartz Creek, Michigan 48473 at 2:00 p.m. Members present were Holly Faler and Bret M. Faler, Directors. Upon motion made and seconded, it was unanimously approved that the following signature of Holly Faler is authorized for legal signatures. There being no further business to come before this special meeting of the Directors, it was adjourned.

APPROVED:

Holly Faler
HOLLY FALER
PRESIDENT

Subscriber and sworn to before me at OAK CONSTRUCTION CORPORATION, 7077 South Fork Drive, Swartz Creek, MI 48473, this 25th day of January, 2012.

Nancy Marsh
Nancy Marsh
Notary Public, Genesee County, MI
My Commission Expires February 9, 2017

NANCY MARSH
Notary Public, State of Michigan
County of Genesee
My Commission Expires Feb. 09, 2017
Acting in the County of Genesee

AIA Document A310™ – 2010

Bid Bond

CONTRACTOR:

(Name, legal status and address)

Oak Construction Corp.
7077 S. Fork Drive
Swartz Creek, MI 48473

SURETY:

(Name, legal status and principal place of business)

Western Surety Company
101 South Phillips
Sioux Falls, SD 57192

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

OWNER:

(Name, legal status and address)

City of Swartz Creek

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

BOND AMOUNT: Five Percent of Bid (5% of Bid)

PROJECT:

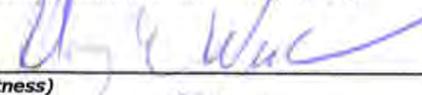
Elms Park Community Renovation Project
(Name, location or address, and Project number, if any)

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, **or** within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 8th day of July, 2016



(Witness)

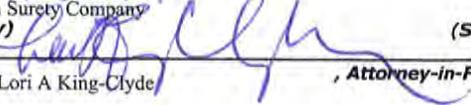


(Witness) Catherine Ellis

Oak Construction Corp.
(Principal) _____ (Seal)



(Title) PRESIDENT
Western Surety Company
(Surety) _____ (Seal)



(Title) Lori A. King-Clyde, Attorney-in-Fact

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

John T Foster, Jim Slear, Lori A King Clyde, Dan Cusenza, Individually

of Lansing, MI, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 8th day of June, 2015.



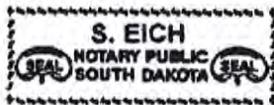
WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Vice President

State of South Dakota }
County of Minnehaha } ss

On this 8th day of June, 2015, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires
February 12, 2021



S. Eich
S. Eich, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 08 day of July, 2016.



WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

**AMENDED AND RESTATED
LABOR AGREEMENT
Between
CITY OF SWARTZ CREEK
And
SWARTZ CREEK SUPERVISORS ASSOCIATION
JULY 1, 201~~26~~ - JUNE 30, 201~~67~~**

This Amended and Restated Labor Agreement is made this ~~25~~²⁵th day of ~~July~~^{January}, 2016, between the City of Swartz Creek, a Michigan Municipal Corporation, hereinafter referred to as the "Employer" or the "City" and the Swartz Creek City Supervisor's Association, hereinafter referred to as the "Association."

WHEREAS, The City and the Association are parties to that certain Labor Agreement dated August 27, 2012, amended April 7, 2014 and January 25, 2016, and effective for the period of July 1, 2012 through June 30, 2016; and

WHEREAS, the City and the Association wish to ~~make certain changes~~extend and update ~~to~~ that Labor Agreement; and

WHEREAS, the City and the Association ~~desire~~request that the changes they desire to make shall be effective as of ~~January 26~~July 25, 2016 and run through June 30, ~~2016~~2017;

NOW, THEREFORE, the City and the Association, acting through their duly authorized representatives and signatories, hereby agree that the aforesaid Labor Agreement is hereby amended and restated to read as follows:

SECTION NO. 1 - HEADINGS

The headings used in this agreement neither add to, nor subtract from, the meaning of the text of this agreement, but are for reference only.

SECTION NO. 2 - PURPOSE AND INTENT

The purpose of this agreement is to set forth terms and conditions of employment; to promote orderly and productive labor relations between the Employer and the Association.

SECTION NO. 3 - RECOGNITION

Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, as amended [MCL 423.201, et seq], as amended, the Employer does hereby recognize the Association as the sole, exclusive representative for the purposes of collective bargaining with respect to the rates of pay, wages, hours of employment and other terms and conditions of employment during the term of this Agreement for those Association members including:

Supervisors' Agreement
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~~January 25~~Draft,

UNIT I - City Clerk, ~~City Clerk~~/Finance Director-Office Manager*, City Treasurer, Assessor, Police Chief - Director of Public Safety, Department of Public & Community Services Director, excluding the City Manager.

UNIT II - Police Sergeant / Lieutenant Code Enforcement Officer, Public Services Foreman, Deputy Finance Officer, and all other deputies, excluding the City Manager.

The above language is not intended to limit additions, deletions, combinations or titles from UNIT I or II by mutual agreement.

For the life of this agreement, the Employer and the Association agree to the following positions / combined positions, the job descriptions for which shall be kept on file with the City Manager's Office: ~~City Clerk; Finance Director-Office Manager; City Treasurer; Director of Public & Community Services; Chief of Police - Director of Public Safety; Police Lieutenant.~~

The Employer and the Association shall continue to be autonomous as certified by MERC (See paragraphs above) and may bargain separately and/or individually in any future negotiations when requested by either said Employer or Association.

~~*The City Clerk/Finance Director is a temporary title, hereby enabled to assist with the training and mentoring with the new City Clerk. The intent of the Employer and Association is to classify this position as the Finance Director, or otherwise distributed said duties of the Finance Director, in calendar year 2016.~~

SECTION NO. 4 - MANAGEMENT RIGHTS

The City of Swartz Creek, on behalf of the electors of the City of Swartz Creek, hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it by the laws and the constitution of the State of Michigan and in addition to the generality of the foregoing, the right:

- A). Of exclusive management and control of the governmental system, its property, facilities, operations, and affairs.
- B). To hire employees, determine their qualifications, conditions of employment, dismissal, demotion, suspension, or layoff; to create, combine, separate, schedule, transfer or promote supervisory employees and/or positions; to determine the size of the working force; and to assign duties to, and to direct all employees;
- C). To make and change rules and regulations not inconsistent with the terms and conditions of employment set forth in the provisions of this agreement.
- D). To determine services, supplies and equipment; to determine all methods and means of distributing, dissemination or selling its services, methods, scheduling, and standards of operation; to determine the means, methods, and processes of carrying on its services and duties; and to determine any changes in all of the preceding, including innovative programs and practices.
- E). To subcontract the performance of services, but not to erode the work force.

- F). To determine the number and location or relocation of its facilities.
- G). To determine all financial practices and policies, including all accounting procedures, and all matters pertaining to public relations of the City of Swartz Creek.
- H). To determine the size of the management organization, its functions, authority, amount of supervision and table or organization.

The reasonable and responsible exercise of the foregoing powers, rights, authorities, duties, and responsibilities by the City of Swartz Creek, the adoption of policies, rules, regulations, and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this agreement, and then only to the extent such specific and express terms are in conformance with the Constitution and laws of the State of Michigan and the United States.

SECTION NO. 5 - ASSOCIATION DUES, INITIATION FEES AND SERVICE FEES - PAYMENT BY CHECK-OFF

A). Employees may tender an initiation fee and monthly membership dues by signing the Authorization for Check-Off of dues form, provided by the Association. During the life of this agreement and in accordance with the terms of the Authorization of Check-Off of Dues form, and to the extent the laws of the State of Michigan permit, the Employer agrees to deduct Association membership dues levied in accordance with the membership vote of the Association from the pay of each employee who executes or has executed the Authorization for Check-Off of Dues form as shown in paragraph (g) of this section.

B). When Deductions Begin

Check-Off deductions under all properly executed Authorization for Check-Off of Dues forms shall become effective at the time the application is signed by the employee and shall be deducted from the first pay following the later of the execution of said form or thirty (30) days employment and from each pay period thereafter.

C). Remittance of Dues to Financial Officer

Deductions pursuant to paragraph (b) above shall be remitted to the designated financial officer of the Association with a list of those from whom dues have been deducted as soon as possible after the first day of the following month.

D). Termination of Check-Off

An employee shall cease to be subject to Check-Off deductions beginning with the month immediately following the month in which he/she is no longer a member of the bargaining unit. The Association will be notified by the Employer of the names of such employees following the end of each month in which the termination took place.

E). Disputes Concerning Membership

Any dispute arising as to an employee's membership in the Association shall be reviewed by the designated representative of the Employer and a representative of the Association, and if not resolved may be decided at the STEP TWO of the grievance procedure.

F). Limit of Employer's Liability

The Employer shall not be liable to the Association by reason of the requirements of this agreement for the remittance or payment of any sum other than that constituting actual deductions made from wages earned by the employees.

The Association shall protect and save harmless the Employer from any and all claims, demands, suit, and other forms of liability by reason of action taken or not taken by the Employer for the purpose of complying with this section.

G). Authorization of Dues Check-Off Form

Following is the form for the Authorization of Dues Check-Off:

SWARTZ CREEK CITY SUPERVISOR'S ASSOCIATION
Swartz Creek, Michigan 48473 Effective Date _____

To: City of Swartz Creek, Payroll Department

From: _____

I hereby request and authorize you to deduct from my earnings every two weeks an amount sufficient to provide for the regular payment of current rate of Association dues established by the Swartz Creek City Supervisor's Association. The Association shall certify the amount and any change in such amount shall be certified by the Association. The amount deducted shall be paid to the Secretary-Treasurer of the Association on a monthly basis.

Regular Membership Agency Shop Fee

Street Address _____

City-State-Zip Code _____

Member's Signature _____

SECTION NO. 6 - ANNUAL SALARIES AND JOB DESCRIPTIONS

A). Updated job descriptions approved by the Employer and Association will remain in force during the life of this Agreement and may be further updated by the City Manager and the Association by mutual agreement.

B). It is hereby agreed the annual rate of pay for members of the Bargaining Unit effective from and after July 1, 2016 shall be as follows:

Position	Jul 1, 2015	Jul 1, 2016 (2%)
City Clerk:	\$44,000	\$44,880
Finance Director-Office Manager:	\$74,174	\$75,657

Supervisors' Agreement
2016

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~~January 25 Draft,~~

Treasurer:	\$57,691	\$58,845
Dir of Public & Comm Services:	\$60,515	\$61,725
Asses – Zon Admin – Code Enf:	N/A	N/A
Chief of Police – Dir of Pub Safety:	\$62,991	\$64,251
Police Lieutenant:	\$59,500	\$60,690

C). It is agreed that in the event that the position of a deputy or a police supervisor to any member of the bargaining unit is filled, the annual rate of such positions shall be negotiated between the parties.

D). It is agreed that the wage scale provided above applies to present members of the bargaining unit and if a vacancy occurs in any position, the Employer reserves the right to fill such vacancy at whatever beginning rate the Employer may so determine.

E). Due to the reduction in duties, the Finance Director-Office Manager position, formally the City Clerk/Finance Director position, shall be subject to four (4) unpaid furlough days each calendar month, said furlough days to be scheduled with the city manager at least one month in advance as practical.

SECTION NO. 7 - COMPENSATORY TIME/OVERTIME

A). In consideration of the fact that positions in the bargaining unit, with the exception of the Police Lieutenant, are not entitled to overtime pay, the Police Chief, City Clerk, and the Department of Public and Community Services Director may receive compensatory time off upon application to the City Manager. The City Manager may grant or deny such request at his/her discretion. Nothing contained herein relative to compensatory time off shall operate or be interpreted to create a vested right to compensatory time off or to accumulate or be paid for such time or overtime. In addition, the City Manager may grant flex or split shift allowances upon request, so long as such time falls within the same pay period.

B). The Police Lieutenant’s scheduling will be based on an eighty (80) hour bi-week. A regular schedule will be posted in time frames that are reasonably consistent with the patrol officer’s schedule. Such schedule will be regular (i.e. five (5) eight hour days per week, four (4) ten hour days per week, etc.). Split shifts are allowable upon request and approval of the Chief of Police. The Police Lieutenant shall receive overtime pay at the rate of time and one-half of all hours worked in excess of his/her regular assigned shift. Holiday reimbursement for hours not worked will be limited to eight hours at regular rate.

C). In the event the Police Lieutenant is required to work on holidays, holiday pay at time and one-half times their regular rate shall be paid for all hours worked.

SECTION NO. 8 - LONGEVITY PAY

Eliminated in October, 2004.

SECTION NO. 9 - VACATIONS

A). Newly hired employees will, upon starting employment, be credited with a number of vacation days equal to one (1) vacation day per month for each month left in the calendar year during which they are hired (including the month in which their employment commences) up to a maximum of ten (10) days. On January 1 of the first calendar year following the year in which they commence employment, said employees shall be credited with fifteen (15) vacation days to be used during such year. Additionally, during the first calendar year following the year in which they commence employment, said employees shall earn vacation days to be used in the next subsequent year in accordance with the schedule set forth below.

All existing employees, and all newly hired employees beginning with their second calendar year of employment, will earn credit towards vacation with pay in accordance with the following schedule during the calendar year for use after January 1st of the following calendar year.

Completed Years of Service	Annual Maximum
1-4	15 Days
5-20	20 Days
20+	25 Days

B). Employees who are entitled to a fifth week of vacation shall receive payment in lieu of said fifth week of vacation, if, at the discretion of the Employer the vacation cannot be granted. These employees will be notified within ten (10) working days of their request for the fifth week of vacation whether it will be granted in the form of vacation or in payment in lieu of vacation. The payment in lieu of vacation shall be at said employee's regular rate of pay.

C). Vacations will be granted at such times during the year as are suitable, considering both the wishes of the employee and efficient operation of the city. An employee will receive written explanation for any denial of vacation.

D). When a day which is observed by the Employer as a paid holiday falls within a scheduled vacation, the holiday will not count as a vacation day.

E). A vacation day or days may be waived by an Employee and the Employer by mutual agreement, and the Employee shall be paid at said employee's regular rate of pay for the vacation day or days so waived; provided, however, said payment is limited to two (2) weeks in lieu of vacation.

F). If an employee becomes ill and is under the care of a duly licensed physician prior to his/her vacation, such vacation will be re-scheduled. In the event his/her incapacity continues through the year, he/she will be awarded payment in lieu of vacation at his/her regular rate of pay.

G). If a regular pay day falls during an employee's vacation, during which vacation the employee will be off from work at least a minimum of forty (40) consecutive hours of

vacation, excluding days off, the employee shall receive that paycheck in advance; provided, however, the employee has notified the city in writing of such request at least thirty (30) days in advance of the date of the payday falling within the employee's vacation.

H). If an employee is terminated, laid off, retires, resigns with proper notice (two weeks), or in the event of death of an employee he/she will receive any unused vacation credit including that accrued in the current calendar year.

I). Employees will be paid their current salary based on their regular scheduled pay rate while on vacation and will receive credit for any benefits provided for in this agreement.

J). Employees may accumulate and carry over to the following calendar year a maximum of one (1) week of their annual earned vacation, which must then be used in that following calendar year.

SECTION NO. 10 - HOLIDAY PROVISIONS

A). The following days are designated as City holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the Friday following Thanksgiving Day, December 24th, Christmas Day, December 31st, and the employee's Birthday, respectively. Employees will be paid their current salary based on a regular day for said holidays.

B). Should one of the above listed a holidays fall on a Saturday, the preceding Friday shall be considered as a holiday. Should one of the above listed holidays fall on a Sunday, the following Monday shall be considered as a holiday.

SECTION NO. 11 - SICK/ACCIDENT COVERAGE AND ABSENT LEAVE

A). A sickness, accident or disability insurance policy, consisting of Short Term Disability (STD, 26 weeks or less), and Long Term Disability (LTD, 180 days to 24 months) will be provided to each full time employee under the age of sixty-five (65). Coverage shall commence on the first (1st) day of hospitalization or the first (1st) day of an accident, or on the eighth (8th) consecutive day of sickness when such sickness or accident prevents such employee from performing his or her job. Benefits will be paid in the amount of sixty (60%) percent of the employee's gross biweekly wage not to exceed One-Thousand and Three Hundred (\$1,300) Dollars for any biweekly period. Such sick, accident or disability coverage will be provided without cost to the employee, and an employee while on sick leave will be eligible for all other benefits provided by this agreement; however, such benefits shall be determined upon the basis of the employee's rate of pay at the time of inception of the sick, accident or disability leave. Increases in salary as provided by this contract shall not operate to increase sick and accident benefits unless and until the employee shall have worked following the effective date of any such increase. Employees sixty-five years old or older shall not be eligible for this coverage.

B). Sick and accident insurance benefits shall be effective immediately, or as soon as the provider allows for activation.

C). Absent Leave. All employees of the bargaining unit will be allowed to be absent from work up to ninety-six (96) hours during the calendar year. In consideration of the fact that positions in the bargaining unit, with the exception of the Police Lieutenant, are not entitled to overtime pay, the ~~City Clerk-Finance Director-Office Manager, Finance Director,~~ Treasurer and Police Lieutenant shall receive an additional forty (40) hours of absent time, for a total of one-hundred thirty-six (136) hours. The Positions of ~~City Clerk-Finance Officer,~~ Finance Director-~~Office Manager,~~ Treasurer and Police Lieutenant are not eligible for compensatory time. Such absent leave shall be earned at the rate of eight (8) hours leave per calendar month for the positions of Police Chief, City Clerk, and the Department of Public and Community Services Director and at the rate of 11.33 hours leave per calendar month worked for the positions of City Clerk-Finance Director, Treasurer and Police Lieutenant. All such corresponding leave shall be credited on January first of each year for use during that calendar year. If said employee terminates employment during said calendar year and has used more absent leave hours than he or she has earned as of the date of termination, said employee shall reimburse the employer for the excess absent leave used, and said amount may be deducted by the City from said employee's final pay check. Absent leave will be prorated on all new hires and terminations, at the rate as defined by position herein.

D). All absent leaves shall be approved in advance by the employee's immediate supervisor and shall be used in increments of no less than one (1) hour. Employees absent due to illness shall give notice to their immediate supervisor and give said supervisor reasonable continuing information relative to the expected length of such absence. Prior to the return from any absent leave, the City may require medical documentation that the employee is capable of performing his/her job description.

E). If at the end of a calendar year an employee has unused absent leave, the employee shall be paid for said absent leave, up to a maximum of seventy-two (72) hours. The employer shall make such payment on the 2nd payday in January of the next calendar year. Such payment shall be based on said employee's regular rate of pay in effect on the first day of the calendar year during which the unused absent leave was accrued. No unused absent leave may be carried over for use in a subsequent calendar year.

SECTION NO. 12 - LEAVES OF ABSENCE

A). Family and Medical Leave.

An employee may be granted a leave of absence, as stipulated in the Family and Medical Leave Act. Immediate family is to be defined as follows: Mother, Father, Brother, Sister, Spouse, Son, Daughter, Mother-In-Law, Father-In-Law, Grandparents, or a member of the employee's immediate household. Such leave will be without pay.

B). Personal Leave.

A written request stating bona fide reasons for a personal leave of absence shall be granted to an employee for a period not to exceed thirty (30) days. Such leave will be without pay.

C). Military Leave for Veterans

Employees who are in a branch of the Armed Forces, Reserve or National Guard, will be paid the difference between the reserve pay and their regular pay with the units when they are on full time active duty in the Reserve or National Guard; provided, proof of service and pay are submitted, to a maximum of two (2) weeks per year.

SECTION NO. 13 - FUNERAL LEAVE

A). Funeral leave is for the express purpose of making arrangements for and attendance at a funeral. Approved leave hours pursuant to this Section shall not be deducted from the employee's absent or vacation leave unless such deduction is specifically provided for.

B). As funeral leave, an employee shall be allowed to be off from work a maximum of thirty-two (32) hours with pay, per death, beginning with the day of death and terminating with the day of funeral, for a death in the immediate family. The immediate family is defined as: The employee's Mother, Father, Brother, Sister, Spouse, Son, Daughter, Step-Daughter, Step-Son, Daughter-In-Law, Son-In-Law, Brother-In-Law, Sister-In-Law, Grandparents, Granddaughter, Grandson, Grandparents of employee's spouse, Mother-In-Law, Father-In-Law, Stepmother or Stepfather.

C). Employees shall be allowed to be off from work the time necessary, up to a maximum of eight (8) hours with pay, to attend the funeral of a relative. Relative is defined as: The employee's Uncle, Aunt, Spouse's Aunt and Uncle, Niece or Nephew.

D). Upon request, the City Manager may authorize funeral leave, up to 8 hours, for the attendance of a(n) employee(s) at the funeral for a deceased or retired city employee or elected or appointed official.

E). If a funeral for a member of the employee's immediate family or relative is held at a location 150 miles or more from the City of Swartz Creek, two (2) travel days may be authorized.

F). In the event of a funeral for persons not mentioned above, the employee may be authorized the use of absent or vacation leave for the purpose of attending the funeral.

SECTION NO. 14 - RETIREMENT PROGRAM

A). Senior Members of Bargaining Unit.

Employees who are members of this bargaining unit prior to July 1, 1997 shall be entitled to the following retirement benefits:

- 1). Retirement Plan B-4, with attachment of the following Options: F-50 Rider (after 25 years), FAC - three years, with E-1 and E-2 options contracted by the Employer with the Michigan Municipal Employees Retirement System (MMERS),

will be in force for the life of this agreement. The MMERS contract shall be kept on file in the City Clerk's office of the Employer.

