City of Swartz Creek AGENDA

Regular Council Meeting, Monday August 23, 2010 7:00 P.M. City Hall 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. Regular Council Meeting of August 9, 2010	MOTION	Pg. 6,10-17
5.	APPROVE AGENDA 5A. Proposed / Amended Agenda	MOTION	Pg. 6
6.	REPORTS & COMMUNICATIONS: 6A. City Manager's Report (Agenda Item) 6B. MDOT Contract Amendment, Elms Road Project (Agenda Item) 6C. FANG Byrne Grant Application 6D. Total Benefits Use Statement 6E. Morrish South ARRA Project, CE Account 6F. County Board Letter, Command Vehicle 6G. REI Bulletin 6H. Legislative Update, City Attorney 6I. County Road Commission Notice	MOTION	Pg. 6,2-5 Pg. 18-59 CD Pg. 60 Pg. 61 Pg. 62 Pg. 63 Pg. 64-65 Pg. 66
7.	MEETING OPENED TO THE PUBLIC: 7A. General Public Comments		
8.	COUNCIL BUSINESS: 8A. MDOT Contract Amendment, Elms Road Pull-Ahead Project 8B. E.E.C.B. Energy Grant 8C. Park Fee Waiver Request	RESO. RESO. RESO.	Pg. 7,18-59 Pg. 8, 4 Pg. 9, 5
9.	MEETING OPENED TO THE PUBLIC: 9A. General Public Comments		
10.	REMARKS BY COUNCILMEMBERS:		
11.	ADJOURNMENT: 11A. General Motion	MOTION	

City of Swartz Creek CITY MANAGER'S REPORT

Regular Council Meeting of Monday August 23, 2010 7:00 P.M.

TO: Honorable Mayor, Mayor Pro-Tem & Council Members

FROM: PAUL BUECHE // City Manager

DATE: 20-August-2010

OLD / ROUTINE BUSINESS - REVISITED ISSUES / PROJECTS

√ 2009-2010 FINANCIALS (Status)

We are awaiting the year end finals and audit. I'll pass along the year end projected as soon as we have good numbers.

✓ MTT APPEALS, GM BANKRUPTCY (Status)

No new updates.

✓ PERSONNEL POLICIES & PROCEDURES (Status)

I had hopes of completing this during the holidays, but got sidetracked on other issues. I'll try and complete it in the near future

✓ DISASTER, EMERGENCY RESPONSE POLICY COMMITTEE (Status)

As above, I have similar hopes on this project.

✓ MAJOR STREET FUND, TRAFFIC IMPROVEMENTS (See Individual Category)

□ 2011-2014 T.I.P. APPLICATION (Status)

Here is a schedule of City projects that are funded or in the gueue (shaded).

TABLE #1 2011-2014 TIP. ALL PROJECTS. FUNDED & QUEUE (shaded)

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Project	Year	Grant	City Match	P.E.	C.E.	Total
Miller Between Elms & Tallmadge	2011	\$338,997	\$85,749	\$28,000	\$45,000	\$497,746
Bristol Road @ GM- SPO	2013	\$54,912	\$13,728	\$8,000	\$16,000	\$92,640
Trail, Elms Park to Heritage	2013	\$296,000	\$221,000	\$25,000	\$45,000	\$587,000
Miller Between Tallmadge & Dye	Unfunded	\$951,602	\$237,901	\$76,000	\$120,000	\$1,385,503
Miller Between Seymour & Elms	Unfunded	\$1,635,357	\$408,839	\$100,000	\$160,000	\$2,304,196

City Funded Totals	•	-	\$967,217	\$237,000	\$386,000	\$1,590,217

☐ ELMS ROAD JOBS TODAY PULL AHEAD PROGRAM (Resolution)

Included with tonight's packet is an MDOT contract addendum from the Elms Road "Jobs Today Pull Ahead Program" project we did in the summer of 2008. The actual funds for this project were delayed in the release from the U.S. – FHA. Given this, the state is willing to waive the 4% interest after October 1, 2009. To date, we have paid about \$20,000 in interest, about half of what we had calculated (and budgeted) that we might owe. In conversation with MDOT Contracts Section, they say they believe the loan has been satisfied, but they have no way of confirming this, cannot point me to anyone that can confirm this, and cannot give us any clearance documentation. I guess we take them at their word and monitor the future for

changes. I have a resolution to execute the addendum and additionally, I have copies of the contracts we passed at the March 24, 2008 meeting.

☐ TRAIL SYSTEM (Status)

Addressed above.

■ MORRISH ROAD NORTH CONSTRUCTION PROJECT - MEIJER'S (Status)

Both the Morrish North Project and the add on racetrack entrance project are nearly complete. Zito Construction did an excellent job. Let me know if you have any concerns.

☐ MORRISH ROAD SOUTH ARRA PROJECT & GUARDRAIL (Status)

The final reconciliation of construction engineering fees is \$39,827, about \$10k less than what we approved and set aside. Under the grant guidelines, some portion of this is refundable. We are in the process of submitting to the state for reimbursement.

On the Morrish Road curve guardrail, we are running into problems trying to find a contractor willing to do the guardrail work. To do it right, we would have to obtain additional right of way in front of the houses and then re-locate the sidewalk and utility poles inward. I'll keep working on a solution that's economical.

✓ LOCAL STREET FUND, TRAFFIC IMPROVEMENTS

☐ 2008 REPAIR ROSTER (Status)

The Jennie project has been completed, the street turning out very well. We do have cost over-runs for some additional work that I field approved at the deteriorated spot on Bristol at Jennie as well as some quantity differences we ran across when we got into the project. We are awaiting final cost calculation and reconciliations. The over-runs will need an addendum to the original resolution of approval, which I'll bring back as soon as we reconcile all the invoices.

On the Cape Seal Project, the contractor's are Maintenance & Construction Company, of Romulus Michigan, at \$101,547, with construction engineering and testing (\$1,980), the total is \$103,527, and Lang Construction of Flint Michigan, in the amount of \$8,523. Revised totals for the Cape Seal Project are as follows:

Total Project Cost

ĺ	Cape Seal	\$104,000			
	Storm Repair	\$8,523	101 Fund	203 Fund	226 Fund
I	TOTAL	\$112,523	\$8,766	\$70,000	\$33,757

Total cost and distribution for both the Cape Seal and Jennie Lane:

	Total Project Cost	101 Fund	203 Fund	226 Fund
Jennie Lane	\$124,000	\$16,800	\$70,000	\$37,200
Cape Seal	\$112,523	\$8,766	\$70,000	\$33,757
TOTAL	\$236,523	\$25,566	\$140,000	\$70,957

✓ WWS SEWER USE – IPP ORDINANCE (Status) Pending.

✓ SEWER REHABILITATION PROJECT, I&I, PENALTIES (Status)

Phase III was approved at the December 7 Council Meeting and the work has been completed. We are working on repair documents of a handful more manhole rehabilitations and should be back shortly for approval. As we have discussed, the County has always informed us that as long as we continue to work towards the reduction of infiltration and inflow, the penalties will not be assessed. Our relining and manhole rehabilitation should be much more than adequate to accomplished this.

✓ KAREGNONDI WATER AUTHORITY (Status)

Still out there.

✓ MARATHON STATION BLIGHT & NON-CONFORMING USE (Status)

We met with marathon representatives and have asked whether they would be willing to pay or all or some of the costs of the environmental mitigation. They have internal programs for such and have committed to look into it. I'll keep the Council posted on progress.

✓ SALE OF CITY PROPERTY 5129 MORRISH ROAD (Status)

Pending a report back to the Council with recommendation on the structure as well as the house the City owns at Morrish & Fortino.

✓ **SWARTZ AMBULANCE AGREEMENT** (Status)

All funding related to the City's contribution towards the ambulance base has been terminated. I have spoken with Swartz Ambulance and they do desire to stay within the City. I plan to meet with them and discuss the future of the base and options that may exist.

✓ MDOT PARK & RIDE (Status)

MDOT has reimbursed us for the snow removal, salt and law cutting services. In addition, we received a check for \$22,000+ for the purchase and installation of the lights.

✓ LABOR CONTRACTS (Status)

We approved no change to wages and extending the wage re-opener for the POLC and AFSCME agreements out to December, and thereafter, on six month increments, to meet and review finances. I look to do the same with the Supervisor's, as well as individual employment agreements. Also, I am in the process of preparing an agreement to continue Adam on as a consultant for planning, zoning and other consulting services.

✓ GO GREEN, PUBLIC SAFETY BUILDING HVAC GRANT (Resolution)

As the Council is aware, the HVAC work was approved and awarded to Garno Brothers Heating & Cooling at the bid award price of \$36,934. Construction has been completed and we are awaiting the finish a couple of final punch list items before signing off on the project. We have a fair amount of money left over on this grant. With it comes some maneuvering to stay within the terms of the grant award. Here is a break down on costs and grant projections:

\$ 60,067.24	Total project amount including City in-kind services and grant monies
\$ 36,934.00	HVAC work
\$ 30,820.89	Amount that DLEG will reimburse based upon the current match.
\$ 50,861.00	Amount that DLEG will reimburse if match is made and a new project created
\$ 9,206.24	Amount the City agreed to and must match in in-kind services or cash contributions
\$ 3,093.13	Amount the City has made to date in in-kind services
\$ 6,113.11	Amount the City must still contribute for full reimbursement of the current HVAC work AND any additional work

We have several options or we can stop here. Adam will be present tonight to explain our options and give some recommendations.

✓ BOARDS & COMMISSIONS (Status)

We still have a bit of clean up appointments, foremost being the Park Board.

- ✓ FIRE DEPARTMENT: 2011 BUDGET & COST RECOVERY (Status) Pending.
- ✓ SPRINGBROOK EAST SAD & HERITAGE ASSOCIATION CONCERNS (Status) Pending
- ✓ REQUEST TO FORFEIT PROPERTY, DYE ROAD (Status) Under referral to the Planning Commission.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ PARK FEE WAIVER REQUEST (Resolution)

The Swartz Creek branch of the GFWC Women's Club has requested the use and the waiver of fees for Elms Park Pavilion #4 on Sunday September 12 between 12:00 Noon and 6:00 PM, for their annual picnic. The group falls under their national NPO Charter.

Council Questions, Inquiries, Requests and Comments

- □ *Traffic Lights, Bristol-Miller, GM-SPO.* Pending the direction that GM takes. New traffic counts as to warrants would need to be taken.
- □ Sr. Center Budget, Statement, Building Cost Reconciliation. Pending obtaining documents.
- Deteriorated Retaining Walls & Planters at City Buildings. The north wall at the Public Safety Building behind the Police Department collapsed. We are looking at solutions to take care of this more pressing problem first.
- □ Tabled Garbage Collection Policy. Resting comfortably... for now.
- □ Otter-burn Heights Overnight RV. We have been unable to catch the vehicle parked there. We will continue to check for it.
- Youth Programs in Park. Looking into this. This item is something that might best be suited for the City's School Liaison Officer. The matter has been referred to the Police Department for review and recommendation.

City of Swartz Creek RESOLUTIONS

Regular Council Meeting, Monday August 23, 2010 7:00 P.M.