2). For the term of this agreement, employee contributions to the retirement plan shall be made at the rate of 4% of gross wages. The remaining contribution required annually by said retirement plan shall be made by the Employer.

B). Newly Hired Employees.

Those employees of this bargaining unit who were hired on or after July 1, 1997 shall not be participants in the defined benefit plan, but shall be entitled to participate in the MMERS defined contribution plan, with the Employer's contribution to said plan to be equal to and no greater than 7% of the employee participant's gross wages.

C). Current Employees Not Members of Bargaining Unit.

Those employees of the City who are not members of the bargaining unit but who are employees of the City as of June 30, 1997, shall, upon becoming a member of this bargaining unit after July 1, 1997, be required to become a participant in the MMERS defined contribution plan.

If, prior to becoming a member of this bargaining unit and a participant in the MMERS defined contribution plan, said employee was a participant in any defined benefit retirement plan provided by the Employer, the then present value of such employee's account within the defined benefit retirement plan shall be transferred to the MMERS defined contribution plan. Such transfer shall take place simultaneously with said employee assuming the position which enables him or her to become a member of this bargaining unit, and, as a condition of being appointed to such position, said employee shall, to the extent necessary, assist the Employer and MMERS by signing any documents required to effectuate said transfer.

D). Defined Contribution Plan Vesting.

The Employer's contribution to the defined contribution plan for full time employees referred to in sub-paragraphs b and c above, shall become vested on behalf of the employee participant in accordance with the following schedule:

Less than 1 year completed service:	0% vested
After 1 year, but less than 2 years completed service:	20% vested
After 2 years, but less than 3 years completed service:	40% vested
After 3 years, but less than 4 years completed service:	60% vested
After 4 years, but less than 5 years completed service:	80% vested
After 5 years completed service:	100% vested

E). Defined Contribution Plan - Employee Voluntary Contribution.

Employees enrolled in the Defined Contribution Plan may make voluntary contributions by payroll deduction of an amount not to exceed the contribution authorized by the MMERS plan. Employee contributions are not subject to the vesting provisions of Subsection D), above. Employees may change their voluntary contribution one time each contract year.

SECTION NO. 15 - LIFE INSURANCE COVERAGE

A). The Employer agrees to pay the full premium of a term life insurance plan for each employee, face value of \$50,000 double indemnity for all association unit members.

SECTION NO. 16 - HOSPITALIZATION - MEDICAL COVERAGE

A). For the duration of this agreement, and within the terms as set forth within the policy and riders of the provider, or within the terms of this agreement, and except as limited or restricted by 2011 PA 152, the Employer agrees to provide for and pay the premiums for all eligible full time employees and the employee's immediate family, or retirees under the provisions set forth within subsection "G", the current health care and maintenance benefits.

The Employer may search for and change to a replacement Health Care Benefit Plan and provider if deemed necessary for cost savings to both the employer and/or employees. The change in Benefit Plans/Providers must remain substantially equivalent to the current existing plan(s). Prior to any change in benefits the Employer shall inform the Union and provide all proposed changes for the Union's review. Current plan summaries shall be attached as Appendix (A) Medical, Hospitalization; Appendix (B) Dental; Appendix (C) Vision; Appendix (D) Prescription (if applicable).

~~B). To the extent the plan provider permits, the Employer will reimburse the employee for the co-pay amount for medical and prescription coverage (\$10.00 for office calls, \$10/\$20 for prescriptions), to the extent such co-pays are incurred by the employee and/or his or her immediate family so covered by the Plan, up to a maximum of One Thousand (\$1,000) Dollars per contract year, per employee. Reimbursement is only for those costs incurred within the contract year. Reimbursement shall be subject to employee submission of [a] paid receipt [s] indicating the name of the provider, the name of the patient, a date and description of the service provided, and the amount paid by the employee. Receipts shall be held by the employee and submitted no later than June 30th of the contract year in which they were incurred.~~

C). If an employee is unable to work due to illness or injury covered by the Employer's Worker's Compensation or Sick and Accident Insurance Program, the Employer agrees to continue to pay and provide for benefits as defined pursuant to each Paragraph of this Section, for a six (6) month period.

D). Medical, dental and vision insurance benefits shall be available to all new hire, full-time employees; however, costs for these benefits shall be the responsibility of the employee for the first 90 days of employment. Should an employee elect to forego coverage for the first 90 days of employment, he or she may enter the program as provided for in this section commencing on the 91st day of employment, pursuant to provider rules.

E). Each full time seniority employee may, at such employee's option, elect to purchase at the employee's cost a sponsored dependent rider on such terms and conditions and at such coverage levels as are established from time to time by Blue Care Network, the provider of such coverage. The receipt of such benefits by a seniority employee is subject to the following conditions:

- 1). That such sponsored dependent coverage is available.
- 2). The days on which such sign up is permitted are those established by the provider or providers of such benefits.
- 3). On or before the day in which the employee signs up for such benefit, such employee shall pay to the Employer a sum equal to two (2) months premiums for said coverage.
- 4). After signing up for such benefits, the employee shall thereafter pay to the Employer a monthly premium for such coverage as established by the provider or providers of such benefits. Said monthly premium shall be paid on or before the first day of the month following the sign up day and shall be paid on or before the first day of each month thereafter.
- 5). The employee shall, in addition, be liable for and pay any other costs or expenses charged to the Employer by any provider in connection with the provision of such sponsored dependent rider and, upon presentation of a bill therefore, shall pay same within ten (10) days of the date thereof.
- 6). If the Employer has not received from the employee any sum due as provided in subsections 1 through 5 above, the City Manager shall forthwith terminate such benefit for such employee and shall advise the employee of such termination. Any sum due to the Employer as of such date shall be paid by the employee forthwith.

F). Cash Opt-Out Option. An eligible full time employee, upon written request to the City Manager, may elect not to participate in the health, prescription, dental and vision insurance package currently offered to employees in the bargaining unit. In the event health and prescription are not elected, those employees who elect not to participate shall be paid the sum of Two Hundred-Fifty Dollars (~~\$200~~250) for each calendar month the employee does not participate. If an eligible employee wishes to opt back into the Plan, he or she may do so on the terms as determined by the insurance provider. Any partial month shall be prorated.

G). Retiring Employees (Current). For employees of this unit hired before April 7, 2014, not otherwise provided for in any prior or current agreement and subject to availability, rules and conditions set forth by the provider, the employer will pay a percentage of the monthly cumulative premium for medical & prescription insurance coverage as defined within this section, Section 16, subsection "(A)", for members of the bargaining unit who retire within the term of this agreement and the person who is such retiree's spouse at the time of said retiree's retirement, subject to the terms of Section 16, G), 1). The years of service and equivalent percentage are noted in the "Retiree Medical Benefit Chart" below. The retiree will be responsible for the remaining share of costs for the selected medical coverage (Section 16 A). The retiree shall have the option of purchasing additional coverage's listed in Section 16 (dental and vision) provided such retiree pays the full cost of the plan(s). Such coverage will be provided for the retiree commencing on the date of the retiree's retirement, in an amount consummate with the years of credited service with the City of Swartz Creek and in the

City's MMERS Defined Benefit or Defined Contribution Retirement Plan in accordance with the chart below and has attained the age of fifty (50) years, or, has the same years of credited service with the City of Swartz Creek and in the City's MMERS Defined Benefit or Contribution Retirement Plan and meets the criteria for MMERS Disability Retirement as determined under the provisions of the MMERS Disability retirement plan. Such coverage will continue until the month said retiree attains the age of sixty-five (65) years. No coverage will be provided for a retiree or spouse who is eligible for Medicare benefits. In lieu of this payment and Employer provision of any post-employment health care benefit, the qualifying retiree may elect, in writing to the City Manager, to have the monetary equivalent of this payment made to a Health Care Savings Program account maintained by the municipal Employees Retirement System of Michigan, under the regulations, policies, and rules agreed to by the Employer and MERS (the retiree and spouse must receive this benefit uniformly, with both receiving HCSP payments OR health premium coverage).

Retiree Medical Benefit Chart

Years of Service	15	20	25	30	35
Corresponding Employer Share	40%	55%	70%	80%	90%
Corresponding Employee Share	60%	45%	30%	20%	10%

1). Post retirement medical coverage provided for in this section shall extend to the spouse of an eligible retiree, within the following provisions and subject to the availability and rules set forth by the City's provider:

- a). That such person is the spouse of the retiree at the time of retirement.
- b). If the spouse ceases to be the spouse of an eligible retiree by divorce or becomes separated, then such coverage shall be terminated. In the event that a court orders the retiree to provide such coverage for the former spouse or separated spouse than the retiree shall be responsible for payment of the extended coverage.
- c). If an eligible retired employee passes away, such retiree's spouse who is, and was married to the retiree at the time of retirement, may elect to continue coverage as provided for in this section, on a cost shared decreasing schedule. For the first year following the death of the retiree, the City will pay 70%. Year two, the City will pay 50%. Year three, the City will pay 30%. Year four, the City will pay 10%. Year five and beyond, the retiree's widow(er) spouse may elect to continue coverage at his/her sole expense. If the spouse re-marries, then all coverage available from the City shall be terminated.
- d). If a retired, eligible employee marries after retirement, all costs associated with the coverage of the new spouse will be the responsibility of the retiree. If the retiree passes away, the spouse may elect to continue coverage at his/her sole expense, subject to availability and terms as may be determined by the provider. If the spouse re-marries, then all coverage available from the City shall be terminated.

2). Premium contributions by the employer shall be capped in accordance with the "Employer Contribution Cap Chart." The capped amounts are derived from the

2014 State of Michigan "Hard Cap" limits and include a 5% annual allowance increase. The chart can be modified if, in any given year, the State of Michigan increases the respective "Hard Cap" increase by more than 5%, in which case the higher value will be applied and a new chart created to reflect the increase for the affected and subsequent years. For years 2014 and beyond, the cap amounts shall be extended as prescribed herein.

Employer Contribution Cap Chart

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Single Cap	\$6,150.46	\$6,457.98	\$6,780.88	\$7,119.93	\$7,475.92	\$7,849.72	\$8,242.20	\$8,654.31	\$9,087.03	\$9,541.38
Double Cap	12862.5	13505.63	\$14,180.91	\$14,889.95	\$15,634.45	\$16,416.17	\$17,236.98	\$18,098.83	\$19,003.77	\$19,953.96

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3). In the event that a retiree opts out of the city's medical and prescription coverage AND HCSP contributions, a cash reimbursement is permitted. An eligible retiree, upon written request to the City Manager, may elect not to participate in the health and prescription package and the HCSP currently offered to retirees in the bargaining unit. In the event health and prescription and HCSP payments are not elected, those employees who elect not to participate shall be paid the pro-rated annual equivalent of 50% of the employer's premium contribution cost or a sum of Two Thousand Four Hundred Dollars (\$2,400) for each calendar year the retiree does not participate, whichever is greater. If an eligible retiree wishes to opt back into the Plan or HCSP, he or she may do so on the terms as determined by the insurance provider and/or MERS. Any partial year shall be prorated to the termination date of coverage.

4). In the event the eligible retired employee or deceased retired employees widowed spouse who was married to the retiree at the time of retirement becomes employed by another employer, and is eligible for medical coverage, the retired employee must accept such coverage in lieu of retirement coverage provided by the City of Swartz Creek. If, or when, the retired employee elects to terminate such other employment, he/she would again become eligible for coverage relative to this agreement and according to rules set forth pursuant to this Section, or by the City's provider. If the retired employee should retire again, and medical coverage is offered, the retired employee must accept this coverage in lieu of coverage offered by the City of Swartz Creek. The City of Swartz Creek retains the right to verify employment and the availability of medical insurance.

5). The City reserves the right to require a thirty-day advance deposit of all sums due the City. Thereafter, such retiree or eligible widow(er) shall pay the monthly premium on or before the first day of each month. If such retiree or widow(er) fails to pay said premium, then the City shall send by U.S. Mail, at the last known address, a fourteen-day notice of termination. If such retiree or retiree's widow(er) desires to correct the arrearage, a 10% late fee shall be added along with any additional associated costs. If no response is received, then the coverage shall be terminated.

6). The Employer shall provide, at its sole cost, a stipend in the amount of ~~\$2003~~25.00 monthly, into the MERS HCSP, to supplement healthcare coverage for eligible retirees that have attained the age of 65.

H). Retiring Employees (post April 7, 2014). For employees of this unit hired on or after April 7, 2014, subject to availability, rules and conditions set forth by the provider, the employer will pay a maximum of 70% of the monthly cumulative premium for medical & prescription insurance coverage as defined within this section, Section 16, subsection "(A)", for members of the bargaining unit who retire within the term of this agreement and the person who is such retiree's spouse at the time of said retiree's retirement, subject to the terms of Section 16, G), 1). The retiree will be responsible for the remaining 30% cost of the selected medical coverage (Section 16 A). The retiree shall have the option of purchasing additional coverage's listed in Section 16 (dental and vision) provided such retiree pays the full cost of the plan(s). Such coverage will be provided for the retiree commencing on the date of the retiree's retirement, provided the retiree has twenty-five (25) years credited service with the City of Swartz Creek and in the City's MMERS Defined Benefit or Defined Contribution Retirement Plan and has attained the age of fifty (50) years, or, has 25 years of credited service with the City of Swartz Creek and in the City's MMERS Defined Benefit or Contribution Retirement Plan and meets the criteria for MMERS Disability Retirement as determined under the provisions of the MMERS Disability retirement plan. Such coverage will continue until the month said retiree attains the age of sixty-five (65) years. No coverage will be provided for a retiree or spouse who is eligible for Medicare benefits.

1). Post retirement medical coverage provided for in this section shall extend to the spouse of an eligible retiree, within the following provisions and subject to the availability and rules set forth by the City's provider:

a). That such person is the spouse of the retiree at the time of retirement.

b). If the spouse ceases to be the spouse of an eligible retiree by divorce or becomes separated, then such coverage shall be terminated. In the event that a court orders the retiree to provide such coverage for the former spouse or separated spouse than the retiree shall be responsible for payment of the extended coverage.

c). If an eligible retired employee passes away, such retiree's spouse who is, and was married to the retiree at the time of retirement, may elect to continue coverage as provided for in this section, on a cost shared decreasing schedule. For the first year following the death of the retiree, the City will pay 70%. Year two, the City will pay 50%. Year three, the City will pay 30%. Year four, the City will pay 10%. Year five and beyond, the retiree's widow(er) spouse may elect to continue coverage at his/her sole expense. If the spouse re-marries, then all coverage available from the City shall be terminated.

d). If a retired, eligible employee marries after retirement, all costs associated with the coverage of the new spouse will be the responsibility of the retiree. If the retiree passes away, the spouse may elect to continue coverage at his/her sole expense, subject to availability and terms as may

be determined by the provider. If the spouse re-marries, then all coverage available from the City shall be terminated.

2). In the event the eligible retired employee or deceased retired employees widowed spouse who was married to the retiree at the time of retirement becomes employed by another employer, and is eligible for medical coverage, the retired employee must accept such coverage in lieu of retirement coverage provided by the City of Swartz Creek. If, or when, the retired employee elects to terminate such other employment, he/she would again become eligible for coverage relative to this agreement and according to rules set forth pursuant to this Section, or by the City's provider. If the retired employee should retire again, and medical coverage is offered, the retired employee must accept this coverage in lieu of coverage offered by the City of Swartz Creek. The City of Swartz Creek retains the right to verify employment and the availability of medical insurance.

3). The City reserves the right to require a thirty-day advance deposit of all sums due the City. Thereafter, such retiree or eligible widow(er) shall pay the monthly premium on or before the first day of each month. If such retiree or widow(er) fails to pay said premium, then the City shall send by U.S. Mail, at the last known address, a fourteen-day notice of termination. If such retiree or retiree's widow(er) desires to correct the arrearage, a 10% late fee shall be added along with any additional associated costs. If no response is received, then the coverage shall be terminated.

l). Except for retirees who are 65 years of age or older, Employees with at least 25 years of service that are eligible for, and receiving post-retirement medical coverage under the city's plan, shall be eligible to receive a \$375 taxable stipend each month for the purpose of covering dental, vision, and related incidental expenses not otherwise provided for.

SECTION NO. 17 - WORKERS' COMPENSATION - ON THE JOB INJURY POLICY

A). Each employee will be covered by the applicable Workers Compensation Laws. Any employee who becomes injured because of the performance of his/her duties should report that injury immediately to his/her immediate supervisor. If necessary the employee should report to a physician.

B). If the employee suffers lost time because of the injury received at work, Workers Compensation will be paid in accordance with the provisions of the Workers Compensation Act of the State of Michigan.

C). In addition such employee will receive supplemental compensation equal to the difference between eighty (80%) percent of the employee's normal gross salary and the above Workers Compensation. Supplemental compensation payments will normally be continued for a maximum of twenty-six (26) weeks.

D). Any request for extension beyond twenty-six (26) weeks may be considered a subject for a bargaining meeting.

SECTION NO. 18 - UNIFORMS

The Employer will provide to the Chief of Police, Director of Public Services, Foreman of the Public Services, Police Lieutenant, and Code Enforcement Officer, or any other salaried employee required to wear a uniform, all necessary and appropriate uniforms at the Employer's expense.

SECTION NO. 19 - JURY DUTY

Employees who serve on jury duty will be paid the difference between his/her pay for jury duty and his/her regular salary.

SECTION NO. 20 - DISCHARGE AND DISCIPLINE

A). The concept of progressive discipline is hereby adopted to govern disciplinary action. It is understood and agreed, however, that the Employer reserves the right to suspend or discharge for a serious infraction without instituting progress discipline; provided further than in such instances nothing contained herein shall operate to deprive the salaried employee of the grievance procedure.

B). The Employer agrees promptly upon the discharge or discipline of any salaried employee to notify in writing the Association President of the discharge or discipline.

C). The discharged or disciplined employee will be allowed to discuss his/her discharge or discipline with the Association President and the Employer will make available an area where he/she may do so before he/she is required to leave the property of the Employer. Upon request the Employer or its designated representative will discuss the discharge or discipline with the employee and Association President.

D). Should the discharged or disciplined employee consider the discharge or discipline to be improper, the matter may be referred to the grievance procedure at step one.

E). In imposing any discipline on a current charge, the Employer will not take into account any prior infractions which occurred more than eighteen (18) months previously. Prior to imposition of a suspension of one or more days the Employer will review the employee's past written discipline.

SECTION NO. 21 - GRIEVANCE PROCEDURE

Definition of Grievance

A grievance is defined as a disagreement, arising under and during the term of this agreement, concerning working conditions, interpretation, and application of the provisions of this agreement.

A). Informal Grievance Procedure – INFORMAL STEP.

An aggrieved employee should promptly notify her/his immediate supervisor or designee that he/she has a grievance. The employee may at his/her option

discuss the matter directly with the supervisor or request the presence of the Association President for the purpose of attempting to adjust the grievance.

B). Formal Grievance Procedure - STEP ONE.

1). If the aggrieved employee does not receive a satisfactory oral answer, or if she/he does not receive any answer at the Informal Step within three (3) working days following the day of oral presentation, the aggrieved employee may reduce the grievance to writing and submit it to her/his immediate supervisor or designee.

2). A grievance must be submitted in writing within fifteen (15) calendar days of the occurrence of the condition(s) giving rise to the grievance, or within fifteen (15) calendar days of the date it is reasonable to assume the employee(s) should reasonably have become aware of the conditions giving rise to the grievance, whichever is later, in order for the matter to be considered a grievance under this agreement.

3). The grievance shall be submitted on forms provided by the Association, dated, and signed by the aggrieved employee(s) and shall set forth the facts involved in the grievance, the date(s) of the grievance, and the provisions of this agreement that are alleged to have been violated and the remedy desired. At the time the grievance is received, the immediate supervisor or designee shall sign and date a copy, which shall be returned to the grievant and the Association President or his/her designee. A meeting shall be held if requested by either party.

4). The immediate supervisor or his/her designee shall provide a written answer to the grievant, and/or the Association President or their designee within ten (10) working days. The grievance may be appealed in writing to the next higher step of the grievance procedure within ten (10) working days after receipt of such written answer.

5). If the written answer of the immediate supervisor or designated representative is unacceptable to the grievant, the grievance may be appealed in writing to the next higher step of this grievance procedure. Any grievance not appealed within ten (10) working days after such answer shall be considered as forfeited by the Association.

C). STEP TWO

1). If the grievant is not satisfied with the decision of the grievance at Step One, the grievant may appeal in writing the grievance to the City Attorney for Unit I members and the City Manager for Unit II members within ten (10) working days after the date of the Step One answer (See Subsection (B)(5), above).

2). Within ten (10) working days of receipt of the grievance the City Attorney (for a Unit I grievance) or the City Manager (for a Unit II grievance) may hold a meeting with the grievant and the Association in an attempt to resolve the alleged grievance. Only persons directly related to the disposition of the grievance shall

be present at the meeting. The grievant may be represented by either the Association President or his/her designee. Representatives of the Employer and the Association shall not exceed five (5) in number collectively (including the grievant).

3). Within seven (7) working days following the conclusion of such meeting(s), the City Attorney (for a Unit I grievance) or the City Manager (for a Unit II grievance) or his/her designee shall provide the grievant and the Association President or designee with a written disposition of grievance.