Resolu	Ition No. 100823-4A	MINUTES, AUGUST 9, 2010
Ŋ	Motion by Councilmember: _	
		City Council hereby approve the Minutes of the Regular t 9, 2010 to be circulated and placed on file.
5	Second by Councilmember:	
\	Voting For: Voting Against:	
Resolu	ution No. 100823-5A A	AGENDA APPROVAL
Ŋ	Motion by Councilmember: _	
a		City Council approve the Agenda as presented / printed / Council Meeting of August 23, 2010 to be circulated and
5	Second by Councilmember:	
Resolu	ution No. 100823-6A C	CITY MANAGER'S REPORT
ľ	Motion by Councilmember: _	
	I Move the Swartz Creek Cit 2010, to be circulated and pl	ty Council approve the City Manager's Report of August 23, laced on file.
9	Second by Councilmember:	
	Voting For: Voting Against:	

Resolution No. 100809-8A

MDOT JOBS TODAY – PULL AHEAD PROGRAM, ELMS ROAD PROJECT CONTRACT ADDENDUM

Motion by Councilmember:
WHEREAS , the City of Swartz Creek, in conjunction with the Michigan Department of Transportation, designed, bid and awarded a contract for the re-construction of a section of Elms Road from I-69 to the north City limits, the project being a Traffic Improvement Program project funded by STP and local match funds; and
WHEREAS , a State of Michigan Program titled "Jobs Today Pull Ahead Program" was utilized, the program designed to ease the loss of jobs resulting from a rapidly declining economy; and
WHEREAS , the program pulled projects scheduled for funding in future years to be ahead on a 4% loan from the state, the incentive for the City being a lower local match amount; and
WHEREAS , the Elms Road Reconstruction Project was pulled ahead from a scheduled 2010 FY funding to 2008, the project completed in late 2008, however, the scheduled release of funding from the U.S. F.H.A. was delayed; and
WHEREAS , the Michigan Department of Transportation has elected to waive all interest on the loan after the scheduled date of release of federal funding, being October 1, 2009, and is in need of an addendum to Contract Number STP-0825(013) $-$ 08-8082 to accomplish this.
NOW, THEREFORE, I Move the City of Swartz Creek approve an addendum to its contract with the Michigan Department of Transportation, Contract Number STP-0825(013) – 08-8082, a copy of the addendum attached hereto, the original contract dated April 2, 2008 and approved at a regular meeting of the City Council held on March 24, 2008, and further, direct the Mayor, Richard B. Abrams and City Clerk, Juanita Aguilar to execute the addendum on behalf of the City.
Second by Councilmember:
Voting For:
Voting Against:

Resolution No. 100823-8B

ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG)

Motion by Councilmember
WHEREAS , the City of Swartz Creek, planned and completed an HVAC project at the public safety building that was partially funded by EECBG funds; and
WHEREAS, the expenditures for the project were substantially less than originally estimated, leaving \$13,927 of unencumbered grant funds; and
WHEREAS , the grant application proposed a match in the amount of \$14,817 that the contract requires be paid and this match amount has not been achieved with only \$3,093.13 spent to date; and
WHEREAS, the State Department Energy, Labor, and Economic Growth notified the City that an additional project may be created to spend these dollars within the grant guidelines and to satisfy the match proposal that the City made; and
WHEREAS , the City of Swartz Creek must spend additional funds in in-kind services or cash contributions to "match" the EECBG award per the original budget in order to be reimbursed fully for work completed to date.
NOW, THEREFORE, the City of Swartz Creek hereby directs staff to pursue options for the expenditure of the remaining \$13,927 on energy related projects.
BE IT FURTHER RESOLVED, the City of Swartz Creek will amend the budgeted local match to reduce this amount by \$5,610.76 to reflect cost savings incurred by administering most the grant with staff time as opposed the proposed professional service costs, as well as reductions in the estimated amount of inspection time required.
BE IT FURTHER RESOVLED, the City of Swartz Creek shall budget a total of \$9,206.24 of in kind services (accounting for the \$3,093.12 incurred to date and a reduction of \$5,610.76 as noted), leaving \$6,113.11 in in-kind services or cash contributions in order to match the total project expenditures and receive reimbursement for all work completed.
Second by Councilmember:
Voting For: Voting Against:

Resolution No. 100823-8C PARK FEE WAIVER REQUEST, ELMS

Motion by Councilmember:	
I Move the City of Swartz Creek grant a waiver of fees and approve the use of E Road Park Pavilion #4 on Sunday, September 12, 2010, 12:00 Noon to 6:00 PM, for Swartz Creek branch of the GFWC Women's Club.	
Second by Councilmember:	
Voting For: Voting Against:	

City of Swartz Creek Regular Council Meeting Minutes

Of the Meeting Held
Monday August 9, 2010 7:00 P.M.

CITY OF SWARTZ CREEK SWARTZ CREEK, MICHIGAN MINUTES OF THE COUNCIL MEETING DATE 08/09/2010

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

Invocation and Pledge of Allegiance to the Flag.

Councilmembers Present: Abrams, Binder, Hicks, Hurt, Krueger, Shumaker.

Councilmembers Absent: Porath.

Staff Present: City Manager Paul Bueche, Deputy City Clerk Mary Jo Clark,

DPS Director Tom Svrcek, Jack Wheatley of ROWE.

Others Present: Boots Abrams, Tommy Butler, Bob Plumb, Ron Schultz.

APPROVAL OF MINUTES

Resolution No. 100809-01

(Carried)

Motion by Councilmember Krueger Second by Councilmember Hurt

I Move the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting, as amended, held July 28, 2010, to be circulated and placed on file.

YES: Binder, Hicks, Hurt, Krueger, Shumaker, Abrams.

NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 100809-02

(Carried)

Motion by Councilmember Shumaker Second by Councilmember Hurt

I Move the Swartz Creek City Council approve the Agenda, as presented, for the Regular Council Meeting of August 9, 2010 to be circulated and placed on file.

YES: Hicks, Hurt, Krueger, Shumaker, Abrams, Binder,

NO: None. Motion Declared Carried.

REPORTS AND COMMUNICATIONS:

City Manager's Report

Resolution No. 100809-03

(Carried)

Motion by Councilmember Hicks Second by Councilmember Hurt

I Move the Swartz Creek City Council approve the City Manager's Report of August 9, 2010, to be circulated and placed on file.

YES: Hurt, Krueger, Shumaker, Abrams, Binder. Hicks.

NO: None. Motion Declared Carried.