D). STEP THREE

In the event of an unsatisfactory decision, the Association President may submit the grievance to arbitration within ten (10) working days following receipt of the grievance disposition received in Step Two above. Written notice to the Employer shall constitute a request for arbitration.

1). The Employer and the Association shall meet within seven (7) working days after notice of arbitration has been given for the purpose of selecting an arbitrator. If the parties fail to select an arbitrator, the American Arbitration Association shall be requested by either party or both parties to provide a panel or arbitrators. The parties shall attempt to select an arbitrator from this list within ten (10) working days. If there is no selection from this list, the American Arbitration Association shall be requested to provide a second panel of arbitrators. The parties shall attempt to select an arbitrator from this list within ten (10) working days. If there is no selection from the second list, the American Arbitration Association shall appoint an arbitrator.

2). The rules of the American Arbitration Association shall apply to all arbitration hearings. The arbitrator shall be requested to issue her/his decision within thirty (30) days after the conclusion of testimony agreement, and the submission of briefs. The decision of the arbitrator will be final and binding on all parties, and judgment thereon may be entered in any Court of competent jurisdiction.

3). Fees and authorized expenses of the arbitrator shall be shared equally by the Employer and the Association.

4). The arbitrator shall have no authority to add to, or subtract from, alter, change, or modify any of the provisions of this agreement.

5). The arbitrator shall not substitute her/his judgment for that of the Employer where the Employer's judgment and actions are based upon reasonable cause and do not violate the written provisions of this agreement. The arbitrator may make no award that provides the employee compensation greater than would have resulted had there been no violation.

6). The Employer, in no event, shall be required to pay back wages for more than thirty (30) working days prior to the date the written grievance is filed. However, in the case of a claim of a pay shortage (other than one resulting from

miss-classification) of which the employee could not have been aware before receiving her/his pay, any adjustment shall be retroactive to the beginning of the pay period in which the shortage occurred, if the employee files her/his grievance within fifteen (15) working days after she/he becomes aware of such shortage. All claims for back wages shall be limited to the amount of wages that the employee otherwise would have earned.

E). Restitution/Reinstatement.

1). Should a decision be rendered at any step of the grievance procedure that the employee was unjustly discharged, demoted, suspended without reasonable and just cause, the Employer agrees to reinstate the employee to the employee's former position in effect on the day of discharge, demotion, or suspension. Computation of any back wages or benefits, if appropriate, must include offsets for unemployment insurance. A decision may be rendered to reinstate the employee without back compensation or benefits.

2). Failure of the grievant to appeal a decision within the specified time limits shall be deemed a withdrawal of the grievance and shall bar further action or appeal. Failure of the Employer to render a decision on a grievance within the specific time limits shall permit its appeal by the grievant to the next step.

3). Steps of the grievance procedure may be waived in writing by mutual agreement of both parties. The grievant may withdraw a grievance at any step of the procedure. Grievances so withdrawn shall not be reinstated.

4). The Employer and the grievant may adjust a grievance without the involvement of the Association, provided the adjustment is not contrary to any of the provisions of this agreement, provided, the Association is notified the adjustment is not contrary to the provisions of this agreement.

SECTION NO. 22 - PROFESSIONAL MEMBERSHIP FEES

The Employer agrees to pay annual membership fees for Association Members, such as, City Clerks Association, Chief of Police Association, Assessor's Association, Building Officials Association, Public Works Association, Water and Waste Association, etc.

SECTION NO. 23 - TERM OF AGREEMENT

A). This agreement shall continue in full force and effect until the 30th day of June, 2016.

B). If either party wishes to terminate this agreement, or modify or amend any section or subsection hereof, then notice to that effect shall be given in writing to the other party no less than sixty (60) days prior to the date of termination of this agreement. The modification or amendment of any specific section or subsection shall not affect the remainder of this agreement.

C). If no notice of termination of modification is given by either party as provided for herein, then this agreement shall automatically continue in full force and effect from year to year.

(Signature Page to Follow)

Supervisors' Agreement
2016

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~~January 25 Draft~~

IN WITNESS WHEREOF the parties hereto have caused this instrument to be executed on the date and year first above written.

CITY OF SWARTZ CREEK
A Michigan Municipal Corporation

**SWARTZ CREEK CITY SUPERVISORS
ASSOCIATION**

By _____
David A. Krueger, Mayor

By _____
Thomas Svrcek, President

By _____
~~Juanita Aguilar~~ Connie Eskew, City Clerk
Bargaining Team

By _____
~~Juanita Aguilar~~ Deanna Korth,

APPROVED AS TO FORM:
Richard J. Figura,
City Attorney

Supervisors' Agreement
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~~January 25 Draft,~~

Appendix “E”

JOB DESCRIPTIONS

Pursuant to Section No. 2 and Section No. 5(A), the Employer and the Association recognize the following positions and Job Descriptions:

City Clerk

~~City Clerk~~/Finance Director-Office Manager

Treasurer

Director of Public & Community Services

Chief of Police – Director of Public Safety

Police Lieutenant

Supervisors’ Agreement
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~~January 25 Draft,~~

**City of Swartz Creek
Job Description**

City Clerk
REVISED: October 2015

FLSA: Exempt

DEPARTMENT: City Clerk

GENERAL STATEMENT OF DUTIES: Serves as Clerk to the City Council, all boards, commission and committees. Is responsible for the proper administration of elections and the voting process as set forth in the City Charter. Coordinates and directs the maintenance of city records, issuance of licenses. Performs duties related to payroll and human resources, customer service, grant administration and high level administrative support for boards, commission and committees. Oversees the performance of the functions assigned to the finance officer under the City Charter.

SUPERVISION RECEIVED: Works under the general direction of City Manager or designee.

SUPERVISION EXERCISED: Supervises the administration of Elections and payroll process. As needed, or as directed by the City Manager, may provide general and technical direction and supervision to the Administrative Assistant Position's and part-time office staff.

EXAMPLES OF WORK PERFORMED: The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position. The Clerk shall oversee, delegate, perform and administer all duties as set forth in the City Charter, including, but not limited to:

1. Serves as Clerk to the City Council, other boards and commissions. Prepares agendas, attends meetings, records and prepares official meeting minutes. Prepares and edits resolutions, proclamations, ordinances and other official documents.
2. Performs functions related to Human Resources, including insurances, workmen's compensation and other employee benefit coordination, performs payroll functions.
3. Serves as Election Administrator, administers elections consistent with federal, state and local laws. Publishes notices, issues absentee ballots and forwards required documentation to County, State and other organizations as required.
4. Prepare/post and publishes notices of public hearings, ordinances, and related matters.
5. Attends or oversees the attendance by a Deputy Clerk of meetings held by the City Council, prepares notes of the meeting and preparation of official minutes.
6. Maintain, index and file all official records of the City and Council, including meeting minutes, resolutions, policies, ordinances, contracts, claims, insurance policies, equipment, boundaries and similar actions. Maintains official files according to established retention policies and disposal schedules.
7. Coordinate Council member and staff travel.
8. Maintain burial register for the City Cemetery.
9. Assist external auditors by providing needed data and by responding to inquiries in the course of an audit.
10. Attend job related training courses and seminars
11. Perform related duties as assigned.

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~~January 25 Draft,~~

City of Swartz Creek
Job Description

~~City Clerk/~~Finance Director-Office Manager
REVISED: April-July 2016~~2014~~

FLSA: Exempt

DEPARTMENT: ~~City Clerk/~~Finance Director

GENERAL STATEMENT OF DUTIES: Responsible for the ~~effective and efficient operation of the City Clerk's Office. Coordinates and directs the maintenance of city records, issuance of licenses, registration of voters, the conduct of elections,~~ the maintenance of all financial functions of the City, including payroll, accounting, utility billing, real and personal property administration and collections and other duties as set forth in the City Charter. Serves as the general accountant of the City and performs or oversees the performance of the functions assigned to the finance officer under the City Charter.

SUPERVISION RECEIVED: Works under the general direction of City Manager ~~and with consultation with the City Finance Officer (City Clerk).~~

SUPERVISION EXERCISED: Provides general and technical direction and supervision to the Treasurer, Administrative Assistant ~~Position's positions, cashiers, administrative temporary employees,~~ and subcontracted services such as Assessing and Building Inspector. Coordinates services between the Zoning Department, Public Works Department and Public Safety Department.

EXAMPLES OF WORK PERFORMED: The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position

Oversee, delegate, perform and administrate all duties as set forth in the City Charter, including, but not limited to:

- ~~1. Preparation of agendas for City Council meetings.~~
- ~~2. Prepare and post notices of public hearings, ordinances, elections, and other municipal matters.~~
- ~~3. Attend or oversee the attendance by a Deputy Clerk of meetings of the City Council, notes of the meeting and preparation of official minutes.~~
- ~~4. Maintain, index and file all official records of the City and Council, including meeting minutes, resolutions, policies, ordinances, contracts, claims, insurance policies, equipment, boundaries and similar actions.~~
- ~~5. Coordinate Council member travel for attendance at seminars, workshops and other meetings.~~
- ~~6. Supervise the registration of voters, maintain qualified voter files, and administer elections.~~
- ~~7. Publish election notices, issue absentee ballots and prepare final tabulations.~~
- ~~8. Maintain burial register for the City Cemetery.~~
- ~~9. Oversee the issuance of licenses and permits.~~
- ~~10. Administer the City's file system.~~

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~~January 25~~Draft,

- ~~11. Perform, or supervise, all duties assigned to the City Clerk by charter or statute, including the duties assigned to the Finance officer under the City Charter.~~
- 12.1. Supervise the daily operation of cash receipts, bank deposits, bank reconciliation, account payable/receivable, financial reporting, and posting of funds.
- 13.2. Supervise utility billing and preparation of payroll.
- ~~14.3. Maintain an inventory of the city's, supplies, equipment, insurance records and claims.~~
- 15.4. Audit payroll records, withholding and employee benefit reports.
- ~~16. Administer the City's functional financial file system.~~
- 17.5. Maintain the City general ledger.
- 18.6. Maintain an inventory of the city's assets and liabilities.
- 19.7. Assist the City Manager in preparation, implementation of the City's annual capital and operating budget.
- 20.8. Monitor expenditures levels of all city departments for compliance with budgetary and management objectives.
- 21.9. Prepare annual comprehensive financial report and monthly financial statements.
- 22.10. Oversee the security and investment of city funds.
- 23.11. Review and report on programs and activities influencing the city's financial condition.
- 24.12. Prepare revenue forecasts for budget and management decisions.
- 25.13. Assist external auditors by providing needed data and by responding to inquiries in the course of an audit.
- 26.14. Direct purchasing for the city.
- 27.15. Coordinate the preparation of real and personal property rolls, special assessment rolls, jeopardy tax and assessment collections and administration.
- 28.16. Attend job related training courses and seminars, complete appropriate N.I.M.S. Training.
- 29.17. Perform related duties as assigned.

REQUIRED KNOWLEDGE, ABILITIES, AND SKILLS:

- Knowledge of governmental purchasing practices and requirement's.
- Working knowledge of the principles and practices of public administration, including budgeting, personnel administration and records management.
- Working knowledge of governmental auditing procedures.
- ~~➤ Working knowledge state election laws and procedures.~~
- Comprehensive knowledge of the principles and practices of public finance, budgeting and fund accounting.
- Extensive knowledge of procedures, including use of automated accounting systems (BS&A, Excel databases, etc.).
- Knowledge of economic trend forecasting and analysis techniques.
- Knowledge of State and Federal laws and local policies relating to the investment of governmental funds.
- Ability to maintain complex financial records and prepare financial statements.
- Ability to obtain a financial surety bond.
- Working knowledge of word processing, spreadsheet and database programs (Microsoft Word, Excel and Access).
- Working knowledge of record keeping and filing systems.
- Ability to operate standard office equipment, including word processor, copier and telephone system.

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City of Swartz Creek
Job Description

City Treasurer
REVISED: April, 2014

FLSA: Exempt

DEPARTMENT: City Treasurer

GENERAL STATEMENT OF DUTIES: Has custody of all moneys of the city, the Clerk's Bond and other personnel bonds, and all evidences of value belonging to or held in trust by the city. Maintains a current log of all city investments and insures such investments are made in accordance with city policy and state law. Collects and distributes real and personal property taxes. Maintains the repository for all business licenses and permits held by the city, including computer software licenses. Assist in the performance of the functions assigned to the ~~City Clerk~~ Finance Director-Office Manager under the City –Charter, or as designated by state statute. Holds Deputy Clerk Position.

SUPERVISION RECEIVED: Works under the general direction of the City Manager and the City Clerk.

SUPERVISION EXERCISED: Coordinates the work of the Contract City Assessor. Provides general and technical direction to the Administrative Assistant positions.

EXAMPLES OF WORK PERFORMED: The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position

Oversee or perform:

1. Collect municipal revenues and serve as initial depository of all city receipts.
2. Deposit and invest city funds in accordance with Council policy, state law and the Michigan Department of Treasury Guidelines and Procedures.
3. Maintain records of municipal funds and treasury transactions and prepare necessary reports and records.
4. Supervise and oversee preparation of statements for personal property taxes and accounts receivable.
5. Assist the ~~City Clerk/Finance Officer and the~~ Finance Director with the examination of expenditures, cash flow and income projections.
6. Assist the City Clerk in fulfilling the functions of the Finance Officer under the City Charter.
7. Assist in maintaining the City's general ledger and inventory.
8. Assists the ~~City Clerk~~ Finance Director in implementation, development of the City budget.
9. Assist in preparation of annual comprehensive financial report and monthly financial statements.
10. Assist in the preparation of revenue forecasts for budget and management decisions.
11. Monitor expenditure levels of all city departments for compliance with budgetary and management objectives.
12. Prepare revenue forecasts for budget and management decisions.

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13. Supervise the city's real property and personal tax records, including property transfer affidavits.
14. Prepare property tax and special assessment roles.
15. Oversee meetings of the Board of Equalization.
16. Prepare and execute jeopardy tax assessments.
17. Compile delinquent tax rolls, including computation of interest, penalty, and collection fees for the County Treasurer.
18. Process delinquent tax settlements from the County Treasurer and distribute funds to proper accounts.
19. Provide assistance and information to the public.
20. Supervise/assist daily operations including cash receipts, bank deposits, bank reconciliation, account payable/receivable, financial reporting, general ledger and posting of funds.
21. Supervise/assist with utility billing and preparation of payroll.
22. Audit payroll records, withholding and employee benefit reports.
23. Assist external auditors by providing needed data and by responding to inquiries in the course of an audit.
24. Attend job related training courses and seminars, complete appropriate N.I.M.S. Training
18. Perform related duties as assigned.

REQUIRED KNOWLEDGE, ABILITIES, AND SKILLS:

- Knowledge of the principles and practices of governmental accounting.
- Working knowledge of the practices and procedures used to administer the State of Michigan's real and personal property system and related automated programs (Equalization).
- Working knowledge of maintaining payables and receivable accounts, and related automated systems (Fund Balance, B-S & A, etc).
- Working knowledge of word processing, spreadsheet and database programs (Microsoft Word, Excel and Access).
- Working knowledge of record keeping and filing systems.
- Ability to plan and implement efficient procedures for the computation, billing and collection of real and personal property taxes and other revenues.
- Ability to maintain complex financial records and prepare financial reports and statements.
- Ability to operate standard office equipment, including word processor, copier and telephone system.
- Ability to effectively manage, motivate and supervise personnel.
- Ability to communicate clearly and effectively, orally and writing, with co-workers, supervisors and the general public.
- Ability to write reports and correspondence.
- Ability to understand and follow complex oral and written instructions.
- Ability to operate a keyboard, copier and other office equipment, lift loads of up to 25 pounds, sit for prolonged periods of times, hear verbal communications on the phone and in an office environment, read and manipulate written text.
- Ability to obtain a financial surety bond.

MINIMUM QUALIFICATIONS:

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A combination of education and experience substantially equivalent to graduation from a recognized college or university with a Bachelor's Degree in accounting, or closely related field. Three years of experience in public sector accounting, financial management, and/or public administration.

Approved:

Adam Zettel, City Manager Date

Approved:

Rick Clolinger, Association President Date

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**City of Swartz Creek
Job Description**

Director of Public & Community Services

REVISED: August, 2012

FLSA: Exempt, Executive Position
Department: Community Services

GENERAL STATEMENT OF DUTIES: Responsible for the effective and efficient operation of the Department of Public & Community Services.

SUPERVISION RECEIVED: Works under the general direction of City Manager.

SUPERVISION EXERCISED: Provides general and technical direction to Building and Zoning Administrator, Utility Billing Clerk, Park Supervisor, Janitor, and Maintenance Workers. Coordinates activities of the City Engineer and City Planner.

EXAMPLES OF WORK PERFORMED:

The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position

1. Provide overall direction to the Department of Community Services. Establish departmental goals and objectives, solve problems and resolve conflicts.
2. Motivate, train, supervise, evaluate, counsel and discipline all subordinate personnel as required.
3. Determine work procedures, prepare work schedules and expedite workflow.
4. Develop and implement the department's budget.
5. Assist the City Manager in preparation of the city's capital improvement plan.
6. Plan, organize, coordinate, supervise and evaluate programs, plans, services, staffing, and equipment of the department.
7. Plan and implement adequate safety methods and procedures to protect the public and city employees from injury.
8. Oversee preparation of plans, specifications, and bidding of public improvement projects.
9. Inspect and approve the work of contractors.
10. Respond to resident complaints and concerns regarding the department's operations.
11. Oversee city's sidewalk inspection and repair program.
12. Oversee administration of city's building standards.
13. Oversee administration of the city's zoning ordinance.
14. Review all land use applications for impact on public facilities and services. Provides comments and recommendations to Planning Commission.
15. Oversee the development and maintenance of public improvement and community development documents.
16. Attend job related training courses and seminars, complete appropriate N.I.M.S. Training.
17. Perform related duties as assigned.

REQUIRED KNOWLEDGE, ABILITIES, AND SKILLS:

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- Extensive knowledge in the maintenance and repair of public facilities, including public water supply, sanitary sewer, storm drains streets and parks.
- Considerable knowledge of construction methods, materials, and equipment relating to the maintenance and improvement of public facilities.
- Considerable knowledge in the administration of public improvement projects.
- Working knowledge of the principles and practices of public administration, including budgeting, personnel administration and records management.
- Working knowledge of public bidding and purchasing practices.
- Working knowledge of the city's zoning ordinance.
- Familiarization with the Uniform Building Code.
- Working knowledge of word processing, spreadsheet and database programs (Microsoft Word, Excel and Access).
- Ability to effectively manage, motivate and supervise personnel
- Ability to develop and implement detailed plans for the maintenance of municipal facilities.
- Ability to communicate clearly and effectively, orally and writing, with co-workers, supervisors and the general public.
- Ability to write reports and correspondence.
- Ability to understand and follow complex oral and written instructions.
- Ability to walk, stoop, bend and climb on uneven terrain, sometimes in inclement weather, and lift up to 40 pounds.

MINIMUM QUALIFICATIONS:

A combination of education and experience substantially equivalent to graduation from a recognized college or university with a Bachelor's Degree in civil engineering, public administration, business administration or closely related field. Three years of supervisory experience in public or five years technical experience in the operation and maintenance of public facilities is required. Michigan Class O, and CDL drivers license is required.

Approved:

Paul Bueche, City Manager	Date

Approved:

Rick Clolinger, Association President	Date

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~~January 25 Draft,~~

**City of Swartz Creek
Job Description**

Director of Public Safety / Chief of Police
REVISED: August, 2012

FLSA: Exempt, Executive Position
Department: Public Safety

GENERAL STATEMENT OF DUTIES: Responsible for the effective and efficient operation of the Department of Public Safety. Serves as the city's Civil Defense Director.

SUPERVISION RECEIVED: Works under the general direction of City Manager.

SUPERVISION EXERCISED: Provides general and technical direction to subordinate law enforcement officers and administrative personnel. Administers ambulance and fire services contracts.

EXAMPLES OF WORK PERFORMED:

The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position

1. Provide overall direction to the Department of Public Safety to ensure the protection of life and property. Establishes departmental goals and objectives, solves problems and resolves conflicts.
2. Motivate, train, supervise, evaluate, counsel and discipline all subordinate personnel as required.
3. Determine work procedures, prepare work schedules and expedite workflow.
4. Inspect and critique operations of contract ambulance and fire services. Report contract violations and/or operational problems to the City Manager. Recommend contract changes as needed.
5. Coordinate law enforcement, ambulance and fire service activities.
6. Develop and implement the department's budget.
7. Assist the City Manager in preparation of the city's capital improvement plan.
8. Plan, organize, coordinate, supervise and evaluate programs, plans, services, staffing, and equipment of the department.
9. Plan and implement adequate safety methods and procedures to protect the public and city employees from injury.
10. Supervise the maintenance and security of all records and material in the department's custody.
11. Coordinate public safety activities with area, regional and state agencies and professional organizations
12. Serve as primary liaison with the Swartz Creek School District for safety and security issues.
13. Respond to resident complaints and concerns regarding the department's operations.
14. Attend job related training courses and seminars, complete appropriate N.I.M.S. Training.
15. Perform related duties as assigned.

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REQUIRED KNOWLEDGE, ABILITIES, AND SKILLS:

- Comprehensive knowledge of the theories, principles and practices of police administration.
- Knowledge of federal, state, and local laws, traffic regulations and departmental policies and procedures.
- Knowledge of the geographical limits of the City of Swartz Creek.
- Knowledge of the criminal justice system and court procedures.
- Working knowledge of the principles and practices of public administration, including budgeting, personnel administration and records management.
- Working knowledge of word processing, spreadsheet and database programs (Microsoft Word, Excel and Access).
- Familiarity with fire protection and suppression practices and techniques.
- Familiarity with emergency medical practices and techniques.
- Ability to effectively manage, motivate and supervise personnel.
- Ability to read and interpret complex legal documents.
- Ability to communicate clearly and effectively, orally and writing, with co-workers, supervisors and the general public.
- Ability to write reports and correspondence.
- Ability to understand and follow complex oral and written instructions.
- Ability to walk, stoop, bend, run and climb on uneven terrain, sometimes in inclement weather and at night, and lift up to 40 pounds.
- Skill in the use of firearms and other standard and specialized police equipment.
- Skill in maintaining effective and open public relations.

MINIMUM QUALIFICATIONS:

Graduation from a recognized college or university with a Bachelor’s Degree in criminal justice studies, public administration, business administration or related field or equivalent experience. Three years of supervisory experience in law enforcement. Certification under the Michigan Peace Officer’s Standards and Training Act. Michigan Class O driver’s license is required.

Approved:

Paul Bueche, City Manager	Date
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Approved:

Rick Clolinger, Association President	Date
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~~January 25 Draft,~~

**City of Swartz Creek
Job Description**

Police Supervisor - Lieutenant
REVISED: August, 2012

FLSA: Non-exempt
Department: Public Safety

GENERAL STATEMENT OF DUTIES: Supervises and assists patrol officers in maintaining the safety and security of people and property in the City of Swartz Creek. Investigates criminal activity and enforces state and local laws.

SUPERVISION RECEIVED: Works under the general and technical direction of the Director of Public Safety/Chief of Police.

SUPERVISION EXERCISED: Provides technical direction to subordinate law enforcement officers and administrative personnel.

EXAMPLES OF WORK PERFORMED:

The following tasks are typical examples of the work performed by an employee holding this position. The list is not all inclusive and does not include all of the tasks relevant to this position

1. Supervise personnel on assigned shift to assure adherence to department rules, regulations, and policies; monitor employee work performance.
2. Assign duties; communicate information from senior officers.
3. Perform weapons, equipment, uniform and personal appearance inspections.
4. Investigate crimes and accidents, respond to calls to assist and advise, maintain surveillance of suspicious persons; interview suspects, complainants, and witnesses; supervise preservation of evidence, investigate clues, arrest suspects.
5. Prepare time cards and maintain daily time sheets, pay logs, and overtime and compensatory time logs.
6. Assist other agencies with service of arrest warrants, court papers and subpoenas.
7. Facilitate law enforcement, ambulance and fire service cooperation.
8. Oversee maintenance of vehicles and equipment.
9. Supervise and implement safety procedures during departmental operations to protect the public and city employees from injury.
10. Respond to resident complaints and concerns regarding the department's operations.
11. Attend job related training courses and seminars, complete appropriate N.I.M.S. Training.
12. Perform related duties as assigned.

REQUIRED KNOWLEDGE, ABILITIES, AND SKILLS:

- Knowledge of federal, state, and local laws, traffic regulations and departmental policies and procedures.
- Knowledge of the geographical limits of the City of Swartz Creek.
- Knowledge of the criminal justice system and court procedures.
- Knowledge of investigatory techniques and procedures.
- Knowledge of crime prevention techniques.

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- Knowledge of first aid and CPR techniques.
- Ability to communicate clearly and effectively, orally and writing, with co-workers, supervisors and the general public.
- Ability to understand and follow complex oral and written instructions.
- Ability to walk, stoop, bend, run and climb on uneven terrain, sometimes in inclement weather and at night, and lift up to 100 pounds.
- Skill in the use of firearms, communications equipment, and other standard and specialized law enforcement equipment.
- Skill in observing and preserving evidence.
- Skill in maintaining effective and open public relations.
- Skill in motivating, training, supervising, evaluating, counseling and disciplining subordinate personnel.

MINIMUM QUALIFICATIONS:

Post secondary education and training in law enforcement techniques, procedures and skills substantially equivalent to an Associates Degree from an accredited technical college or school. Three years of practical law enforcement experience as a patrol officer or in a similar position. Certification under the Michigan Peace Officer's Standards and Training Act. Michigan Class O drivers license is required.

Approved:

Paul Bueche, City Manager Date

Approved:

Rick Clolinger, Association President Date

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~~January 25 Draft,~~

RETIREMENT AGREEMENT
Between
JUANITA AGUILAR and THE CITY OF SWARTZ CREEK

This agreement is made this __ day of July, 2016 by and between the City of Swartz Creek ("Employer") and Juanita Aguilar ("Employee").

WHEREAS, the Employer has entered into a collective bargaining agreement ("CBA") with the Swartz Creek Supervisors Association ("Association") dated January 25, 2016; and

WHEREAS, the Employer and the Association are currently engaged in bargaining over an agreement to succeed the CBA; and

WHEREAS, the Employee is a member of the bargaining unit covered by the CBA; and

WHEREAS, the Employee wishes to retire from employment with the Employer if the Employer will allow the Employee to purchase service time that will apply to certain post-retirement benefits; and

WHEREAS, the Employer is willing to recognize years of service and the purchase of time to enable the Employee to be vested with certain post-employment benefits, including health care coverage provisions provided for in the current and draft CBA's.

NOW, THEREFORE, IT IS AGREED by the Employer and the Employee as follows:

1. The Employee hereby retires from employment with the Employer, said retirement to be effective no later than midnight on June 30, 2017, and this position with the Employer shall be deemed vacant upon said retirement.

2. Upon Employee separation from the Employer per Section 1, the Employer shall recognize fifteen (15) years of service if Employee opts to purchase service time at a rate of fifteen (15) hours per month in an amount sufficient to equate to fifteen years of service as measured from commencement of employment through separation of employment plus time purchased. Hours shall equate to the hourly compensation as agreed to in the CBA for the position of Finance Director-Office Manager, divided by 2080. This agreement to purchase time was individually negotiated and established based upon circumstances specific to Employee.

3. The Employer and the Employee hereby mutually agree that this agreement fully satisfies any claims of any kind whatsoever that either party may have against the other and each party hereby releases and agrees to hold harmless the other party from any

liability of any kind whatsoever resulting from or related to the employment of the Employee by the Employer.

4. This agreement is shall be incorporated as an Exhibit to the 2016-2017 Collective Bargaining Agreement between the Employer and the Association, is subject to the approval of said CBA by the Swartz Creek City Council, and affects only the rights of the Employee herein, Juanita Aguilar, and no other member of the bargaining unit.

INWITNESS WHEREOF the parties hereto have executed this agreement as of the date first written above.

CITY OF SWARTZ CREEK, EMPLOYER

EMPLOYEE

A Michigan municipal corporation

By: _____
Adam Zettel, City Manager

Juanita Aguilar

By: _____
Connie Eskew, City Clerk

SWARTZ CREEK SUPERVISORS
ASSOCIATION

Approved as to form

By: _____
Thomas Svrcek, President

Michael Gildner, City Attorney

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
STREET PROJECT SELECTION COMMITTEE
MINUTES OF JULY 12, 2016**

Meeting called to order at 5:34 p.m.

Members Present: Dennis Cramer, Lou Fluery, Rae Lynn Hicks, David Krueger, Dennis Pinkston, Steve Long, Steve Shumaker, & Adam Zettel

Members Absent: None

Others Present: Tom Svrcek

APPROVAL OF AGENDA: Motion by Cramer to approve the agenda, supported by Long. Motion carried unanimously by voice vote.

APPROVAL OF MINUTES: Motion by Hicks to approve the June 28, 2016 minutes, as amended, supported by Shumaker. Motion carried unanimously by voice vote.

MEETING OPEN TO THE PUBLIC: No comments.

Business: Street Project Selection Deliberation

The committee discussed the modified schedule. It was noted that borrowing is likely going to be necessary. Mr. Shumaker and Mr. Zettel had an exchange in which Mr. Shumaker felt that interest costs could result in a reduction of the overall street plan scope. Mr. Zettel indicated that interest should be offset by three factors: inflationary opportunity costs of delay, immediate maintenance savings, and economies of scale related to construction and construction engineering. Mr. Shumaker asked if it was possible that borrowing could result in a reduction of the project scope. Mr. Zettel indicated that this was a possibility.

Adam was directed to ask the state of additional borrowing could occur if some debt is already incurred by the city. He will also ask if the city could borrow less than the request/approval amount (drawdowns).

The commission agreed that the reconstruction of Worchester and preventative maintenance should definitely be completed in year 2017 (year 2). It was also agreeable to add additional projects to the extent that a contractor could reasonably address them all in one season and not be overly disruptive to traffic. Starting in the village interior and working out towards the entrances was preferred.

Motion by Mr. Pinkston to accept the amended street repair schedule as described (included with these minutes). Support by Mr. Long. Motion carried by voice vote of five members.

The committee requested that the findings of the commission and supporting materials be made available to the city council and public for deliberation. Adam said he would see to this.

The replacement of street signs and lighting was brought up. It was felt that, for reconstructions in which such features are removed, more decorative and durable materials should be used for replacement lighting and street stop/identification signs. It was felt that the cost would be minimal given the benefit to community branding and values (~0.5% - 1% of project costs for a street like Worchester or Chesterfield).

Motion by Mrs. Hicks to make decorative lights and signs (stop and identification only) a standard component of reconstruction projects (LED's preferred with signs that use white letters on a black background). Support by Mr. Cramer. Motion carried by voice vote of five members.

MEETING OPEN TO THE PUBLIC: No comments.

MEMBER COMMENTS: Mr. Krueger was very pleased with the process and the results of the street committee. Mrs. Hicks thanked Lou and Tom for their added efforts.

No additional meetings are planned unless otherwise directed by the City Council. Mr. Zettel will send minutes to all members and await individual corrections prior to distribution.

Motion by Mr. Long to adjourn, supported by Mr. Cramer. Motion carried unanimously by voice vote. Adjourned at 6:40 p.m.

AHZ

Proposed Street Repair Schedule

Year	2017 (Year 2)		2018 (Year 3)		2019 (Year 4)		2020 (Year 5)	
Street	Worcester	Reconstruct	Daval	Reconstruct	Birchcrest	Preservation	Morrish	Maintenance
Cost		\$ 770,000.00		\$ 700,000.00		\$ 300,000.00		\$ 130,000.00
Water Main Cost		\$ 596,000.00		\$ 450,000.00				
Street	Chesterfield	Reconstruct	Winston	Reconstruct	Fairchild	Preservation	Helmsley	Reconstruction
Cost		\$ 650,000.00		\$ 240,000.00		\$65,000		\$ 440,000.00
Water Main Cost		\$ 450,000.00		\$ 180,000.00				\$ 300,000.00
Street	Abbey	Preservation					Elms	Maintenance
Cost		\$ 300,000.00						\$48,000
Street	Brady, McLain	Maintenance						
Cost		\$ 30,000.00						
Street	1st, 2nd, 3rd	Maintenance						
Cost		\$ 30,000.00						
Street	Ford, Wade, Jennie	Maintenance						
Cost		\$ 50,000.00						
Street	N. Seymour	Maintenance						
Cost		\$ 25,000.00						
Street	Holland	Maintenance						
Cost		\$ 10,000.00						
Street	Hayes	Maintenance						
Cost		\$ 10,000.00						
Street	Ingalls	Preservation						
Cost		\$ 300,000.00						

Total Costs	Streets	\$ 2,175,000.00	Streets	\$ 940,000.00	Streets	\$ 365,000.00	Streets	\$ 618,000.00
	Water Mains	\$ 1,046,000.00	Water Mains	\$ 630,000.00	Water Mains	\$ -	Water Mains	\$ 300,000.00

Available \$	Streets	\$ 1,296,000.00	Streets	\$ 600,000.00	Streets	\$ 600,000.00	Streets	\$ 600,000.00
	Water Mains	\$ 1,200,000.00	Water Mains	\$ 220,000.00	Water Mains	\$ 220,000.00	Water Mains	\$ 220,000.00

<u>Years (2017 & 2018)</u>	
Costs	Streets \$ 3,115,000.00
	Water Mains \$ 1,676,000.00
	Total \$ 4,791,000.00
Available	Streets \$ 1,896,000.00
	Water Mains \$ 1,420,000.00
	Total \$ 3,316,000.00
Difference	Streets \$ 1,219,000.00
	Water Mains \$ 256,000.00

Total \$ 1,475,000.00 Minimum Loan Amount

Draft: July 13, 2016

City of Swartz Creek 20 Year Paving Program

Streets	Project Type	PASER Rating (10=new; 1=failed)	Cost
Phase I: 2016-2020			
Worcester	Reconstruct	2	\$800,000
Yarmy	Preservation	3	\$200,000
Parkridge	Preventative Maint.	5	\$100,000
Abbey	Preservation	2	\$300,000
Ingalls McLain To Hayes	Preservation	3	\$300,000
Chesterfield (east of Seymour)	Reconstruct	2	\$650,000
Daval	Reconstruct	2	\$700,000
Birchcrest	Preservation	4	\$300,000
N. Seymour	Preventative Maint.	6	\$25,000
1st	Preventative Maint.	5	\$10,000
2nd	Preventative Maint.	5	\$10,000
3rd	Preventative Maint.	5	\$10,000
Holland	Preventative Maint.	6	\$10,000
Hayes	Preventative Maint.	6	\$10,000
Ford	Preventative Maint.	5	\$10,000
N. Brady	Preventative Maint.	6	\$10,000
McLain	Preventative Maint.	6	\$20,000
Wade	Preventative Maint.	5	\$20,000
Jennie	Preventative Maint.	5	\$20,000
Fairchild	Preservation	3	\$400,000
Elms (Swartz Creek to n. city limits)	Preventative Maint.	7	\$48,000
Morrish (Maple to n. city limits)	Preventative Maint.	7	\$130,000
2016-2020 Total			\$4,083,000

City of Swartz Creek 20 Year Paving Program

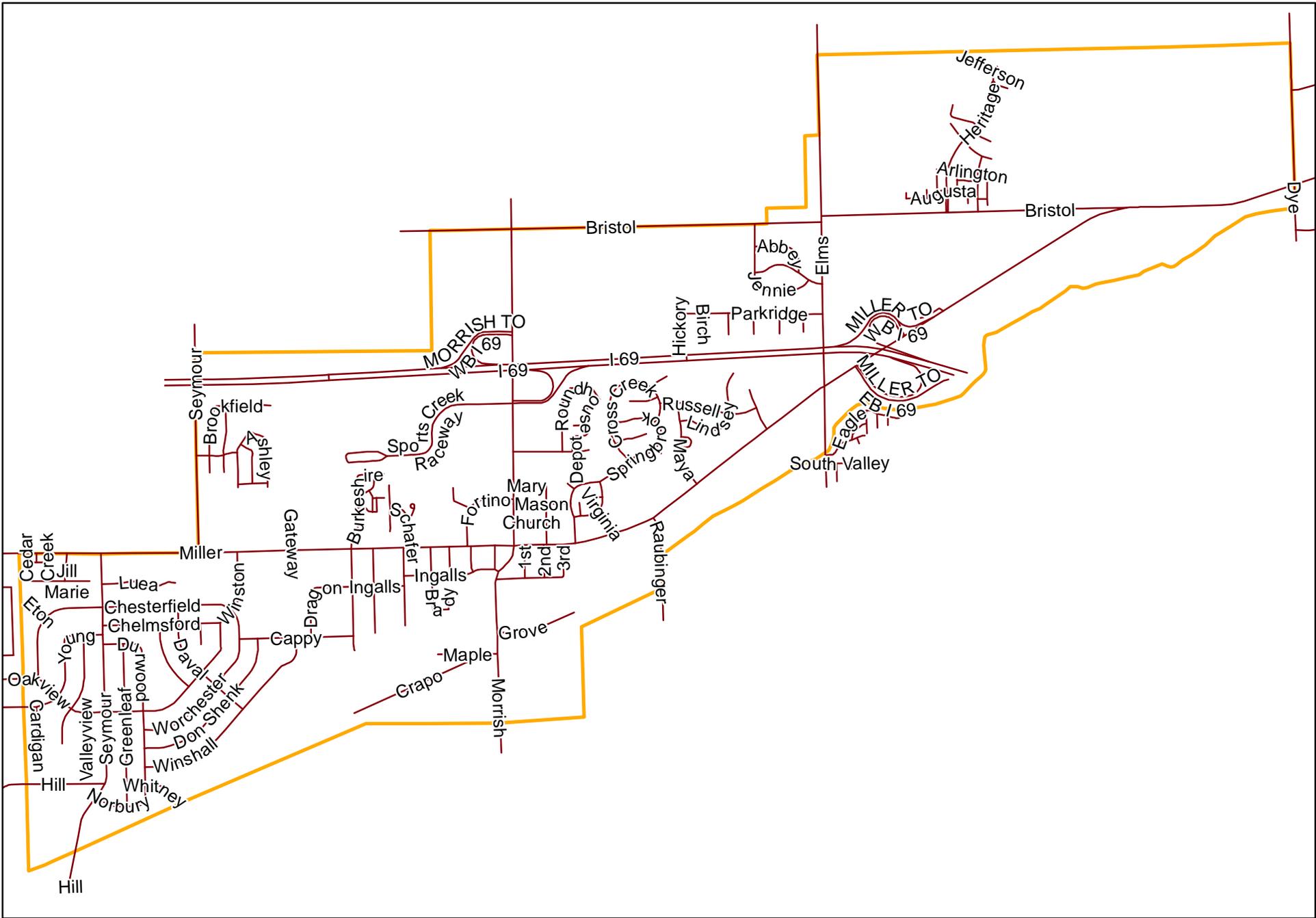
Streets	Project Type	PASER Rating (10=new; 1=failed)	Cost
Phase II: 2021-2025			
School	Preservation	3	\$357,500
Chelmsford	Reconstruct	2	\$660,000
Oakview (east of Seymour)	Reconstruct	2	\$715,000
Winston	Reconstruct	3	\$204,000
Helmsley	Reconstruct	2	\$440,000
Cappy Lane	Preservation	3	\$352,000
Durwood	Reconstruct	2	\$990,000
Norbury	Reconstruct	2	\$330,000
Bristol Road	Preventative Maint.	6	\$48,000
2021-2025 Total			\$4,096,500

City of Swartz Creek 20 Year Paving Program

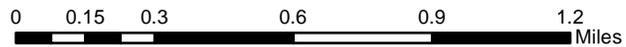
Streets	Project Type	PASER Rating (10=new; 1=failed)	Cost
Phase III: 2026-2030			
Mason	Preservation	2	\$172,500
Church	Preservation	5	\$115,000
Frederick	Preservation	5	\$172,500
Ingalls	Preventative Maint./Preservation	2nd Fix/Est. Unknown	\$276,000
Chesterfield (west of Seymour)	Preservation	3	\$172,500
Eton Court	Preservation	3	\$46,000
Oxford Court	Reconstruct	2	\$110,000
Whitney Court	Reconstruct	3	\$66,000
Greenleaf	Reconstruct	3	\$805,000
Don-Shenk	Reconstruct	3	\$575,000
Winshall	Reconstruct	3	\$747,500
Fairchild	Preventative Maint.	2nd Fix/Est. Unknown	\$23,000
School	Preventative Maint.	2nd Fix/Est. Unknown	\$23,000
Worcester	Preventative Maint.	2nd Fix/Est. Unknown	\$57,500
Chesterfield	Preventative Maint.	2nd Fix/Est. Unknown	\$23,000
Daval	Preventative Maint.	2nd Fix/Est. Unknown	\$57,500
Chelmsford	Preventative Maint.	2nd Fix/Est. Unknown	\$34,500
Oakview	Preventative Maint.	2nd Fix/Est. Unknown	\$57,500
Helmsley	Preventative Maint.	2nd Fix/Est. Unknown	\$34,500
S. Brady	Preservation	3	\$86,250
Talmadge Court	Preservation	3	\$86,250
Raubinger	Preservation	2	\$230,000
2026-2030 Total			\$3,971,000