All other reports and communications were accepted and placed on file.

MEETING OPENED TO THE PUBLIC:

Tommy Butler, 40 Somerset, spoke about the new newspaper, the Swartz Creek View, that has been circulated. Mr. Butler stated that he feels that the paper is a very valuable piece of communication and he hopes that it continues on.

COUNCIL BUSINESS:

Appropriation & Bid Award, Local Street Cape Seal Project & Associated Storm Drain Repairs

Resolution No. 100809-04

(Carried)

Motion by Councilmember Binder Second by Councilmember Hurt

WHEREAS, the City is in need of extensive repairs to its local street system in which the sole source for funding is State of Michigan Act 51 gas and weight distributions; and

WHEREAS, such revenues are insufficient for any extensive repairs and sustain only routine maintenance such as snow and ice removal and cold patch filling; and

WHEREAS, the City has been successful over the last six years in reserving a small amount of funds totaling \$160,000 towards repairs, however, such savings fall far short of the estimated \$5 million plus it would take to bring the City's local street system into reasonable repair; and

WHEREAS, the City staff and consulting engineers have evaluated the local street system and determined that given the insufficient amount of funds, that the best value

for the investment would be to work to prolong the life of streets that have not deteriorated to the point of re-construction; and

WHEREAS, the City has sent citizen questionnaires and discussed options at public meetings, concluding that although the citizens desire their streets to be in good repair, they are generally unwilling to support a levy or pay assessments through a special assessment district; and

WHEREAS, the City's staff and consulting engineers recommend the best value for the funds in reserve are the mill and re-surface of Jennie Lane from Bristol to Yarmy and the use of a process called "Cape Seal, wherein some structure and storm drain repair work is done along with a micro slurry overlay on streets with relatively low deterioration; and

WHEREAS, the City bid, awarded and completed the mill and resurface of Jennie Lane, with the low bid for the work being \$116,035 with construction engineering cost of \$7,920; and

WHEREAS, the City, under separate specifications, bid the Cape Seal process, inclusive of some minor crack repair and the repair of storm drain structures on the targeted streets, as follows:

Swartz Creek Local Streets Preventative Maintenance								
Street	Description	Category	Length	Width	Area	PASER		
1st Street	End of Street to Miller Road	Local	529	23	1352	4		
2nd Street	End of Street to Miller Road	Local	524	23	1339	4		
3rd Street	End of Street to Miller Road	Local	530	23	1354	4		
Brady Avenue	Ingalis Street to Miller Road	Local	402	22	983	5		
Church Street	Morrish Road to Frederick Street	Local	508	23	1298	5		
Ford Street	Ingalls Street to Miller Road	Local	433	23	1107	5		
Frederick Street	Miller Road to Church Street	Local	348	23	889	4		
Frederick Street	Church Street to Mason Street	Local	346	23	884	4		
Hayes Street	Ingalls Street to Miller Road	Local	407	23	1040	5		
Holland Street	Ingalls Street to Miller Road	Local	345	38	1457	5		
McLain Street	Ingalls Street to Miller Road	Local	595	29	1917	4		
Wade Street	Morrish Road to 1st Street	Local	465	23	1188	5		
Wade Street	1st Street to 2nd Street	Loca!	324	22	792	5		
Wade Street	2nd Street to 3rd Street	Local	322	23	823	4		

WHEREAS, the City staff and consulting engineers have inspected damage to the local street system and determined that in part, deterioration of the structures can be attributed to sustained exposure to heavy vehicles, in particular during the freeze thaw period in the spring, such overweight vehicle exposure recognized to be the City's contracted weekly garbage collection services: and

WHEREAS, the City's consulting engineer and City Staff have documented such damage and calculated the outside three feet of each lane, approximately 30%, have sustained attributed damage; and

WHEREAS, it is reasonable to subrogate funds from within the garbage collection 226 fund to assist in the repair of such damage.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek accept the low bid of Highway Maintenance & Construction Company of Romulus Michigan, in the amount of \$101,547, in accordance with the bid specifications as set forth and offered for bid by the City's engineering consulting firm, Rowe Professional Services Inc, and further,

appoint Rowe Professional Services Inc. to perform construction engineering and testing services at a cost of \$1,980, total project cost of \$103,527.

BE IT FURTHER RESOLVED, that the City of Swartz Creek accept the low bid of Lang Construction of Flint Michigan, in the amount of \$8,523, for the repair of associated storm drain structures, in accordance with the bid specifications as set forth and offered for bid by the City's engineering consulting firm, Rowe Professional Services Inc., cost distribution as follows:

	Total Project Cost	101 Fund	203 Fund	226 Fund
Cape Seal	\$112,500	\$8,743	\$70,000	\$33,757

Discussion Took Place.

YES: Krueger, Shumaker, Abrams, Binder, Hicks, Hurt.

NO: None. Motion Declared Carried.

Appropriation & Bid Award, Water Main Break Street Repairs

Resolution No. 100809-05

(Carried)

Motion by Councilmember Hurt Second by Councilmember Krueger

WHEREAS, the City of Swartz Creek owns and operates a municipal water distribution system, some of the transmission lines located beneath City streets; and

WHEREAS, periodic watermain breaks occurring in areas where such mains are beneath city streets have caused damage to the streets; and

WHEREAS, the City staff and consulting engineer have identified the locations of watermain break damages and set repair specifications, locations as follows: Seymour & Miller, Seymour & Oakview, Winshall & Cappy, Fairchild Street (several locations), School & Ingalls, Hayes & Miller, Miller wet of Dye (several locations), Miller & CNA Crossing; and

WHEREAS, the locations and specifications were package bid in conjunction with the Local Street Cape Seal Storm Drain Repair Project, the overall low bidder being Lang Construction of Flint Michigan, in the amount of \$11,255.