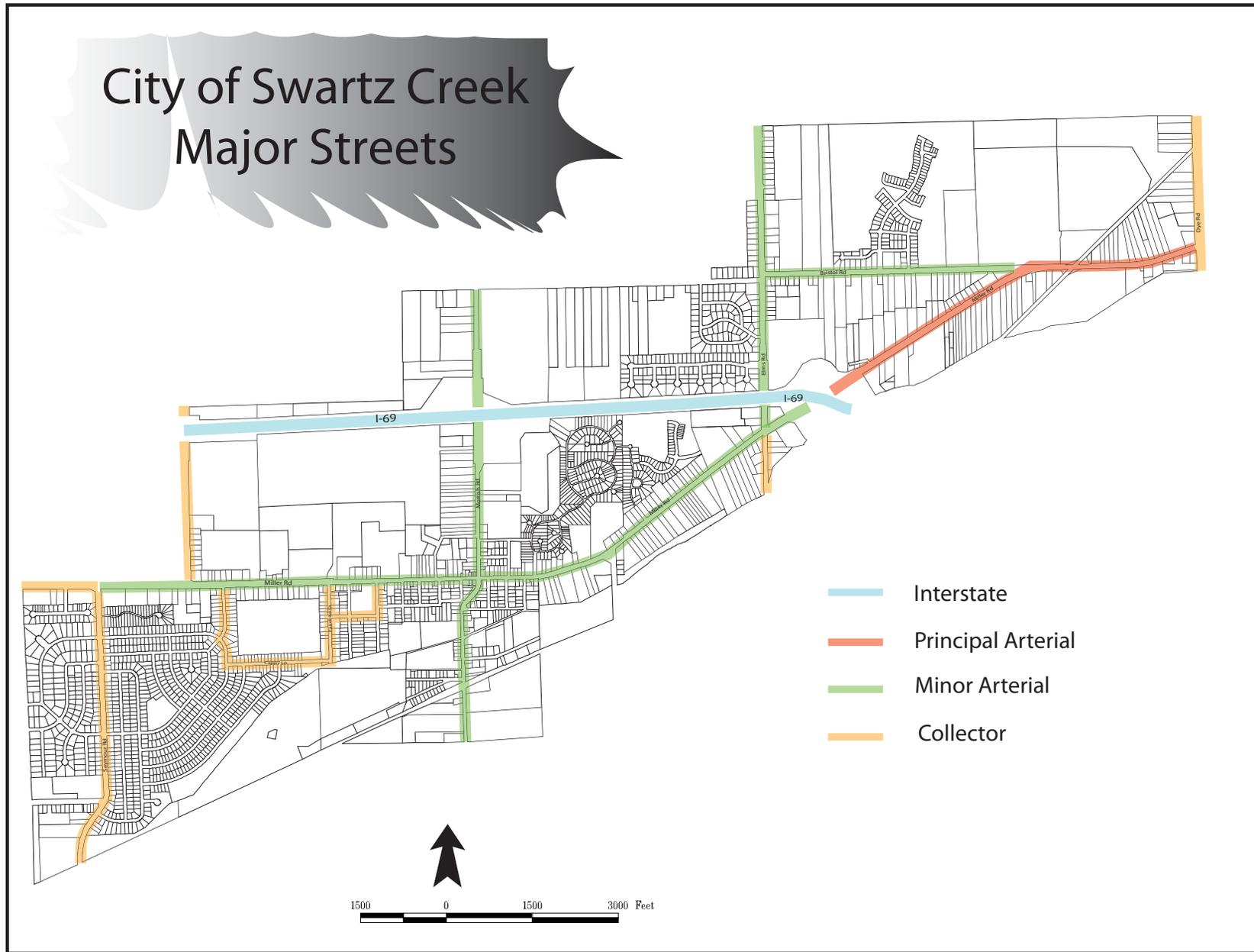
City of Swartz Creek 20 Year Paving Program

Streets	Project Type	PASER Rating (10=new; 1=failed)	Cost
Phase IV: 2031-2035			
Fortino	Reconstruct	3	\$720,000
Civic	Reconstruct	2	\$240,000
Grove	Reconstruct	2	\$600,000
Maple	Reconstruct	3	\$192,000
Crapo	Reconstruct	3	\$192,000
Springbrook East (all streets)	Preservation	2nd Fix/Est. Unknown	\$168,000
Heritage (all streets)	Preservation	2nd Fix/Est. Unknown	\$192,000
Hill	Reconstruct	2	\$420,000
Jill Marie	Preservation	5	\$480,000
Natalie	Preservation	5	\$96,000
Young	Preservation	5	\$300,000
Oakview (west of Seymour)	Preservation	5	\$120,000
Valleyview	Preservation	5	\$120,000
Oxford Court	Preventative Maint.	2nd Fix/Est. Unknown	\$23,000
N. Seymour	Preventative Maint.	2nd Fix/Est. Unknown	\$30,000
1st	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
2nd	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
3rd	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
Holland	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
Hayes	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
Ford	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
N. Brady	Preventative Maint.	2nd Fix/Est. Unknown	\$12,000
McLain	Preventative Maint.	2nd Fix/Est. Unknown	\$24,000
Wade	Preventative Maint.	2nd Fix/Est. Unknown	\$24,000
2031-2035 Total			\$4,025,000.00



City of Swartz Creek







ROWE PROFESSIONAL SERVICES COMPANY

Large Firm Resources. Personal Attention. sm

July 20, 2016

Mr. Adam Zettel, City Administrator
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

RE: 2017 - 2018 Street Paving Program
Design Engineering Services

Dear Mr. Zettel:

Pursuant to your request, ROWE Professional Services Company is pleased to provide this proposal for years two and three of the street paving program. Construction will involve both paving and utility upgrades and is estimated at \$4,791,000. The scope of work will involve improvements to the following streets:

2017 PROJECTS

Preventative Maintenance Projects:

- Brady
- McLain
- 1st, 2nd, 3rd
- Ford
- Wade
- Jennie
- N. Seymour
- Holland
- Hayes

Preservation Projects:

- Abbey
- Ingalls

Replacement Projects:

- Worchester
- Chesterfield

2018 PROJECTS

Replacement Projects:

- Daval
- Winston

Engineering | Surveying | Aerial Photography/Mapping | Landscape Architecture | Planning

Corporate: The ROWE Building, 540 S. Saginaw Street, Ste. 200 • Flint, MI 48502 • O (810) 341-7500 • F (810) 341-7573

With Offices In: Lapeer, MI • Mt. Pleasant, MI • Farmington Hills, MI • Lansing, MI • Grayling, MI • Tri-Cities, MI • Myrtle Beach, SC
City Council Packet

www.rowepsc.com

July 25, 2016

Mr. Adam Zettel
July 20, 2016
Page 2

Our fee to provide design engineering for all construction projects is **\$224,694** (\$110,338 for 2017 projects/ \$114,356 for 2018 projects). This cost is based upon providing all work required to prepare the contract bid packages and advertise projects for construction. A breakdown of our fee is attached.

We anticipate a four-month schedule for preparation of construction documents and permitting. Advertising for construction could take place from mid-December through mid-January for 2017 construction, if we receive authorization in July 2016. The proposed schedule for 2018 projects will be coordinated with the city at a later date.

We look forward to completing another successful project with the city. If you should have any questions or need any additional information, please do not hesitate to contact me at our corporate office.

Sincerely,
ROWE Professional Services Company



Louis P. Fleury, PE
Project Manager

Attachment

R:\sdsk\Proj\PROPOSAL\CU\swartz creek\2017 paving project\proposal.docx

**City of Swartz Creek
Paving Program 2017-2018
Design Engineering Fee Breakdown**

July 2016

Fieldwork: **\$14,204**

- Topographic survey to identify all surface features within the influence of construction, delineate public right-of-way, and inventory all existing utilities for the reconstruction work
- Soil borings to verify subsurface conditions

Design: **\$210,490**

- Prepare contract documents and technical specifications for both contracts
- Prepare log style plans for preservation projects and preventative maintenance projects
- Prepare construction drawings including plan/profile information and utility improvements (including storm sewer and watermain) for reconstruction work
- Prepare soil erosion control permit for proposed work for reconstruction work and coordinate with Genesee County Water and Waste Services
- Prepare MDEQ water main construction permit application and coordinate with Genesee County Water and Waste Services
- Coordinate contract bidding including advertisement, bid opening, bid tabulation and recommendation for all contracts

Design Engineering Total: **\$224,694**



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

State Infrastructure Bank (SIB) Loan Program

Guidelines for Applicants

Adopted: August 2015 (updated June 2016)

Introduction

The Michigan State Infrastructure Bank (SIB) loan program was established as a pilot program under Section 350 of the National Highway System Designation Act of 1995 (NHS Act). The NHS Act authorized the creation of the Michigan SIB loan program to provide loans to public entities for eligible transportation improvements.

The SIB loan program complements traditional funding techniques and serves as a useful tool to meet urgent project financing demands. The SIB is not able to be used to finance operating or administrative costs, nor is it intended to operate as a grant fund for transportation projects.

The goal of the program is to address customer financing needs in a timely and flexible fashion. Applications will be accepted at all times and will be evaluated by MDOT staff as quickly as possible. Potential borrowers are encouraged to talk with the SIB Coordinator about possible projects before submitting an application.

Program Priorities

The SIB will take a multi-modal approach to financing transportation projects. Highway, transit, rail, and intermodal projects will be considered. SIB Loan program priorities are focused on:

- Accelerating the delivery of transportation projects by providing financial assistance that is otherwise unavailable in the short-term, especially during emergency situations.
- Increasing the financial viability of transportation projects by reducing borrowing costs.
- Attracting new public and private investment in transportation infrastructure.

Eligible Borrowers

Qualified borrowers include any Act 51 eligible public entity (county road commissions, cities, villages, or MDOT). Although other public and private entities are not eligible to apply, they may be able to enter into agreements with eligible borrowers to finance eligible transportation projects.

Eligible Projects

Eligible projects include highway, rail or transit project as defined in Title 23 U.S.C., Title 49 U.S.C., Public Act 51 of 1951, or Public Act 295 of 1976. MDOT will consider financing any stage of a proposed project, including, but not limited to, planning and cost estimation, feasibility studies, environmental and economic impact studies, project design, right-of-way acquisition, project engineering, and construction.

Project Evaluation Process

The project evaluation process consists of two parts:

Application Process. Applicants complete a brief application. MDOT staff ensure the application is eligible for financing by reviewing the proposed project's feasibility, level of public support, the borrower's credit worthiness, and the SIB's financial capability to participate in the proposed project. A site visit may be conducted to verify consistency with the application. The applicant will be notified of the results of its evaluation as quickly as possible (usually within 30 days of submission of a complete application).

Agreement Request Process. If the proposed project is approved, MDOT will negotiate a SIB agreement with the applicant. SIB agreements over \$250,000 require State Administrative Board and State Transportation Commission approval, which may take up to 12 weeks. If the loan request is less than \$250,000, the process may take up to six weeks.

Loan Amount

There is no minimum loan amount. Due to capital restrictions, SIB financing will generally not exceed \$2 million. MDOT will work with applicants to identify other financing sources for larger projects. The level of SIB participation in proposed projects will be determined on a case-by-case basis.

Interest Rate

The interest rate is currently set at 2.5% and is evaluated on an annual basis. In addition, the interest rate may vary depending on the level of risk, repayment terms requested by the borrower, and for projects related to an emergency situation. The interest rate is never to exceed market rate. Interest begins accruing upon disbursement of the loan.

Repayment Terms

The maximum term for a loan will be 20 years; there will be no minimum term. MDOT will base loan terms on the useful life of the asset and on the financing needs to the borrower. Because it is MDOT's priority to assist as many potential projects as possible, priority will be given to those projects that repay their loan within the shortest time period. The first payment will be due one year from disbursement.

Applicants must identify the revenue sources that will be used to repay a loan. Revenue sources may include future federal aid, future Act 51 funds, local government general funds, tax increment financing revenue, assessment fees, impact fees, or state revenue sharing.

Final Project Accounting

Within 60 days after completion of the project, the applicant will submit final project accounting to the SIB Coordinator.

Contact MDOT

To discuss a potential project and the loan application process, please contact one of the MDOT SIB Coordinators: Lina Chapman at (517) 241-4960 or Jessica Pierce at (517) 241-0185.

Michigan Department of Transportation, Office of Economic Development
425 W Ottawa Street, P.O. Box 30050, Lansing, Michigan 48909
517-335-1069 Phone, 517-373-2687 Fax
www.michigan.gov/sib



DIXON

**ENGINEERING & INSPECTION SERVICES
FOR THE COATING INDUSTRY**

1104 Third Avenue
Lake Odessa, MI 48849
Telephone: (616) 374-3221
Fax: (616) 374-7116

**Proposal/Contract Agreement
for Water Storage Tank
300,000 Gallon Toroellipse, #22-25-10-01**

The Agreement is between Dixon Engineering, Inc. (DIXON) and the **City of Swartz Creek, Michigan** (Owner) to contract with DIXON for technical services for the **300,000 Gallon Toro Ellipse Elevated Tank** (Project). This Agreement inclusive together with any expressly incorporated appendix or Schedule constitutes the entire Agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

1.01 BASIC AGREEMENT

DIXON shall provide, or cause to be provided, services detailed in Scope of Services and Owner agrees to pay DIXON as compensation for their services the fee/lump sum of **Three Thousand dollars (\$3,000.00)**. Terms of charges and payments per details in Schedule B. (Prices quoted are subject to change ninety (90) days after proposal date, if not contracted.)

2.01 SCOPE OF SERVICES

Preparation of Technical Specifications and Contract Documents per Schedule A

3.01 SIGNATURES

Thomas Rounds, Project Manager	July 12, 2016
PROPOSED by DIXON (Not a contract until approved by an officer)	PROPOSAL DATE
CONTRACT APPROVED by OWNER	DATE
POSITION	DATE
CO SIGNATURE (if required)	DATE
POSITION	DATE
CONTRACT APPROVED by DIXON OFFICER	EFFECTIVE CONTRACT DATE
POSITION	EFFECTIVE CONTRACT DATE

**Members: Society of Protective Coatings • American Water Works Association
Consulting Engineers Council**

SCHEDULE A
300,000 Gallon Toroellipse, #22-25-10-01
Swartz Creek, Michigan

I. Technical Specifications & Contract Documents

A. Owner agrees:

1. Use the Contract Documents provided by Dixon when entering into an agreement with the Contractor. Dixon will not unreasonably withhold a request to alter the document.
2. Publish and pay for all local advertising costs per Owner's requirements.
3. Provide a place for the bid opening.
4. Open the bids received.
5. Review Payment and Performance Bonds, and insurance certificates of selected Contractor. These should be reviewed by the Owner's insurance consultant and attorney.
6. Sign and forward to the Contractor the notice to award, contract documents, and notice to proceed. These documents will be supplied to the Owner by Dixon.

B. DIXON agrees:

1. Preparation of Technical Specifications and Contract Documents:
 - a. Prepare Technical Specifications and Contract Documents for project to include, but not limited to, the following:
 - 1) Advertisement for Bids
 - 2) Information for Bidders
 - 3) General Conditions
 - 4) Detailed Technical Specifications and Drawings
 - 5) Bid/Agreement Form
 - b. Address all questions, written or verbal response, concerning the project that are submitted to DIXON. (Dixon will not be held to any non-written statement.)
 - c. Direct mail advertisements to Contractors who have been prior approved as capable and conscientious by DIXON.
 - d. Send specifications to selected, appropriate plan rooms such as Builders Exchanges and Dodge Reports.
 - e. Review the bids submitted to the Owner and recommend award based on lowest responsible and responsive bidder. Provide notice of award for issuance to the Contractor.
 - f. Furnish Owner the Contract Documents for execution.
 - g. Furnish Owner with Notice to Proceed for issuance to the Contractor.

SCHEDULE B
300,000 Gallon Toroellipse, #22-25-10-01
Swartz Creek, Michigan

1. Payment for Scope of Services, Schedule A – Technical Specifications & Contract Documents, is the lump sum fee of **\$3,000.00**.
2. Invoices will be compiled after the 20th of the month and shall include from the 20th of the preceding month to the 20th of the invoiced month. Bimonthly invoicing will be completed on larger projects, or at the Owner's request.
3. All DIXON service invoices which are paid within ten (10) days of date of issue shall be discounted (Owner's favor) one percent (1%).

SCHEDULE C

Engineering Services Fees

<u>Labor Class</u>	<u>Per Hour</u>	<u>*Overtime Rate</u>
Principal.....	\$175.00	
Principal Expert Witness (Office, Travel & Court).....	\$285.00	
Expert Witness (Office, Travel & Court).....	\$200.00	
Project Manager.....	\$125.00	
Registered Professional Engineer.....	\$125.00	
Certified NACE Inspector.....	\$100.00	
Assistant Project Manager.....	\$100.00	
Staff Engineer.....	\$85.00 to \$100.00	
CAD Supervisor.....	\$75.00 to \$90.00	
CAWI or CWI Welding Inspector.....	\$90.00 to \$125.00	
Inspector – Level III.....	\$65.00 to \$80.00	
Inspector – Level II.....	\$65.00 to \$75.00	
Inspector – Level I.....		
CAD Technician.....	\$70.00 to \$80.00	
Secretarial Services.....	\$50.00 & expenses	
Bookkeeping Services.....	\$44.00	
Project Status Meetings w/Project Engineers and Council or Board Meetings.....	Time and Expenses, Including Preparation Time	

*All Saturday, Sunday, and holiday inspections are overtime rate. Overtime rate is 1 ½ time the hourly rate. Overtime rate does not apply to Principal.

Expenses:

	<u>Metropolitan</u>	<u>Non-Metropolitan</u>
Mileage.....	\$0.70/mile (including tolls)	\$0.60/mile
Meals & Lodging,	\$145 per diem <i>(may be increased based on location)</i>	\$135 per diem
Without Lodging.....	\$35/day	\$30/day
Air Travel.....	Business fare from Grand Rapids, Chicago O’Hare, or Milwaukee, plus full size car rental	
Material (gaskets, cathodic protection caps, etc.).....	Negotiated	

FEES EFFECTIVE THROUGH DECEMBER 31, 2016

Revised 01/22/2016

4.01 ADDITIONAL SERVICES

- A. If additional services are **Requested and Authorized** by the Owner which are not within the proposed Scope of Services (Schedule A) or because of changes in the Project, these additional services will be on a time and material basis per fee schedule of attached Schedule C.
- B. **Delay by the Owner** in completing the work, which is their responsibility per Schedule A (Owner) and which extends the amount of time required for DIXON to complete their work, will be charged as an Additional Service.
- C. **Failure by the Owner to notify** DIXON of the necessity to change inspection dates more than twenty-four (24) hours in advance and which results in unnecessary travel and/or expense to DIXON shall cause this travel and expense to be charged as Additional Service.

5.01 Termination

- A. The obligation to provide further services under this Agreement may be terminated:
 - 1. For cause,
 - a. By either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Agreement will not terminate as a result of substantial failure under paragraph 5.01.A.1.a if the party receiving such notice begins, within seven (7) days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than thirty (30) days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such thirty (30) day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, sixty (60) days after the date of receipt of the notice.
 - b. By DIXON upon seven (7) days written notice:
 - 1) If Owner fails to pay invoices within sixty (60) days.
 - 2) Upon seven (7) days written notice if the DIXON's services for the Project are delayed or suspended for more than ninety (90) days for reasons beyond DIXON's control.
 - 3) If DIXON believes that Engineer is being requested by Owner to furnish or perform services contrary to Engineer's responsibilities as a licensed professional.
 - 4) DIXON shall have no liability to Owner on account of such termination.
 - 2. For Convenience,
 - a. By Owner effective upon the receipt of notice by DIXON.
- B. The terminating party may set the effective date of termination at a time up to thirty (30) days later to allow Engineer to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

6.01 Controlling Law

- A. This Agreement is to be governed by the law of the state in which the Project is located.

7.01 Successors, Assigns, and Beneficiaries

- A. OWNER and DIXON and their successors are hereby bound to successors and legal representatives of the other to the extent permitted by law in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither OWNER nor DIXON may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement.

8.01 General Considerations

- A. The **Standard of Care** for all professional engineering and related services performed or furnished by DIXON under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. DIXON makes no warranties, expressed or implied, under this Agreement or otherwise, in connection with Contractor's services. DIXON and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers.
- B. DIXON shall **Not** at any time **Supervise**, direct, or have control over any of the **Owner's** work, nor shall DIXON have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Owner, for safety precautions and programs incident to Owner's performance of Schedule A (Owner's).
- C. All **Design Documents** prepared or furnished by DIXON are instruments of service, and DIXON retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.
- D. DIXON agrees to defend, **Indemnify**, and hold harmless the Owner, its officers, agents, and employees, from and against legal liability for all claims, losses, damages, or expenses to the extent such claims, losses, damages, or expenses are caused by Engineer's negligent or intentional acts, errors, or omissions. Limits of liability for negligence are based on the comparative negligence principle.
- E. The parties acknowledge that DIXON's Scope of Services does not include any services related to a **Hazardous Environmental Condition** (the presence of asbestos, PCBs, petroleum, hazardous substances or waste, and radioactive materials). DIXON acknowledges that some hazardous metals may be encountered in coatings.

8.02 Severability

- A. If any clause or paragraph or sentence is found to be in opposition to any law in the state of the Project, that clause or paragraph or sentence may be severed from the Agreement with no effect on remaining clauses.

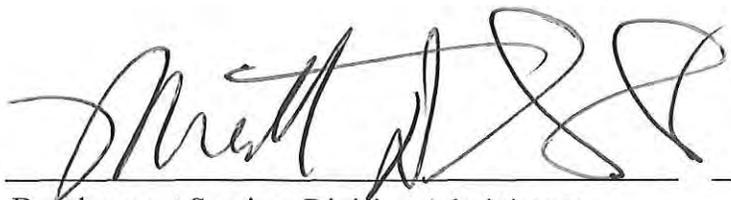
8.03 Headings

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions. Words in the first sentence are in bold to act as secondary headings and should not be interpreted any different than a numbered heading.



MDOT LOCAL AGENCY PROGRAM (LAP) POLICIES & PROCEDURES
FOR PROCUREMENT, MANAGEMENT AND ADMINISTRATION OF
PRELIMINARY ENGINEERING, CONSTRUCTION ENGINEERING OR TESTING
RELATED SERVICES
USING FEDERAL OR STATE FUNDS
(For Use by Local Agencies Contracting for Consultant/Vendor Services)

May 2016

Approved:  6-3-14
Development Services Division Administrator Date
Michigan Department of Transportation



U.S. Department
of Transportation
**Federal Highway
Administration**

Michigan Division

May 12 2016

315 W. Allegan Street, Room 201
Lansing, MI 48933
517-377-1844 (office)
517-377-1804 (fax)
Michigan.FHWA@dot.gov

In Reply Refer To:
HDA-MI

Mr. Kirk T. Steudle, P.E.
State Transportation Director
Michigan Department of Transportation
Lansing, Michigan

Dear Director Steudle:

The Federal Highway Administration (FHWA) has received your April 27, 2016 letter and supporting documentation regarding the proposed Local Agency Vendor Procurement Guidance Document.

FHWA approves the new procurement guidance for local agencies and concurs this new policy complies with the Final Rule 23 CFR 172, which became effective on June 21, 2015; and meets the 12 month requirement (23 CFR 172.5 (e)) to update current written policies and procedures by June 21, 2016.

If you have any questions, please contact Ms. Ruth Hepfer, FHWA Area Engineer, at 517-702-1847 or Ruth.Hepfer@dot.gov.

Sincerely,

Russell L. Jorgenson, P.E.
Division Administrator

Enclosure

LJH

By e-mail

cc: Ruth Hepfer, FHWA
Jeff Forster, FHWA
Tim Marshall, FHWA
Kurt Zachary, FHWA
Mike Ivey, FHWA
Russell Jorgenson, FHWA
Ted Burch, FHWA
Pamela Sebenick, MDOT
Tracie Leix, MDOT
Dee Parker, MDOT
Brad Wieferich, MDOT
Myron Frierson, MDOT

DMS: Consultant_Management_Local_Agency_Vendor_Procurement_Guidance
_REH_05122016

File Directory: O:\FHWA Records\ENGI 14 Design Policy and Procedures

File Name: Consultant_Management_Local_Agency_Vendor_Procurement_Guidance
_REH_05122016



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

April 27, 2016

Mr. Russell Jorgenson, P.E., Division Administrator
Federal Highway Administration
315 W. Allegan, Room 201
Lansing, Michigan 48933

Dear Mr. Jorgenson:

Local Agency Vendor Procurement Guidance Document

The Michigan Department of Transportation (MDOT) completed a review of 23 Code of Federal Regulations (CFR) Part 172 – Procurement, Management and Administration of Engineering and Design Related Services. The requirements of the CFR have been discussed with a number of our partners and incorporated into our guidance for local agencies.

Enclosed is the updated draft of the local agency guidance document. MDOT requests the Federal Highway Administration's review and approval of the guidance.

If you have questions or need additional information, please contact me or Bradley Wieferich, Bureau of Development Director, at 517-241-3998.

Sincerely,

Kirk T. Steudle
Director

Enclosure

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Section V: Qualifications Based Selection (QBS) for Consultant/Vendor Services Request for Proposals (RFP) Selection Criteria

Section VI: Third Party Agreement Template (MDOT/Local Agency/Consultant Services Contract)

Section VII: Post Performance Evaluation for Consultant/Vendor Performance Evaluation Criteria

Section VIII: References

Preface

This document outlines the expectations, responsibilities and accountabilities of a Local Agency seeking to solicit and contract consultant/vendor preliminary engineering, construction engineering or testing related services using State or Federal funds.

Federal Regulations issued in June of 2015, 23 CFR 172, required MDOT to establish written policies and procedures which must be followed by a Local Agency seeking Federal funds for consultant services, to assure compliance with the applicable requirements . All Third Party Agreement contracts issued after June 21, 2016, must be in compliance with the new regulation to be eligible for Federal funds.

Section I: Required Local Agency Procurement Procedures using State or Federal Funds

A. Definition of Consultant Service considered Design or Engineering (23 CFR 172.3)

Engineering and design related services are defined as: program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping or architectural services. These services must be procured using competitive negotiation/qualification based selection (commonly known as the “Brooks Act”) to receive State or Federal funds unless otherwise stated below. Planning studies or other services not included in the definition of engineering and design related services or are not directly related to a construction project, will generally not require procurement through qualification based selection process under Federal law.

B. Services Greater than \$100,000: Competitive Negotiation/Qualifications Based Selection (QBS)/Brooks Act (23 CFR172.7(1))

1. Solicitation Requirements

A solicitation for services is required and shall be a public announcement and advertisement to assure qualified in-state and out-of-state consultants are given a fair opportunity to be considered. This can be accomplished with either a single step Request for Proposal (RFP) or through a two-step, Request for Qualifications (RFQ), whereby responding consultants are ranked based on qualifications followed by a RFP to at least the three most qualified firms.

2. Request for Proposal (RFP)/Request for Qualifications (RFQ) Scope of Services Requirements Checklist

- a. Shall contain a clear, accurate, and detailed description of the scope of work, technical requirements, and qualifications of the consultants necessary for the service to be rendered. It should detail the services to be performed, deliverable to be provided, estimated schedule for performance of the work and applicable standards, specifications and policies.
- b. Shall contain Evaluation Factors and their relative weight or scoring factor. See Section V for MDOT’s recommended scoring factor form. The evaluation factors are the criteria used for evaluation, ranking, and selection. These qualification-

based factors may be technical approach (project understanding/innovation), work experience, specialized expertise, staff capabilities/capacities, and past performance. Price or cost related items such as cost proposals, direct salaries/wage rates and other direct costs, SHALL NOT be used as an evaluation factor. In-State or local preference SHALL NOT be used as a RFP selection or consultant evaluation factor. SPECIAL “non-qualification based factors” which may be used are local presence (e.g. local office) and Disadvantaged Business Enterprise (DBE) subconsultant(s), however, per 23 CFR 172, the weighted values must not exceed 10% for local presence and DBE combined, if included as part of the Evaluation Factors.

- c. Shall contain the contract type and method of payment for services.
 - d. Shall state any required cost proposal will be requested from the most highly qualified consultant (highest scoring) once all RFPs have been scored and ranked. Costs will not be considered during the evaluation, ranking, and selection phase (cost proposals are not a step required with RFQ process since this is a step preceding the RFP process).
 - e. Shall contain the estimated schedule for the procurement process and establishes a submittal deadline for responses to the RFP or RFQ. A minimum of three weeks response time from the issuance of the RFP or RFQ is required.
3. Evaluation, Ranking and Selection Requirements
- a. Based on Evaluation Factors outlined in the RFP, the Local Agency will evaluate, score, and rank all consultants fully complying with the RFP submittal requirements. The most highly qualified (highest scoring) consultant will be notified to proceed with negotiations and providing their cost proposal to the Local Agency.
 - b. If less than three qualified consultants have responded to the RFP, then the Local Agency shall contact MDOT LAP Section (MDOT LAP will contact FHWA) for authorization, in writing, to proceed with negotiations with the most highly qualified consultant.
4. Negotiation Requirements
- a. Prior to negotiations and receipt of the cost proposal from the most highly qualified consultant, the Local Agency shall prepare a detailed, independent estimate with an appropriate breakdown of the work or labor hours, types or classifications of labor required, other direct costs and consultant’s fixed fee for the defined scope of work. This estimate will serve as a basis for negotiations.
 - b. If a cost agreement with the most highly qualified consultant cannot be reached, negotiations will be formally terminated with that consultant prior to entering into negotiations with the next qualified consultant. A cost proposal from the next qualified consultant shall be obtained by the Local Agency and negotiated on per Section I.B.4.a.
 - c. All unsuccessful consultant cost proposals will be destroyed once negotiations have been initiated with the most qualified consultant. This cost data is considered confidential and proprietary to the submitting consultant.

- d. Notification to unsuccessful consultants/vendors should be provided once negotiations with successful consultant/vendor is complete. The Local Agency should consider providing a debrief session for unsuccessful consultants/vendors.
- 5. Documentation Requirements
 - a. The Local Agency shall retain all documents relating to the solicitation, RFP, scoring, ranking, negotiations, independent estimate, cost proposal for a period of three years beyond the final payment for services in accordance with 2 CFR 200.333.

C. Services Less than \$100,000: Small Purchase Procedure (23 CFR 172.7 (a) (2))

If the engineering or design related services are estimated to be less than \$100,000, the following procedures may be followed:

- 1. If the estimated costs for services are near \$100,000, it is recommended that the Local Agency utilize the QBS process in the event costs exceed \$100,000. If costs are capped, QBS is not needed.
- 2. The Local Agency may use their current procedures which comply with all state and federal laws and the scope of work has not been broken down into small components merely to meet the \$100,000 limitation.
- 3. Additional requirements include:
 - a. A minimum of three consultants is required to satisfy the adequate number of qualified sources reviewed. In instances where only two qualified consultants responded, evaluation and selection can proceed as long as the solicitation did not contain conditions or requirements which limited the competition.
 - b. Contract costs can be negotiated in accordance with the Local Agency's small purchase procedures, however, the allowability of the costs shall be determined in accordance with Federal cost principles.
 - c. Note: The full amount of any contract modification or amendment which would cause the contract to exceed \$100,000, will not be eligible for State or Federal aid unless a QBS process was utilized per Section I.B. (23 CFR 172.7 (a)(2)(iv))
- 4. Documentation Requirements
 - a. The Local Agency shall retain all documents relating to the selection per their current approved procedures for a period of three years beyond the final payment for services in accordance with 2 CFR 200.333.

D. Emergency Services/Disaster Recovery: Non-competitive services

- 1. Upon prior written approval from MDOT, noncompetitive services can be used when a natural disaster or an emergency occurs which will not permit the time necessary to conduct competitive negotiations. These situations will be handled by MDOT Local Agency Section on a case by case basis and must be justified in accordance with current MDOT policies and coordinated with FHWA.

E. Additional Procurement Requirements Regardless of Contract Amount

1. Disadvantaged Business Enterprise (DBE): The Local Agency shall give consideration to the establishment of a contract participation goal in accordance with the FHWA approved MDOT DBE program. The use of quotas or exclusive set asides for DBE consultants is prohibited. (www.michigan.gov/mdotdbe)
2. Suspension and Disbarment: The Local Agency shall verify suspension and debarment actions and eligibility status of consultants and subconsultants prior to entering into an agreement or contract. All consultants and subconsultants should be vetted through the “System for Award Management” (<https://www.sam.gov/portal/SAM/#1>) and keep this documentation in the permanent contract file. (<http://www.fhwa.dot.gov/legregs/directives/orders/20002b.cfm>)
3. Conflict of Interest (COI): The local agency shall be in compliance with MDOT’s approved policy. (http://www.michigan.gov/documents/mdot/Final_Conflict_of_Interest_Policy_0214_12_376724_7.pdf)
4. Consultant Services in a Management Support Role: Services where the consultant provides oversight of a project, series of projects, or the work of other consultants and contractors on behalf of the Local Agency and provides specific approval responsibilities and associated controls to another consultant. Due to potential conflicts of interest, the Local Agency must receive MDOT LAP Section written approval to use State or Federal funds for procuring consultants in a management support role prior to any solicitation of services.
5. Compliance Certification by Local Agency with MDOT LAP Section Procurement Procedures: The local agency shall fill out, sign and submit a signed certification form at the time of their Third Party Agreement submittal. See Section III.

Section II: Management & Administration Requirements by the Local Agency for all Contracts (23 CFR 172.9 (d))

- A. Responsible Charge Accountability**: The Local Agency will designate one, full-time, public employee as their Responsible Charge. This person will be designated on the Third Party Agreement (Services Contract). The Responsible Charge will be required to ensure the work delivered under the contract is complete, accurate, and consistent with the terms, conditions and specifications of the contract. A, full-time, public employee may serve in responsible charge of multiple projects and contracting agencies. The Responsible Charge will be familiar with the contract requirements, scope of services to be performed and products to be produced; will be familiar with the qualifications and responsibilities of the consultant’s staff and evaluating any requested changes in key personnel; will schedule and attend progress and project review meetings to assure scheduled milestones are being met; will review the consultants invoices to ensure the costs are allowable in accordance with the Federal cost principles and consistent with the contract terms; will evaluate and participate in decisions for contract modifications; and will document contract activities and supporting contract records. See Section III for compliance certification form.

- B. Performance Evaluations:** The Local Agency shall prepare an evaluation summarizing the consultant's performance on the contract. The Local agency shall provide a copy of the performance evaluation and an opportunity to provide written comments to be attached to the evaluation to the consultant. The performance evaluation should include but not be limited to, an assessment of the timely completion of work, adherence to contract scope and budget, and quality of work conducted. The Local Agency should record these performance results and use them as an element of past performance in future evaluation criteria on similar services. **MDOT LAP Section requires the completed Consultant/Vendor Performance Evaluation Form (see Section VII), or Local Agency equivalent, to be submitted with the final payment request.**
- C. Contract Modifications:** The Local Agency Responsible Charge will evaluate any request to amend the current contract. Contract modifications are required for any amendments to the terms of the existing contract that change the cost of the contract; significantly change the character, scope, complexity, or duration of the work. Any contract amendment shall be submitted to the MDOT LAP Section in draft format for approval by MDOT LAP Section and Michigan's Office of Commission Audit (OCA), when applicable, before the Local Agency authorizes any work relating to the contract modification. **Any work performed prior to written authorization, is not eligible for State or Federal Funds.**
- D. Duration of a Contract:** Service Contracts, including all contract modifications, shall not exceed 5 years. The initial contract duration should not exceed 2 to 3 years, which will allow for potential extensions without exceeding the 5 year time limit.
- E. Contract Provisions:** See Section VI: Third Party Agreement Template
- F. Allowable Costs:** All costs eligible for reimbursement must be in accordance with the Federal cost principles. See Section VI: Third Party Agreement Template. The Local Agency (Responsible Charge) must review all invoices and supporting documentation, adequate to demonstrate that costs claimed have been incurred, are allocable to the contract, and comply with the Federal cost principles. All allowable costs are subject to audit by the OCA in accordance with generally accepted government audit standards to test compliance with the requirements of the Federal cost principles.
- G. Record Retention:** The Local Agency will retain all records relating to this contract for a period of three (3) years from the date of the final payment for work.
- H. Dispute Resolution:** If errors and/or omissions occur and additional costs or reduction in quality occur, an assessment must be made to determine the extent of the design and/or construction engineering consultant's responsibility for the errors and/or omissions,

including the consultant's share of the additional cost. The procedures the Local Agency must follow are outlined in Section VI: Third Party Agreement, Exhibit C.

**Section III: COMPLIANCE CERTIFICATION BY LOCAL AGENCY
WITH MDOT LAP SECTION PROCUREMENT PROCEDURES**

The _____ (Local Agency) and assigned _____ individual as the Responsible Charge who has read “MDOT LOCAL AGENCY PROGRAM (LAP) POLICIES & PROCEDURES FOR PROCUREMENT, MANAGEMENT AND ADMINISTRATION OF PRELIMINARY ENGINEERING, CONSTRUCTION ENGINEERING OR TESTING RELATED SERVICES USING FEDERAL OR STATE FUNDS (Local Agency Consultant Services Contracting)” and understands the responsibilities, have complied with the appropriate procurement procedures, and intend to manage and administer the Consultant Services contract in accordance with these requirements.

Applies to Third Party Agreement for the following services:

Responsible Charge (Print):

Responsible Charge (Signature):

Date:

MDOT Project Manager (Print):

MDOT Project Manager (Signature):

Date:

Section IV: LOCAL AGENCY SUBMISSION REQUIREMENT CHECKLIST AND QUALITY ASSURANCE FOR PROCUREMENT

For projects in which federal or state funding is used for consultant/vendor services, follow the procedures listed below. The first step in initiating such procedures is to contact Local Agency Programs of the Michigan Department of Transportation (MDOT) and inquire whether state or federal funds are available for the particular area and project.

Items marked with a “*” are not required when a Qualifications Based Selection process is not utilized and/or required.

The following documentation shall be submitted to MDOT Local Agency Program Section:

1. Advertisement of the project for interested consultants.
 - a. Include information detailing language used, length of advertisement, publications/outlets utilized, etc.
2. Copy of the Request for Proposals (RFP). The following information shall be included:
 - a. Project description.
 - b. Description of required activities, including deadline dates and intended bid letting date.
 - c. Location map, if applicable.
3. Listing of Consultants/Vendors that showed interest.
4. Criteria for selection of consultant/vendor.
 - a. *Include short listing criteria, if applicable, and final list of candidates
 - b. *Numeric evaluations of the short listed consultants/vendors based on criteria established in the RFP.
5. Estimate of consultant/vendor hours required for the project.
6. *Basis for the final selection, including (at a minimum):
 - a. Qualifications of the project manager and other key members of the selected organization.
 - b. Scoring for each RFP based on selection criteria.
 - c. Evaluation of the consultant/vendor based on past performance.
 - d. Scoring sheets for
7. Copy of the prepared Third Party Agreement (unsigned when utilizing QBS) shall be submitted to MDOT for review and comment. Verify fixed fee does not exceed 15% of the total cost of the contract. FHWA approval is required when fixed fee exceeds that threshold.
8. Statement that indicates consultant/vendor proposed hours are reasonable based on estimate prepared and negotiations, if applicable, conducted with selected consultant/vendor.
9. *Copy of the form that will be used to evaluate consultant/vendor performance upon completion of the contract. Sample evaluation criteria can be found in Section VII.
10. Compliance Certification Form (signed). Form can be found in Section III.
11. Copy of the signed Third Party Agreement, with comments incorporated, shall be submitted to MDOT LAP Section.

MDOT Project Manager:

Signature:

Date:

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**Section V: QUALIFICATIONS BASED SELECTION (QBS) FOR
CONSULTANT/VENDOR SERVICES
REQUEST FOR PROPOSALS (RFP) SELECTION CRITERIA**

For all Qualifications Based Selections, the Local Agency selection team will review the information submitted and will select the consultant considered most qualified to perform the services based on the proposals. The selected consultant will be asked to prepare a price proposal. **Cost related items cannot be considered in the selection process.** Negotiations will be conducted with the consultant selected.

One scoring sheet shall be filled out per RFP received.

Items marked with a “*” are optional. Weighting factors can be applied to each category at the discretion of the Local Agency selection team. Comments should be provided that explain reasoning for selected score.

Rating Description: 5 point scale used with the rating description guidelines listed below.
 0 or 1 – RFP did not fulfill the requirement or failed to fully convey work necessary.
 5 – RFP conveyed the information clearly and without question. The proposal exceeded expectations by providing a complete and accurate conveyance of the work to be completed, value added innovations, specific examples of applicable past work, etc.

RFP Specific Information:

Prime Consultant/Vendor: _____

Design Services Construction Engineering Services Testing Services

JN: _____ Description: _____

***Understanding of Service:** How well does the RFP describe understanding of service intended to be proposed? This should be based on the scope of services.

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

Category Weighting Factor: _____ x Score: _____ = Category Total: _____

Qualifications of Team: How well did the RFP provide information related to organization chart, describe the structure of the project team including the roles of all key personnel?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

Category Weighting Factor: _____ x Score: _____ = Category Total: _____

RFP Total Score (All Categories):

Selection Team Name: Signature: Date:

Section VI: THIRD PARTY AGREEMENT TEMPLATE
(MDOT/Local Agency/Consultant Services Contract)

http://www.michigan.gov/mdot/0,1607,7-151-9625_25885_40399---,00.html

**Section VII: POST PERFORMANCE EVALUATION FOR
CONSULTANT/VENDOR SERVICES**

For all Quality Based Selections, the Local Agency shall complete a consultant/vendor services evaluation, provide a copy and opportunity to provide written comments to be attached to the evaluation to the consultant, and **submit their signed evaluation with their request for final payment** to the MDOT Local Agency Program Section.

5 point scale used with the rating description guidelines listed below.

Rating Description: 5 point scale used with the rating description guidelines listed below.

1 - Vendor failed to comply with applicable federal, state and/or laws regulations.

5 - Vendor displayed outstanding knowledge of applicable federal, state and/or local laws and regulations. In addition, the vendor was proactive in assuring they complied with local agency guidelines and procedures and therefore needed no agency intervention.

Vendor Services Specific Information:

Prime Consultant/Vendor: _____

Design Services Construction Engineering Services Testing Services

JN: _____ Description: _____

1. Was the Vendor in control of services provided to the local agency?

- 1 Comments: _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____

2. Did the Vendor communicate adequately with local agency staff?

- 1 Comments: _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____

3. Was the Vendor responsive to requests from the local agency, including requests for information and requests to make changes in work?

- 1 Comments: _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____

4. Did the Vendor follow good safety practices?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

5. Did the Vendor meet deliverable date requirements?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

6. Did the Vendor coordinate work with subvendor's work, exercise authority over subvendors, provide notice of subvendor work schedule, and ensure that subvendors were in compliance with contract requirements?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

7. Did the Vendor have competent and sufficient personnel with the technical expertise to successfully complete the project?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

8. Did the Vendor have adequate and sufficient resources other than personnel (equipment, manuals, etc.) to fulfill the requirements of the scope of services?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

9. Did the Vendor provide a quality work product?

1 Comments: _____
 2 _____
 3 _____
 4 _____
 5 _____

10. Did the Vendor properly notify and coordinate work with local agency staff and affected parties such as utility companies, property owners, local units of government, and MDOT?