NOW, THEREFORE, I Move the City of Swartz Creek approve and award the bid to Lang Construction of Flint Michigan, and appropriate an amount not to exceed \$11,255 plus 10% contingency from the Water Fund, for the repair of damage caused by watermain breaks to Seymour & Miller, Seymour & Oakview, Winshall & Cappy, Fairchild Street (several locations), School & Ingalls, Hayes & Miller, Miller wet of Dye (several locations), Miller & CNA Crossing, in accordance with specifications set forth by the Staff and City Engineer.

Discussion Ensued.

YES: Shumaker, Abrams, Binder, Hicks, Hurt, Krueger.

NO: None. Motion Declared Carried.

Appropriation – Extend Bid, Street Repairs, Morrish & Eastbound I-69 Ramps

Resolution No. 100809-06

(Carried)

Motion by Councilmember Krueger Second by Councilmember Hurt

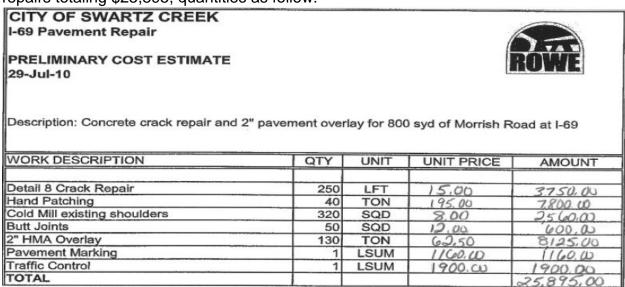
WHEREAS, the City of Swartz Creek designed, bid and awarded a reconstruction project of Morrish Road to Zito Construction, the project parameters extending from I-69 to north of Bristol, inclusive of the intersection and east and west there from, the project funded by a mixture of sources being FHA, MDOT and contributions from Meijer Incorporated; and

WHEREAS, the work commenced in early June with a completion date scheduled in early September; and

WHEREAS, in the original design and bid package, the City did not include a section in need of repair on Morrish Road south of the I-69 overpass, at the eastbound entrance/exit ramps, reason being that the developer declined contribution to the repair and/or reconstruction of this area, due to site benefit considerations; and

WHEREAS, the City Staff and consulting Engineers have determined that this area is in need of repair and has explored options from total re-construction to no action, and based on cost benefit, recommends a repair plan for 800 square yards consisting of crack and joint repair, mill and resurface with 2" HMA overlay and re-striping; and

WHEREAS, the contractor is willing to extend awarded bid pricing from the Morrish North participating and non-participating intersection projects, calculations for such repairs totaling \$25,895, quantities as follow:



Bid Submitted By Zito Construction

WHEREAS, the City finds that the repairs are warranted and the staff recommendation is compliant with the City's purchasing ordinance and such repairs cost effective.

NOW, THEREFORE, I Move the City of Swartz Creek approve the bid extension for the repair of Morrish Road, south of the I-69 overpass at the eastbound entrance/exit ramp and entrance to Sports Creek Raceway, in accordance with the specifications set forth by the City Staff and consulting engineer, and appropriate an amount not to exceed \$25,895 plus 10% contingency, from 202 Major Street Fund, and further, authorize the execution of required documents in the accomplishment thereof.

Discussion Took Place.

YES: Shumaker, Abrams, Binder, Hicks, Hurt, Krueger.

NO: None. Motion Declared Carried.

Consumer Energy Street Light Contract Addendum

Resolution No. 100809-07

(Carried)

Motion by Councilmember Shumaker Second by Councilmember Binder

I Move the City of Swartz Creek approve an addendum to the City's Street Lighting Contract with Consumers Energy, dated January 1, 1973, allowing for the removal, of the existing light and the replacement and relocation of one (1) overhead street light from the east side of the intersection of Westbound I-69 Ramps at Morrish Road to the northwest corner, in accordance with the specifications submitted by Consumer Energy. Further, the Council directs the Mayor and City Clerk to execute the addendum on behalf of the City.

Discussion Ensued.

YES: Abrams, Binder, Hicks, Hurt, Krueger, Shumaker.

NO: None. Motion Declared Carried.

Springbrook East Special Assessment Request

Resolution No. 100809-08

(Carried)

Motion by Councilmember Hicks Second by Councilmember Hurt

WHEREAS, the City of Swartz Creek is in receipt of a request from the Springbrook East Association asking for the creation of a Special Assessment District for the repair and completion of a yet to be determined number of streets within the condominium association; and

WHEREAS, the request is the result of a majority vote of the Springbrook East Condominium Association held on Tuesday July 20, 2010, and after a of a series of

meetings between the City Staff and consulting engineers, the Association Board and General Association Membership; and

WHEREAS, in accordance with the authority set forth in State Statute, the City's Charter and Special Assessment Ordinance, the Council finds sufficient cause to further examine the request and proceed forward with a Council directive to the City Staff to prepare all necessary documents, reports and recommendations and to bring such findings back to the City Council for review and decision.

NOW, THEREFORE, I Move that the City of Swartz Creek Council, in accordance with City Ordinance, Chapter 14, Section 14-3, direct the City Manager to prepare all necessary documents, reports and recommendations and to bring such findings back to the City Council for examination, review and decision.

Discussion Took Place.

YES: Binder, Hicks, Hurt, Krueger, Shumaker, Abrams.

NO: None. Motion Declared Carried.

Fire Budget

(Discussion Topic)

City Manager Bueche gave a brief update on the Fire Budget, including a request from the fire chief for an equipment levy which would double the fire budget.

Discussion Ensued.

Labor Staffing

City Manager Bueche spoke about the letter of resignation from Assistant City Manager Adam Zettel, who will be leaving the employment of the City September 6, 2010.

Resolution No. 100809-09

(Carried)

Motion by Councilmember Hurt Second by Councilmember Hicks

I Move the Swartz Creek City Council accept, with regret, the resignation of Assistant City Manager Adam Zettel, with best wishes for his future.

YES: Hicks, Hurt, Krueger, Shumaker Abrams, Binder.

NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC

Boots Abrams spoke about the Women's Club bike-a-thon coming up.

Tommy Butler, 40 Somerset, questioned an ambulance that came into Swartz Creek Estates. Mr. Butler stated that the ambulance had "Genesee County Ambulance" on it. Mr. Butler questioned why the ambulance would be in the park. Mr. Butler asked who the fire chief

actually works for; Swartz Creek or Clayton Township. He was advised that the fire chief is an employee of the Fire Board.

REMARKS BY COUNCILMEMBERS:

Councilmember Shumaker stated that about a week ago he received calls from two of his neighbors in reference to a 24' camping trailer parked on a public street all night two nights in a row on Yarmy Drive. Mr. Shumaker stated that he received more calls this past weekend for the same thing. Mr. Shumaker stated that originally he called it into the zoning administrator and the second time to the police department. Mr. Bueche stated that he would look into it.

Councilmember Binder reminded everyone about a benefit for the Veteran's Memorial on Sunday, August 15th at 1:00pm at Scooters on Torrey Road.

<u>Adjournment</u>

Resolution No. 100809-10

(Carried)

Motion by Councilmember Hurt Second by Councilmember Binder

I Move the City of Swartz Creek adjourn the Regular Session of the City Council meeting at 8:25 p.m.

YES: Unanimous Voice Vote.

NO: None. Motion declared carried.

Richard Abrams, Mayor

Mary Jo Clark, Deputy Clerk



JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF TRANSPORTATION LANSING

KIRK T. STEUDLE

May 26, 2010

Ms. Juanita Aguilar Clerk City of Swartz Creek 8083 Civic Drive, Swartz Creek, MI 48473-1377

Dear Ms. Aguilar:

RE:

MDOT Contract No.: 10-4039

Control Section:

STU 25402

Job Number:

102271

Enclosed is the original and one copy of the above described contract between your organization and the Michigan Department of Transportation (MDOT). Please take time to read and understand this contract. If this contract meets with your approval, please complete the following checklist:

___ PLEASE DO NOT DATE THE CONTRACTS. MDOT will date the contracts when they are executed. A contract is not executed unless it has been signed by both parties.

Secure the necessary signatures on all contracts.

___ Include a certified resolution. The resolution should specifically name the officials who are authorized to sign the contracts.

___ Return all copies of the contracts to my attention of the Department's Design Division, Local Agency Programs, 2nd floor for MDOT execution.

In order to ensure that the work and payment for this project is not delayed, the agreement needs to be returned within 35 days from the date of this letter.

A copy of the executed contract will be forwarded to you. If you have any questions, please feel free to contact me at (517) 335-2264.

Sincerely

lackie Burch

Contract Processing Specialist

Design Divisioin - Local Agency Progams

Enclosure

CAB

AMENDMENT TO CONTRACT 08-8082

Control Section

STU 25402

Job Number

102271

Project

STP 0825(013)

Federal Item No.

RR 6295

CFDA No.

20.205 (Highway Research Planning &

Construction)

. .

Contract No.

10-4039

THIS AMENDATORY CONTRACT is made and entered into this date of by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF SWARTZ CREEK, a Michigan municipal corporation, hereinafter referred to as the "RECIPIENT"; for the purpose of fixing the rights and obligations of the parties in agreeing to this Amendment to CONTRACT #08-8082.

WITNESSETH:

WHEREAS, the parties to the Amendment have heretofore, by a Contract dated April 2, 2008, hereinafter referred to as "CONTRACT 08-8082 provided for the construction and financing of that which is hereinafter referred to as the "PROJECT" and is described as follows:

Hot mix asphalt resurfacing, drainage improvements, and pavement marking work along Elms Road from Highway I-69 northerly to the north city limits; and all together with necessary related work.

WHEREAS, the DEPARTMENT and the RECIPIENT having appropriate authority desire to amend CONTRACT 08-8082 to provide for a waiver of the interest for a period of the loan; and.

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

1. Section 3 of CONTRACT 08-8082 is revised to read as follows:

Section 3 PROJECT FUNDING, BILLINGS, AND PAYMENTS

The DEPARTMENT will loan the RECIPIENT \$465,000. The RECIPIENT will pay interest at the rate of 4 percent annually. The loan funds will be used only for the PROJECT. The DEPARTMENT will retain the loan funds and make payments to

PROJECT contractors and subcontractors on the RECIPIENT's behalf. The RECIPIENT directs the DEPARTMENT to convert federal advanced construction funds as soon as they become available. The assessment of interest will begin when the DEPARTMENT expends loan funds on the RECIPIENT's behalf. Due to limitations on the distribution of Federal Funds for the fiscal year beginning October 1, 2009, the DEPARTMENT shall waive the interest from October 1, 2009 until the PROJECT is converted to regular Federal-aid in fiscal year 2010. It is understood that the loan funds provided under this CONTRACT will not be sufficient to pay all PROJECT costs.

The loan under this CONTRACT is subject to the RECIPIENT's repayment in the following manner: federal aid reimbursement applicable to the PROJECT will be used to pay principal on the loan, and the DEPARTMENT will invoice the RECIPIENT annually for the actual amount of interest. The invoiced amounts will be due and payable within thirty days. Final payment of all principal and interest on the loan must be made on or before September 30, 2010.

If the RECIPIENT fails to make any of its required payments when they are due, the DEPARTMENT will immediately notify the RECIPIENT of such default and of the amount thereof, and if such default is not corrected by payment within ten (10) days, the DEPARTMENT is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the RECIPIENT from the Michigan Transportation Fund, but only after sufficient money has been returned to the county road commission, city, or village to provide for the payment of contractual obligations incurred or to be incurred and principal and interest on notes or bonds issued or to be issued under 1941 PA 205, 1943 PA 143, 1952 PA 175, or Section 18c or 18d of 1951 PA 51, sufficient monies to remove the default and to credit the RECIPIENT with payment thereof and to notify the RECIPIENT in writing of such fact.