<input type="checkbox"/> 1	<u>Comments:</u> _____
<input type="checkbox"/> 2	_____
<input type="checkbox"/> 3	_____
<input type="checkbox"/> 4	_____
<input type="checkbox"/> 5	_____

11. Did the Vendor meet the applicable environmental requirements such as documentation, enforcement obtaining permits, studies, etc?

<input type="checkbox"/> 1	<u>Comments:</u> _____
<input type="checkbox"/> 2	_____
<input type="checkbox"/> 3	_____
<input type="checkbox"/> 4	_____
<input type="checkbox"/> 5	_____

12. Did the Vendor comply with the applicable federal, state and local laws and regulations? This includes but is not limited to, submitting accurate and timely invoices, responding to contractual issues, etc.

<input type="checkbox"/> 1	<u>Comments:</u> _____
<input type="checkbox"/> 2	_____
<input type="checkbox"/> 3	_____
<input type="checkbox"/> 4	_____
<input type="checkbox"/> 5	_____

Total score from above: _____

Total points possible: 60

Average score: _____ /60 = _____

Local Agency Responsible Party: _____ Signature: _____ Date: _____

MDOT Project Manager: _____ Signature: _____ Date: _____

The information contained in this evaluation shall be retained by the local agency following required retention schedules and utilized as part of the past performance criteria for future Qualifications Based Selection proposal scoring.

Section VIII: REFERENCES

- A. 23 Code of Federal Regulations (CFR) 172, Procurement, Management and Administration of Engineering and Design Related Services; Effective June 21, 2015 (<https://www.gpo.gov/fdsys/pkg/FR-2015-05-22/pdf/2015-12024.pdf>)
- B. FHWA Question & Answers (<http://www.fhwa.dot.gov/programadmin/172qa.cfm>)



U.S. Department
of Transportation
Federal Highway
Administration

Michigan Division

February 7, 2012

315 W. Allegan Street, Room 201
Lansing, MI 48933
517-377-1844
517-377-1084
Michigan.FHWA@dot.gov

In Reply Refer To:
HDA-MI

Mr. Mark Van Port Fleet, P.E.
Director, Bureau of Highways
Michigan Department of Transportation
Lansing, Michigan 48909

Dear Mr. Van Port Fleet:

FHWA is pleased to receive your January 30, 2012 letter with the new "Conflict of Interest Guidance for Local Agency Consultant Use on Federal Aid Projects." Your letter also indicated that Local Agencies are expected to be substantially compliant with the new guidance document by October 1, 2012; with some exceptions being allowed on a case by case basis if failure to continue an existing contract(s) would cause a significant hardship to the respective Local Agency. As these exceptions arise, FHWA will need to concur in the determination before approval is given to the respective Local Agency.

FHWA approves the guidance and implementation schedule. FHWA concurs that this document should provide a clear definition of what constitutes a conflict and what controls must be in place when a potential conflict is identified.

This has been a controversial policy to implement and FHWA appreciates all the outreach and coordination that MDOT provided to the local agencies as well as the consultant community. FHWA feels this addresses all the concerns that were raised by the National Review Team in 2010. FHWA would like to thank everyone that has been involved in the development of this guidance.

Sincerely,

David M. Calabrese
Engineering & Operations Manager



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

RICK SNYDER
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

January 30, 2012

Mr. David Calabrese
Engineering and Operations Manager
Federal Highway Administration
315 West Ottawa Street
Lansing, Michigan 48933

Dear Mr. Calabrese:

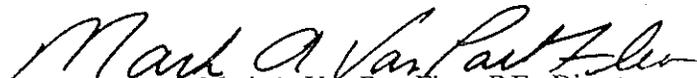
The Michigan Department of Transportation (MDOT) understands the importance of its role with respect to consultant conflict of interest oversight on local agency federal-aid projects. We appreciate the cooperation of the Federal Highway Administration's Michigan Division office in coordinating with consultants and local agencies to develop a policy that complies with federal regulation.

Enclosed is a document titled *Conflict of Interest Guidance For Local Agency Consultant Use on Federal Aid Projects*. This guidance provides local agencies clear definition of what constitutes a conflict and what controls must be in place when a potential conflict is identified. We trust this document will strengthen MDOT's procedures and establish safeguards that will mitigate the potential for fraud, waste, or abuse.

Local agencies will be expected to be in compliance with the new guidance document by October 1, 2012. Some exceptions will be allowed, where failure to continue an existing contract(s) will result in significant hardship to the county or municipality. Specifically where construction project oversight will continue past October 1, 2012, and possibly extend into the next construction season. The goal will be for all communities to be in substantial compliance by October 1, 2012.

If you have questions, please contact Rudy Cadena, MDOT Local Agency Program Manager, at 517-335-2233 or CadenaR@michigan.gov.

Sincerely,


Mark A. Van Port Fleet, P.E., Director
Bureau of Highway Development

Enclosure

BOHD:DD:BCW:jh

cc: R. Brenke, ACEC
S. Minnick, MML
J. Niemela, CRAM
T. Matson, APWA
bcc: Region Engineers
M. DeLong
B. Wieferich
R. Cadena

**Conflict of Interest Guidance
For
Local Agency Consultant Use on Federal Aid Projects**

Purpose

The purpose of this document is to clarify the Michigan Department of Transportation (MDOT) and the Federal Highway Administration (FHWA) position on conflict of interest and provide guidance on actions required with respect to the involvement of engineering consultants in local federal aid projects. The agencies are concerned that a potential for adverse impacts to federal aid projects exists when a single consulting firm is involved in multiple program and project phases of a job.

Requirements

The Code of Federal Regulations, in Title 23 (Highways), Section 1.33 (Conflicts of Interest) states:

“No engineer, attorney, appraiser, inspector or other person performing services for a State or a governmental instrumentality in connection with a project shall have, directly or indirectly, a financial or other personal interest, other than his employment or retention by a State or other governmental instrumentality, in any contract or subcontract in connection with such project. No officer or employee of such person retained by a State or other governmental instrumentality shall have, directly or indirectly, any financial or other personal interest in any real property acquired for a project unless such interest is openly disclosed upon the public records of the State highway department and of such other governmental instrumentality, and such officer, employee or person has not participated in such acquisition for and in behalf of the State. It shall be the responsibility of the State to enforce the requirements of this section.”

Conflict Definitions

For the purpose of this document, the term “preliminary engineering” refers to any pre-construction project services including, but not limited to planning, scoping, early preliminary engineering, design engineering and real estate acquisition; “construction engineering” refers to any inspection, survey, or other construction project oversight duties.

1. A consulting firm hired by a local agency to serve as the Local Agency Engineer or perform other program management duties is *prohibited* from performing preliminary engineering or construction engineering services on projects for that local agency where Federal-aid funds are participating in those phases of a project.

2. A consulting firm hired to serve as the Local Agency Engineer or hired to perform any preliminary engineering or construction engineering services for a specific local agency project using Federal-aid in any phase is *prohibited* from working for the contractor in the construction phase of that same project.

3. A consulting firm that *has not* been hired by a local agency to serve as the Local Agency Engineer or perform other program management duties *may provide* both preliminary engineering and construction engineering services on a project using Federal-aid in either phase, *only if adequate controls are in place and procedures are followed, as required by MDOT policy.*

MDOT Responsibility

MDOT is responsible for enforcing conflict of interest regulations on local agency federal aid projects. MDOT Local Agency Programs (LAP) personnel will review contractual relationships and determine if a conflict of interest or the appearance of a conflict of interest exists. **This document may be used to guide judgment, but is not intended to cover every situation.** The recommendation for action needs to be balanced between the benefits to the project and the potential issues that can arise if a consultant or its affiliate is responsible to more than one party on the same project. An “affiliate” is any entity linked to the consultant through common ownership.

Control Procedures

MDOT requires that a third party agreement is executed between local agencies and consultants hired to perform any preliminary engineering or construction engineering work on federal aid projects, where the authorized amount of work in a phase exceeds \$25,000 and federal aid is participating in that phase. MDOT LAP staff will review and approve the contract language that is placed in third party contracts between the local agency and its consultant(s), prior to authorizing the local agency to proceed with the specified service. Conflict of Interest language similar to what is written below shall be included in all third party contracts:

The CONSULTANT and its Affiliates agree not to have any public or private interest, and shall not acquire directly or indirectly any such interest in connection with the project, that would conflict or appear to conflict in any manner with the performance of the SERVICES under this Contract. “Affiliate” means a corporate entity linked to the CONSULTANT through common ownership. The CONSULTANT and its Affiliates agree not to provide any services to a construction contractor or any entity that may have an adversarial interest in a project for which it has provided services to the DEPARTMENT or LOCAL AGENCY. The CONSULTANT and its Affiliates agree to disclose to the LOCAL AGENCY and the DEPARTMENT all other interests that the prime or sub consultants have or contemplate having during each phase of the project. The phases of the project include, but are not limited to, planning, scoping, early preliminary engineering, design engineering, real estate acquisition, and construction engineering. In all situations, the

DEPARTMENT will decide if a conflict of interest exists. If the DEPARTMENT concludes that a conflict of interest exists, it will inform the LOCAL AGENCY and CONSULTANT and its Affiliates. If the CONSULTANT and its Affiliates choose to retain the interest constituting the conflict, the DEPARTMENT may require the LOCAL AGENCY to terminate the Contract for cause if a conflict of interest finding is upheld.

Following are examples where MDOT will determine if a conflict of interest exists:

1. If the consultant or its affiliate provided or will provide services to a developer involving the same project.
2. The consultant or its affiliate works for the Local Agency on several phases of a project (i.e., planning, scoping, early preliminary engineering, design engineering, real estate acquisition or construction engineering).

Following is an example of a relationship that is not considered a conflict of interest:

1. If the consultant or its affiliate works for another interest, such as a contractor, on a separate project.

Following are actions to be taken if a potential conflict of interest is identified:

1. During selection. It is expected that the consultant or its affiliates will not submit proposals on projects where a conflict or the appearance of a conflict of interest exists. If it is noted by the LAP staff that a conflict or the appearance of a conflict of interests exists, the staff will provide such information to the Development Services Division Administrator. The Development Services Division Administrator will determine if there is a conflict of interest or not. If it is determined a conflict of interest does exist, the consultant will be given the opportunity to avoid, neutralize or otherwise mitigate the conflict. If the consultant cannot eliminate the conflict, the proposal will be considered ineligible for selection, and the consultant and its affiliate will be informed of the reason, and the Local Agency will be asked to move on to the next most qualified consultant for selection. If it is determined a conflict does not exist, the local agency will be allowed to proceed with the selection process with the consultant.
2. After selection approval but prior to LAP authorization. The LAP staff will contact the Development Services Division Administrator explaining the perceived conflict of interest. If the Development Services Division Administrator concurs that a conflict exists, the consultant will be given the opportunity to avoid, neutralize or otherwise mitigate the conflict. If the consultant cannot eliminate the conflict, negotiations will be terminated and the Local Agency will be asked to move on to the next most qualified consultant for selection. If only one consultant responded to the initial selection, a new solicitation will be required to be undertaken by the Local Agency.
3. During the performance of the preliminary engineering service. The LAP staff will contact the Development Services Division Administrator explaining the perceived conflict of interest. If the Development Services Division Administrator concurs that a conflict exists, based on the service, progress of work and potential risks, the

Development Services Division Administrator will recommend action. Possible actions are either termination of contract or continuing with the service with full disclosure required by the consultant and their affiliates.

4. During the performance of the construction engineering service. The MDOT Construction Engineer will contact the MDOT Construction Field Services Division Engineer explaining the perceived conflict of interest. If the Construction Field Services Division Engineer concurs that a conflict exists, based on the service, progress of work and potential risks, the Field Services Division Engineer will recommend action. Possible actions are either termination of contract or continuing with the service with full disclosure required by the consultant and their affiliates.

In order for a local agency to hire the same consultant or its affiliate to perform preliminary and construction engineering on the same project when federal aid is utilized in any phase of work, control must be in place to provide assurance that potential for adverse impacts to federal aid projects are mitigated. In this case, it is required that the local agency provides MDOT evidence that project oversight duties will be performed by a person in responsible charge. This must be an agency employee that is actively engaged in reviewing project progress and documentation.

The following procedure is required in this case:

1. A local agency considering the use of a single consultant or their affiliate to perform both preliminary and construction engineering must notify the LAP staff engineer of this intent in writing prior to soliciting work.
2. Prior to awarding the work, the local agency will notify the LAP staff engineer in writing the name of the individual in responsible charge for providing oversight on behalf of the agency. This notice must include a description of how this individual will interact with the contractor and engineers.
3. If at any time during the project the individual in responsible charge for oversight is changed, written notification must be provided to the LAP staff engineer.

Reference Documents

- 5/5/11; Letter from R. Jorgenson, FHWA to Mark Van Port Fleet, MDOT
- 7/20/11; Letter from Ruth Hepfer, FHWA to Demetrius Parker, MDOT
FHWA Memorandum on Updated Engineering and Design Related Service Guidance
- 7/20/11; Conflict of Interest Guidance on Procurement, Management and Administration of Engineering and Design Related Services - Q&A
web address: http://www.fhwa.dot.gov/programadmin/172qa_08.cfm
- 8/4/11; Letter from David A Nicol, Director, FHWA Office of Program Administration to Director of Field-Service "responsible charge" on Federal-Aid projects administered by Local Public Agencies

**Local Agency Federal-aid Project
Consultant Conflict of Interest Matrix**

Case	Local Agency Engineer or Program Manager	Preliminary Engineering		Construction Engineering		Conflict of Interest	Action
		Non-Fed Participating	Fed Participating	Non-Fed Participating	Fed Participating		
1	X	X		X		No	None
2	X	X			X	Yes	Prohibited
3	X	X				No	None
4	X		X	X		Yes	Prohibited
5	X		X			Yes	Prohibited
6	X		X		X	Yes	Prohibited
7	X			X		No	None
8	X				X	Yes	Prohibited
9		X		X		No	None
10		X			X	Potential	Mitigate
11		X				No	None
12			X	X		Potential	Mitigate
13			X		X	Potential	Mitigate
14			X			No	None
15				X		No	None
16					X	No	None

X : Indicates that a single consultant or its affiliate is performing the work in each case.

Action Definitions:

None: There is no conflict of interest, and no further action is required to allow the case.

Mitigate: There is a potential for a conflict of interest, but the case may be allowed if control procedures are identified.

Prohibited: This is a conflict of interest, and the case will not be allowed.

1/30/2012

**SWARTZ CREEK – CLAYTON TOWNSHIP
AMENDED AND RESTATED
~~2013-2016~~ – 2016 FIRE DEPARTMENT AGREEMENT**

THIS AGREEMENT is made this ~~12th~~ ___ day of ~~August~~ _____, ~~2013~~2016, by and between the City of Swartz Creek, a Michigan Municipal Corporation, with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 (“City”) and the Charter Township of Clayton, a Michigan Public Body Corporate, with principal offices at 2011 South Morrish Road, Swartz Creek, Michigan 48473 (“Township”).

WHEREAS, the City and the Township have, for many years, jointly provided fire protection services to their geographical areas; and

WHEREAS, the joint provision of such fire protection services was covered by a written Agreement; and

WHEREAS, the current Agreement between the City and the Township ~~expired in 2011~~extends through November 1, 2016 but both the City and the Township ~~have continued~~desire to affirm terms for the provision of to provide fire protection services ~~under the terms of that Agreement while this new Agreement was being developed prior to the commencement of budgetary processes for fiscal year 2017;~~ and

WHEREAS, the Michigan Urban Cooperation Act of 1967, 1967 PA 7 (Ex Sess) [MCL 124.501 et seq] (“UCA”) authorizes two (2) Municipalities to enter into an interlocal Agreement by which they agree to exercise jointly “any power, privilege, or authority that the agencies share in common and that each might exercise separately;” and

WHEREAS, Section 7 of the UCA [MCL 124.507] provides that such an interlocal Agreement “may provide for a separate legal or administrative entity to administer or execute the Agreement which may be a Commission, Board or Council constituted pursuant to the Agreement,” and that such administrative entity “shall be a Public Body, Corporate or Politic for the purposes of this act;” and

WHEREAS, the City and the Township share in common the power and authority to establish and maintain a Fire Department and provide fire protection services; and

WHEREAS, as empowered to do so by the UCA, the City and the Township wish to continue to jointly provide fire protection services and operate a Fire Department to serve the City and the Township and to do so under the terms and conditions of this Agreement;

NOW, THEREFORE, the parties hereto acting pursuant to the authority of resolutions duly adopted by their respective legislative bodies, **HEREBY AGREE AS FOLLOWS:**

1. POWERS AND DUTIES OF THE SCAFD BOARD

Pursuant to the authority of Section 7 of the UCA [MCL 124.507] there is hereby established an administrative entity to administer and execute this interlocal Agreement; such entity to be known as the “Swartz Creek Area Fire Board” (“Board”).

2. NAME

The Board shall provide its fire protection services and shall conduct its business under the name, “Swartz Creek Area Fire Department,” and shall file a “d/b/a” certificate to that effect with the Genesee County Clerk.

3. GOVERNANCE OF SCAFD

A. The SCAFD shall be governed by a Board consisting of seven (7) members (“Board”) who shall be appointed as follows:

- 1) Three (3) members shall be appointed by the City, one (1) of whom shall be a member of the City Council. The other City appointees shall be residents of the City and shall hold no other elective City Office.
- 2) Three (3) members shall be appointed by the Township, one (1) of whom shall be a member of the Township Board. The other Township appointees shall be residents of the Township and shall hold no other elective Township Office.
- 3) The seventh member shall be appointed on an alternating basis between the parties with the Township making the appointment in odd numbered years. Such member shall be appointed as and be designated as the “at-large” member. The “at-large” member shall be appointed for a term of one (1) year commencing on April 1 of each year and, at the completion of said term, the appropriate appointing authority shall designate its appointee as the “at-large” member.
- 4) Except as provided in Subparagraph (5) below, no active Swartz Creek Area Fire Department Firefighter, volunteer or otherwise, shall be eligible for appointment to the Board.
- 5) The Fire Chief shall be an Ex-Officio Member of the Board, but shall have no right to vote on matters coming before the Board.
- 6) Each of the appointees, including the “at-large” member, shall hold office until their replacement is appointed as provided herein.
- 7) Vacancies shall be filled by the appropriate appointing authority consistent with the provisions contained herein related to appointees to the Board.

- B. The Board shall have the exclusive authority to manage and operate the provision of fire protection services to the City and Township and shall have, except as otherwise provided or limited by the terms of this Agreement, such power as may be required for the faithful performance of its duties.
- C. The Board shall develop and maintain a command structure for the Fire Department, which shall be headed by a Fire Chief who shall be appointed by a majority vote of both the Township Board and the City Council and who shall serve at the pleasure of the Board. The terms and conditions of the employment for the Fire Chief shall be set forth in a separate employment Agreement. The termination of the Fire Chief by the Board may be overruled by a majority vote of both the Township Board and the City Council, but such votes must occur within sixty (60) days of the termination.

The SCAFD Chief shall seek and interview paid, on-call, ~~Firefighters~~ ~~firefighters~~ and shall recommend, in writing to the SCAFD Board, the hiring of all employees. All employees shall be hired by a majority vote of the SCAFD Board. The number of employees shall be limited by the budget allocated to the SCAFD by the Township Board and the City Council. Employees of the SCAFD may only be terminated following a written recommendation to the SCAFD Board by the SCAFD Chief. Employees of the SCAFD may only be terminated by a majority vote of the SCAFD Board.

No member of the Township Board or the City Council shall be eligible for the appointment to, or to serve in, a position as either a full or part time Firefighter, whether paid, on-call or volunteer.

- D. The Board shall provide the fire protection services provided for, herein, through the use of paid, on-call Firefighters; provided, however, that the Board shall not have the authority to hire or otherwise retain full-time or part-time personnel without there being funds in the budget for such hiring or retention. Nothing contained herein shall prohibit the Board from contracting with a volunteer or on-call organization for services on an “as needed basis”.
- E. The SCAFD Board and its Members shall be responsible for reasonable reporting requirements and providing information to the Township or the City as requested.

4. BYLAWS

The SCAFD Board shall establish its own Officers and adopt bylaws to govern the conduct of its meetings. The SCAFD Board shall not adopt any rules or regulations that exceed the provisions of this Agreement or the provisions of [MCL 124.501 et al].

The SCAFD Board shall only operate and conduct business with a quorum of five (5) members present and by a majority vote of the entire board membership. (4 votes)

5. FIRE HALLS

- A. The Township hereby provides the fire hall located at 1494 Seymour Road in the Township at the disposal of the SCAFD Board for its use during the effective period of this Agreement.
- B. The City hereby provides the fire hall located at 8100-B Civic Drive in the City at the disposal of the SCAFD Board for its use during the effective period of this Agreement.
- C. Such use shall be subject to the following:
 - 1) The City and Township shall each retain ownership of, or lease rights to, the fire halls so designated and the Board shall have no power to use or authorize the use of the fire halls for any use other than the provision of fire protection services to the City and Township; unless authority for such other use or activity is obtained in writing, or by email with receipt confirmation, from the City (as to the City's fire hall) or the Township (as to the Township fire hall).
 - 2) The Board shall not engage in any activity or take any action which will result in a lien, mortgage, or other encumbrance on the title of the City or the Township to their respective fire halls or the land on which they are located.
 - 3) The Board shall be responsible ~~for maintenance and repairs, including~~ snow/ice removal and lawn cutting services and payment of all utilities, for the designated fire halls during the effective period of this Agreement.
 - 4) ~~Except for maintenance and repairs, n~~No additions and/or alterations to said fire halls may be made by the Board without the express prior written approval of the governmental unit owning said structure; provided, however, that, upon termination of this Agreement, such additions and/or improvements shall become the property of the governmental unit owning the structure.

6. TOWNSHIP MINI PUMPER

The 1979 Mini Pumper, Serial No. W41CT9138438, presently owned by the Township, shall be, and is hereby placed at the use of the Board for the provision of fire services as provided for in this Agreement, subject to the following conditions:

- A. The Board shall be responsible for, and maintain public liability and property damage insurance, upon said vehicle with the Township being named as a co-insured.
- B. Said vehicle shall remain titled in the name of the Township.

- C. Upon dissolution of the Board, said vehicle shall be returned to the Township and/or the Township shall have the right to summary repossession of said vehicle. The Board shall have no control whatsoever over said vehicle upon dissolution of the Board.

7. CITY MINI PUMPER

The 1979 Mini Pumper, Serial No. CKL339B160091, presently owned by the City, shall be, and is hereby placed, at the use of the Board for the provision of fire services as provided for in this Agreement, subject to the following conditions:

- A. The Board shall be responsible for, and maintain public liability and property damage insurance, upon said vehicle with the City being named as a co-insured.
- B. Said vehicle shall remain titled in the name of the City.
- C. Upon dissolution of the Board, said vehicle shall be returned to the City and/or the City shall have the right to summary repossession of said vehicle. The Board shall have no control whatsoever over said vehicle upon dissolution of the Board.

8. SCAFD ASSETS

- A. Except as may be provided above as to the fire halls and the mini pumpers, the City and Township shall each have an undivided one-half (1/2) interest in and to all assets of the SCAFD. An inventory of said assets shall be prepared annually by the Board and filed with the City Clerk and the Township Clerk as provided in Subparagraph (D), below.
- B. All of the assets of the SCAFD shall be housed at the fire halls designated within this Agreement in such quantities, as shall, within the discretion of the Board, provide maximum efficient fire protection services for the areas to be provided such service.
- C. Assets that are determined by the Board to have no value, due to age or damage, shall be destroyed. Assets that have value, but are no longer needed by the SCAFD, shall be sold by sealed bid, RFP, auction or online internet auction to the highest bidder. The Board shall create and implement a policy for disposal of such assets. Assets that have been sold shall be logged as such on the annual inventory for at least one (1) year.

D. The Board shall file an annual inventory of such assets with the City and the Township no later than February 15th of each year. The inventory should include individual assets valued at \$500.00 or more at time of purchase or donation and like-kind assets that, in their aggregate, are valued at \$500.00 or more. The form of the inventory should contain the following, if possible:

1. Description
2. Cost per Item
3. Quantity
4. Purchase date

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- 5. Life of asset
- 6. Serial Number
- 7. Model Number
- 8. Location
- 9. Asset Condition
- 10. Manufacturer if applicable
- 11. Disposal Information when asset no longer in service – date retired, proceeds from disposal
- 12. Insurance information if relevant – insurer, policy expiration, policy number, insured value

~~D.~~

9.13. ADDITIONAL ASSETS

Nothing contained herein shall prohibit the City or the Township from acquiring such additional equipment and/or providing such additional services as it sees fit to be used within its boundaries. Such additional equipment and/or services provided shall not be subject to the terms of this Agreement and ownership of same shall not be shared.

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10.14. INSURANCE

The Board shall secure, and keep in force and effect during the effective period of the Agreement, appropriate property damage and public liability insurance insuring its activities in such amounts as it sees fit. However, in no instance shall such limits of insurance be less than One Million Dollars (\$1,000,000.00) Single Limit Public Liability and Property Damage Policy, with a Three Million Dollar (\$3,000,000.00) Umbrella. In addition, thereto the Board shall secure and keep in force and effect during the effective period of the Agreement, appropriate Workman’s Compensation Insurance coverage and any other insurance coverage required by law.

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11.15. SERVICES TO OTHER GOVERNMENTAL UNITS

The SCAFD shall not provide fire protection services to other governmental units, by contract or otherwise, without first obtaining the approval of the City and the Township before such services are rendered; provided, however, that such prohibition shall not extend to the participation by the Board in a mutual aid pact with other units of government. Pursuant to the SCAFD Evaluation, all current mutual aid pacts should be reviewed by the SCAFD Board to redefine the terms under which automatic mutual aid is provided to obtain a more equitable balance of services. All aid agreements currently in place shall become attachments to this Agreement. Any future aid agreements shall be approved by the City and the Township.

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12.16. BOOKS and RECORDS; ANNUAL AUDIT

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- A. The Board shall provide for the keeping of books and records regarding its operation. The keeping of such books and records shall conform to generally accepted accounting principles.
- B. The Board shall provide for an annual audit of its revenue and expenditures. The auditing firm shall be selected through competitive bidding every three (3) years and the same firm shall not be selected for than two (2) consecutive terms.
- C. The audit shall be completed no later than ninety (90) days following the close of the SCAFD's fiscal year, and a copy of said audit shall be submitted to the City Clerk and the Township Clerk within seven (7) days after its completion.

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13-17. FISCAL YEAR; BUDGET

- A. The fiscal year of the SCAFD shall be from January 1 through December 31.
- B. Beginning no later than August 1 of each year, the City Manager and the Township Supervisor shall meet with the Fire Chief and develop a draft budget. Such draft shall reasonably reflect the findings and recommendations set forth in the Swartz Creek Area Fire Department Evaluation adopted in January 2008 by the City and the Township. The draft budget shall be submitted to the SCAFD Board no later than October 1.
- C. The Board shall review the proposed budget of its anticipated expenses, including any suggested amendments, and shall forward same to the City Council and Township Board for approval no later than October 31 of each year. The City and the Township may approve the budget as presented or may approve it with amendments. The final budget shall be in such form as shall be approved by both the City and the Township.
- D. Upon approval of the final budget, the City and the Township shall each appropriate its share of the funding for said budget, and such funds shall be transmitted to the SCAFD Board for its use. Once the final budget is approved, such sums, as each party are required to contribute, shall be a debt of each notwithstanding any subsequent disagreement between the parties.
- E. The SCAFD shall expend funds pursuant to the adopted budget; provided, however, the Board shall have the authority within a single year, without the approval of the city and Township, to amend line item expenditures by an amount not to exceed ten percent (10%) of the amount provided for the subject line item in the final budget as approved by the City and the Township, so long as the total budget is not exceeded. Line item budget amendments exceeding ten percent (10%), singularly or cumulatively in a single fiscal year, shall require approval of both the City and the Township.
- F. The Board shall not exceed the budget as approved by the City and the Township without express prior approval by both the City and the Township who, concurrent with such approval, shall appropriate such sums as are necessary to finance such

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increased expense. No additional budget line items shall be added or included in approved budgets without approval of the legislative bodies of both municipalities.

14.18. CAPITAL IMPROVEMENT FUND

Pursuant to the Swartz Creek Area Fire Department Evaluation, accepted in January 2008 by the City and the Township, a Capital Improvement Program Fund (CIPF) is hereby established. The budget for the CIPF shall be established annually in the same manner and, at the same time, as the annual operating budget. The City and the Township shall determine an amount to be contributed to the CIPF, said contribution to be appropriated each year at the same time as the annual appropriation for operation of the SCAFD is made at the beginning of each unit's fiscal year. CIPF funds contributed by the City and the Township shall be held, and independently accounted for, by the Board and shall be invested in an interest bearing account. The Board shall adopt an investment policy that conforms to the State of Michigan's authorized and suitable investments for local units of government (1988 Public Act 239, M.C.L. 129.91). The Board may not use or expend any funds in the CIPF without the prior approval by a majority vote of both the Township Board and the City Council. The City and the Township, by mutual agreement of the majority of each governing Boards, may elect to deposit any unspent operating funds left over from a previous year budget, into the CIPF.

The SCAFD Board shall exhaust all CIPF funds prior to seeking any financing for capital purchases from the Township or the City.

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15.19. COSTS OF FIRE RUNS; LABOR COSTS

Except as to the labor costs attendant with each fire run, the entire cost of providing fire protection services as agreed to herein shall be borne by the City and the Township equally. As to labor costs attendant with each fire run, it is hereby agreed that such cost shall be borne solely by the party, City or Township, wherein the service is provided. Such costs shall be provided for in the budget required by Paragraph (13) hereof. The City and the Township, as suggested in the January 2008 Fire Department Evaluation, shall work to develop a cost recovery ordinance that both municipalities can adopt and implement.

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16.20. EFFECTIVE DATE; TERM; EXPIRATION OF TERM

The effective date of this Agreement is ~~August 12, 2013~~November 2, 2016. The term of this Agreement shall be ~~August 12, 2013~~November 2, 2016 through November 1, 2016~~9~~. The expiration of the Agreement shall not operate to relieve the City or the Township of their financial obligations hereunder. The financial obligations of each party shall continue until all termination activities set forth in Paragraph (17), below, are completed.

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17.21. TERMINATION

Upon termination of this Agreement, the Board shall proceed as follows:

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- A. At least sixty (60) days prior to the termination date, the Board shall cause its last annual inventory to be made current.
- B. The Board shall cause an appraisal to be made of all of the jointly owned assets under its control other than the fire halls and the mini pumpers described in section 7 and 8. Said appraisal shall be made no later than thirty (30) days prior to the date of termination and shall be submitted to the City Clerk and the Township Clerk forthwith.
- C. The Board shall attempt to assign the assets to the parties consistent with the provisions and intent of this Agreement. Upon completion of such asset assignment, the Board shall recommend same to the City and the Township. Upon Agreement of the City and the Township, the Board shall assign the assets to the parties.
- D. Notwithstanding, the termination date and/or its attempts to assign the assets, the Board shall continue to perform its duties and obligations until the effective date of the termination of this Agreement.

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18.22. NEGOTIATED ASSIGNMENT

The parties need not wait for the recommendation of the Board as to the division and assignment of assets, but may commence negotiations relative to such division and assignment at any time prior to the termination date; provided, however, that the parties by and through their respective governing bodies, shall meet no less than sixty (60) days prior to effective date of termination, if Agreement or assignment of assets has not otherwise occurred, to negotiate assignment of assets and/or the providing for an orderly transition and continuing of fire protection services beyond the termination date.

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19.23. NOTICES

Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by certified mail addressed as follows:

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If to the City:

City of Swartz Creek
 C/O City Manager
 8083 Civic Drive
 Swartz Creek, MI 48473
 Attention: City Manager

If to the Township:

Charter Township of Clayton
 C/O Township Supervisor
 2011 South Morrish Road

Swartz Creek, MI 48473
Attention: Township Supervisor

The parties may, by notice given hereunder, designate any further or different address to which subsequent notices, demands, or communications may be given.

20-24. SEVERABILITY

If any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement which shall remain in full force and effect and enforceable in accordance with its terms.

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21-25. ENTIRE AGREEMENT

This Agreement supersedes all previous or contemporaneous negotiations and/or Agreements and constitutes the entire Agreement between the parties with respect to the joint provision of fire protection services in the City and the Township. No verbal statements or prior written materials not specifically incorporated in the Agreement have been relied upon by the parties in entering into this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

TOWNSHIP OF CLAYTON

Dated: _____

By: _____

Chris Gehringer, Supervisor
Charter Township of Clayton

Dated: _____

By: _____

Dennis Milem, Clerk
Charter Township of Clayton

CITY OF SWARTZ CREEK

Dated: ~~August 12, 2013~~

By: _____
David Kruger, Mayor
City of Swartz Creek

Dated: ~~August 12, 2013~~

By: _____
~~Juanita Aguilar~~**Connie Eskew**, Clerk
City of Swartz Creek

**CITY OF SWARTZ CREEK SWARTZ
CREEK, MICHIGAN
MINUTES OF PLANNING COMMISSION MEETING
July 5, 2016**

Meeting called to order at 7:00 p.m. by Commissioner Stephens.

Pledge of Allegiance.

ROLL CALL:

Commissioners present: Culinski, Florine, Grimes, Krueger, Pinkston, Ridley, Stephens.

Commissioners absent: Farmer.

Staff present: Adam Zettel, City Manager.

Others present: Bob Plumb, James Barclay and Krystle Schlund.

APPROVAL OF AGENDA:

Resolution No. 160705-01

(Carried)

Motion by Commissioner Krueger support by Commissioner Grimes
The Swartz Creek Planning Commission approves the agenda for the July 5 2016
Planning Commission meeting as printed.

Unanimous Voice Vote
Motion declared carried.

APPROVAL OF MINUTES:

Resolution No. 160705-02

(Carried)

Motion by Commissioner Krueger support by Commissioner Grimes the Swartz
Creek Planning Commission approves the minutes for the May 3, 2016 Planning
Commission meeting as printed.

Yes: Farmer, Florine, Grimes, Krueger, Pinkston, Ridley, Stephens, Culinski.
No: None. Motion declared carried.

MEETING OPENED TO THE PUBLIC:

None.

BUSINESS:

Urban Livestock

Discussion

Adam Zettel, City Manager wants to the commission to reconsider ordinances, permits or keeping things status quo.

Resolution No. 160705-03

(Carried)

Motion by Planning Commission Member Krueger
Second by Planning Commission Member Grimes

I Move the Swartz Creek Planning Commission direct Mr. Zettel, City Manager to draw up a change in the ordinance allowing raising of fowl and rescind the part that you can't do that and make minimum requirements on ordinance and consider that at our next meeting.

Yes: Florine, Grimes, Krueger, Pinkston, Ridley, Stephens, Culinski.
No: None. Motion declared carried.

Meeting Open to Public:

James Barclay, resides at 8420 Cappy Ln., would definitely like to see limits to the ordinance.

Remarks By Planning Commission:

Commissioner Krueger mentioned it was a good meeting and very excited about changes in city.

Commissioner Ridley commented about the pile of dirt by 69 & Kroger.

Commissioner Stephens commented on the loss of Carl Conner.

Adjourn

(Carried)

Resolution No. 160705-04

Motion by Planning Commission Member Grimes
Second by Planning Commission Member Krueger

I Move the Swartz Creek Planning Commission adjourns the July 5, 2016 Planning Commission meeting.

CITY OF SWARTZ CREEK, MICHIGAN
MINUTES OF PLANNING COMMISSION – May 3, 2016

Unanimous voice vote,

Motion declared carried.

Meeting adjourned at 7:35 p.m.

Robert T. Florine, Secretary

Agenda
Police Authority Board Meeting
6-22-2016, 10:00 A.M.
Mundy Township Hall

Welcome, Meeting Called to Order
Roll Call
Pledge of Allegiance
Presentation of Meeting Minutes
Approval of Agenda

1. Contract Negotiations

Mr. Ray Knott, Chief Atkinson and
Deputy Chief Clolinger

2. Public Comments

3. Board Member Comments

4. Adjourn

MINUTES

POLICE AUTHORITY BOARD MEETING

6-22-16

Location: Charter Township of Mundy

Meeting was called to order at 10:00 a.m. and greeting by Curt Porath. Mr. Porath led the audience in the Pledge of Allegiance. Mr. Porath asked Janette MacAinsh to do roll call. All members present with the exception of Vane King.

MEETING MINUTES:

Mr. Porath asked if everyone had reviewed the minutes and a second set of corrected minutes was also presented which Mr. Krueger acknowledged had already been accepted at the previous meeting. Mr. Krueger moved that the minutes of the meeting be accepted; Kay Doerr supported the motion. No discussion or corrections. A roll call was done by Janette MacAinsh with each member present answering yes. **MOTION CARRIED.**

1. AGENDA:

Curt Porath presented the Agenda for approval. A special guest was present that Rick Clolinger was to introduce. Mr. Porath asked if there was anything that needed to be added to the agenda. Tonya Ketzler said she didn't know how the City did things, but normally when they go into Contract negotiations they go into Executive Session. Mr. Porath said they are planning that as well, but they are going to have Mr. Knott explain where they are and where they hope to go. If there are questions on the Contract, they will have to go into Executive Session if the Board approves that. Tonya Ketzler pointed out the point of Executive Session is to not allow the information to leave the room so that puts it the Board in bad negotiating position. Ray Knott recommended that the Board go into Executive Session immediately. Tonya Ketzler stated that after the strategies are discussed, an update can be given to the public. Tonya Ketzler made a motion to go into Executive Session. Mr. Krueger made a motion to adopt the Agenda prior to going into Executive Session; Tonya Ketzler stated that if they adopt the Agenda, Executive Session isn't on there. Joe Oskey made motion to approve the agenda with the addition of Executive Session; Tonya Ketzler supported the Motion. No discussion. A roll call was done by Janette MacAinsh with each member present answering yes. **MOTION CARRIED.**

Mr. Porath suggested a 5-minute break as the Executive Session was assumed to take some time and a decision had to be made as to who the Executive Session would include. It was decided that all members sitting at the table, Ray Knott, and Rick Clolinger would take part in the Executive Session and Tanya Ketzler would take notes. It was decided among the members to find another room for the Executive Session and members began to depart room.

Members were called back into the room and Kay Doerr made a Motion to Adjourn and go to Executive Session for the purpose of discussing labor negotiations; Joe Oskey supported the motion. No discussion. A roll call was done by Janette MacAinsh with each member present answering yes. **MOTION CARRIED.**

Members exited the room for Executive Session.

Members returned to the meeting room at 10:47 a.m.

Curt Porath requested a motion to bring the Board Meeting back into session from Executive Session where no decisions were made. Tonya Ketzler made the Motion; David Krueger seconded. No discussion. A roll call was done by Janette MacAinsh with each member present answering yes. **MOTION CARRIED.**

Rick Clolinger related to everyone that Chief Atkinson's father passed away yesterday and arrangements are scheduled for tomorrow and the funeral is on Friday at 11:00 and Mr. Guigear is getting the information out to Board members and Mr. Zettel is getting the information out to Council. He asked that the membership keep him in their thoughts during this very difficult time.

PUBLIC COMMENTS

The meeting was opened to public comments. There were no public comments.

BOARD MEMBER COMMENTS

David Krueger asked if by the next meeting they will have something. Curt Porath said he had spoken to Chief Atkinson last week and thought that after the June meeting they will probably have a special meeting and they will keep everybody information. Ray Knott said they're going to try and get things wrapped up in the next couple of weeks.

Mr. Porath said that Kay Doerr had brought up earlier that there is a time limit. Kay Doerr related in the Interlocal Agreement there is a clause that the effective date means 180 days. If it hasn't been finalized by then, there is a window that ends on July 6, 2016; the process continues until then, but if a resolution is not adopted, both parties need to get together through the Township Board and City Council and say they want to

continue this. Tonya Ketzler believes that the Board and City Council would meet with their respective groups; Mr Zettel agreed. Mr. Porath questioned if that would give another additional 60 days or does the membership determine the number of days needed to finalize. Kay Doerr and Tonya Ketzler believes that a date should be put in there - either another 180 days, 6 months, or however long, an extension date should be stated. Mr. Porath believes if the municipalities can agree on the contracts, then things will move pretty quick. Tonya Ketzler suggested 90 days and David Krueger thought that was a good number. Curt Porath said we could do 180 days with the goal of 90 days. Rick Clolinger reminded that we are in summer and with vacation days and people gone and Kay Doerr reminded that there are asset lists to do, the extra days would be helpful. Joe Oskey related that they still had a couple of hours where the extension date could be added to the Board Meeting at Mundy Township for the next meeting date. Mr. Zettel suggested that the Authority Board provide direction to the Township and City and go out to a date like November 30th and have their resolutions mirror each other.

Tonya Ketzler made a motion to make a suggestion to mirror the original document and extend the agreement 180 days. Mr. Porath asked Tonya Ketzler if she made a resolution or if it was just a thought. Tonya said it wasn't a resolution, it was a motion. Mr. Porath asked for a second. David Krueger expressed that he was uncomfortable with that much time too, and thinks maybe October 31st. Joe Oskey said he was thinking November 1st, but the 31st is good enough. Mr. Krueger made a motion to extend the date to October 31st. Kay Doerr asked if they could go back to the original agreement that they could re-up if they needed to. Mr. Krueger agreed. Mr. Porath asked for a definition on the "re-up" and Ms. Doerr responded the same thing they're doing - extending the date. No further discussion/comments. Mr. Porath said the resolution is for 180 days, Tonya Ketzler corrected him that it was a motion. Mr. Porath said the motion was for 180 days - Mr. Krueger stated it was for October 31st. Mr. Porath said he was trying to change it, and asked when October 31st falls. Joe Oskey said it falls on a Monday. Mr. Porath asked for further discussion and asked for a roll call. A roll call was done by Janette MacAinsh with each member present answering yes. **MOTION CARRIED.**

ADJOURN

Mr. Porath thanks special guest Ray Knott and wished him luck going forward. Mr. Knott thanked the Board for their time and interest. Mr. Porath asked for a motion for adjournment, Mr. Oskey made motion for adjournment and was supported by Mr. Krueger. **MOTION CARRIED** unanimously and meeting adjourned at 11:01 a.m.