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

- 2. Except as amended by the provisions herein, all of the provisions, covenants, and obligations of the parties contained in CONTRACT 08-8082 shall remain in full force and effect.
- 3. The RECIPIENT waives any and all claims it has or may have against the DEPARTMENT which arise out of the need to amend CONTRACT 08-8082.

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

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

CITY OF SWARTZ CREEK

MICHIGAN DEPARTMENT OF TRANSPORTATION

Ву	By	FORM APPROVED
Title:	Department Director MDOT	5/24/10
		ges
		/XSSISTANT
By		ATTORNEY
Title:	(Septiment)	GENERAL
	Salar Sa	•

These are the contracts that we will be amending tonight

CAB

Control Section: STU 25402

Job No.:

102271 STP 0825(013)

Project: Federal Item No.: RR 6295

CFDA No.:

20.205 (Highway

Research Planning & Construction)

Contract No.:

08-8082

MICHIGAN DEPARTMENT OF TRANSPORTATION

CITY OF SWARTZ CREEK

LOCAL JOBS TODAY PROGRAM

LOAN CONTRACT

THIS LOAN CONTRACT, hereinafter referred to as the "CONTRACT," is made and entered into this date of by and between the Michigan Department of Transportation, of 425 West Ottawa Street, P.O. Box 30050, Lansing, MI 48909, hereinafter referred to as the "DEPARTMENT," and the CITY OF SWARTZ CREEK, MICHIGAN, of 8083 Civic Drive, Swartz Creek, MI 48473-1377, hereinafter referred to as the "RECIPIENT."

WITNESSETH:

WHEREAS, Act 51, Public Acts of 1951, as amended, authorizes the DEPARTMENT to enter into contracts with boards of county road commissioners, incorporated cities, and villages for the loaning of funds for the purpose of constructing transportation infrastructure improvements, as described in the second paragraph of Article IX, Section 9, of the Michigan Constitution of 1963. as amended;

NOW, THEREFORE, the parties agree to the following:

Section 1. PURPOSE

The purpose of this CONTRACT is to assist the RECIPIENT in financing transportation infrastructure improvements, as described in the second paragraph of Article IX, Section 9, of the Michigan Constitution of 1963, as amended, through the project described below, hereinafter referred to as the "PROJECT." Such assistance will be provided by the DEPARTMENT in the form of a loan. Funds will be used for pre-approved purposes only. The DEPARTMENT has the discretion and the authority to recall, freeze, or limit disbursement of any funds or a portion thereof if the purpose or manner of expenditure by the RECIPIENT is inconsistent with this CONTRACT and/or with federal or state laws, regulations, rules, or policies.

Hot mix asphalt resurfacing, drainage improvements, and pavement marking work along Elms Road from Highway I-69 northerly to the north city limits; and all together with necessary related work.

Section 2. CONTRACT TERM

This CONTRACT will be in effect from the date of award through September 30, 2010.

Section 3. PROJECT FUNDING, BILLINGS, AND PAYMENTS

The DEPARTMENT will loan the RECIPIENT \$465,000. The RECIPIENT will pay interest at the rate of 4 percent annually. The loan funds will be used only for the PROJECT. The DEPARTMENT will retain the loan funds and make payments to PROJECT contractors and subcontractors on the RECIPIENT's behalf. The RECIPIENT directs the DEPARTMENT to convert federal advanced construction funds as soon as they become available. The assessment of interest will begin when the DEPARTMENT expends loan funds on the RECIPIENT's behalf. It is understood that the loan funds provided under this CONTRACT will not be sufficient to pay all PROJECT costs.

The loan under this CONTRACT is subject to the RECIPIENT's repayment in the following manner: federal aid reimbursement applicable to the PROJECT will be used to pay principal on the loan, and the DEPARTMENT will invoice the RECIPIENT annually for the actual amount of interest. The invoiced amounts will be due and payable within thirty days. Final payment of all principal and interest on the loan must be made on or before September 30, 2010.

If the RECIPIENT fails to make any of its required payments when they are due, the DEPARTMENT will immediately notify the RECIPIENT of such default and of the amount thereof, and if such default is not corrected by payment within ten (10) days, the DEPARTMENT is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the RECIPIENT from the Michigan Transportation Fund, but only after sufficient money has been returned to the county road commission, city, or village to provide for the payment of contractual obligations incurred or to be incurred and principal and interest on notes or bonds issued or to be issued under 1941 PA 205, 1943 PA 143, 1952 PA 175, or Section 18c or 18d of 1951 PA 51, sufficient monies to remove the default and to credit the RECIPIENT with payment thereof and to notify the RECIPIENT in writing of such fact.

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

Section 4. ADMINISTRATION

The DEPARTMENT will administer all phases of the PROJECT on behalf of the RECIPIENT, including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT, in accordance with the Local Agency Cost Participation Contract, as described in Section 9.

Any change in the scope or character of the PROJECT or in the cost, term, or other provision of the CONTRACT will be by a prior written amendment to this CONTRACT awarded by the parties.

In case of any discrepancies between the body of this CONTRACT and any exhibits hereto, the body of the CONTRACT will govern. The headings used in this CONTRACT are for convenience and identification purposes only and do not form a binding part of this CONTRACT.

Section 5. COMPLIANCE ACTIVITIES

The RECIPIENT will, in the performance of this CONTRACT, comply with and require its contractors and subcontractors to comply with all applicable federal, state, and local statutes, ordinances, and regulations and will obtain or have its contractors and subcontractors obtain all permits that are applicable to the entry into and performance of this CONTRACT.

The RECIPIENT will secure any agreements or approvals from railroad companies, utility companies, governmental agencies, or private parties required for construction of the PROJECT.

This CONTRACT will be interpreted, construed, and enforced in accordance with the laws of the State of Michigan.

By signing this CONTRACT, the RECIPIENT certifies that it has obtained or will obtain all necessary environmental protection permits and clearances prior to the beginning of the construction of the PROJECT.

Section 6. BREACH AND TERMINATION

In the event that any of the following occur, the DEPARTMENT may consider the RECIPIENT to be in default with respect to this CONTRACT:

- a. The RECIPIENT misrepresents any documentation or information provided to the DEPARTMENT to secure loan financing.
- b. The RECIPIENT fails to make a payment of any installment of interest under this CONTRACT or fails to make a due payment of any other debt or obligation now or later owed by RECIPIENT to the DEPARTMENT.
- c. The RECIPIENT defaults in the performance of any other obligation to the DEPARTMENT under this CONTRACT.

- d. The RECIPIENT becomes insolvent or makes an assignment for the benefit of creditors.
- e. Any guarantee or pledge made by the RECIPIENT that now or later secures payment for any or all indebtedness arising from this CONTRACT becomes terminated or limited for any reason (except as otherwise set forth herein or in 1951 PA 51) without the prior written consent or agreement of the DEPARTMENT.
- f. At any time the DEPARTMENT, acting in good faith, has cause to believe that the prospect of payment or performance under this CONTRACT is impaired.

In the event that the RECIPIENT fails to comply with the provisions of this CONTRACT, including the default provisions herein, and such noncompliance by the RECIPIENT continues for a period of ten (10) days after written notification of such noncompliance without an effort by the RECIPIENT to begin to diligently pursue remedies for such noncompliance, the DEPARTMENT will have the right, at its option and notwithstanding any waiver by the DEPARTMENT or any prior noncompliance, to demand the immediate return of the full outstanding balance of the loan financing and to terminate this CONTRACT.

The exercise of such right by the DEPARTMENT will not impair any other rights of the DEPARTMENT under this CONTRACT or any rights of action against the RECIPIENT for the collection of remaining monies due the DEPARTMENT and/or the recovery of damages.

Section 7. CONTRACTUAL OBLIGATIONS

Both parties will make reasonable efforts to satisfy promptly their surviving obligations to each other necessary to complete their contractual relationships after expiration or termination of this CONTRACT. This provision is not intended to nor does it create or confer any rights upon any person or entity not a party to this CONTRACT.

Section 8. PERFORMANCE RESPONSIBILITY

Each party to this Contract will remain responsible for any claims arising out of that party's performance of this Contract, as provided by this Contract or by law.

This Contract is not intended to increase or decrease either party's liability for or immunity from tort claims.

Section 9. LOCAL AGENCY COST PARTICIPATION CONTRACT

The DEPARTMENT and the RECIPIENT agree that, with respect to the PROJECT, the RECIPIENT will enter into a Local Agency Cost Participation Contract consisting of Part I and Part II (Standard Agreement Provisions) with the DEPARTMENT prior to the disbursement of loan funds.

Section 10. NOTICES

All notices required hereunder will be in writing and will be deemed to have been duly given if personally delivered or sent by certified mail, return receipt requested, postage paid, or by telegram addressed as shown below, or by confirmed facsimile machine message, unless notified differently in writing by the other party.

If to the DEPARTMENT:

Michigan Department of Transportation Financial Operations Division 425 West Ottawa Street P.O. Box 30050 Lansing, MI 48909

If to the RECIPIENT:

City of Swartz Creek 8083 Civic Drive Swartz Creek, MI 48473-1377

Section 11. SEVERABILITY

If any term, covenant, condition, or provision (or any part thereof) of this CONTRACT or the application thereof to any party or circumstance will at any time or to any extent be held to be invalid or unenforceable, the remainder of this CONTRACT or the application of such term or provision (or remainder thereof) to parties or circumstances other than those to which it is held to be invalid or unenforceable will not be affected thereby, and each term, covenant, condition, and provision of this CONTRACT will be valid and will be enforced to the fullest extent permitted by law.

Section 12. ASSIGNMENT

This CONTRACT may not be assigned without the express prior written approval of the non-assigning party, which approval will not be unreasonably withheld.

Section 13. ACCESS AND AUDIT

- a. The RECIPIENT will establish and maintain accurate records, in accordance with generally accepted accounting principals, of all expenses incurred for which payment is sought or made under this CONTRACT, said records to be hereinafter referred to as the "RECORDS." Separate accounts will be established and maintained for all costs incurred under this CONTRACT.
- b. The RECIPIENT will maintain the RECORDS for at least three (3) years from the date of final payment made by the DEPARTMENT under this CONTRACT. In the event of a dispute with regard to the allowable expenses or any other issue

under this CONTRACT, the RECIPIENT will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

- c. The RECIPIENT will allow the DEPARTMENT or its representative to inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.
- d. The RECIPIENT will comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 U.S.C. 7501-7507).
- e. The RECIPIENT will comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.
 - i. Recipients expending a total of Five Hundred Thousand Dollars (\$500,000.00) or more in federal funds from one or more funding sources in their fiscal year will submit two (2) copies to the address in part ii below:
 - The Reporting Package
 - The Data Collection Form
 - The audit firm management letter to the recipient, if issued.

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

ii. Recipients expending less than Five Hundred Thousand Dollars (\$500,000.00) in federal funds must submit a letter to the DEPARTMENT advising that an OMB Circular A-133 audit was not required. The letter will indicate the applicable fiscal year, the amount of federal funds spent, and the name(s) of the DEPARTMENT federal programs. This information must also be submitted to the address below.

Address:

Michigan Department of Transportation

Financial Operations Division

425 West Ottawa Street

P. O. Box 30050 Lansing, MI 48909

- iii. Recipients must also comply with applicable state laws and regulations relative to audit requirements.
- iv. Recipients will not charge audit costs to the DEPARTMENT's federal programs that are not in accordance with the aforementioned OMB Circular A-133 requirements.

- v. All recipients are subject to the federally-required monitoring activities, which may include limited scope reviews and other on-site monitoring.
- f. If any part of the work is subcontracted, the RECIPIENT will assure compliance with subsections (a), (b), (c), (d), and (e) above for all subcontracted work.

Section 14. PROHIBITION OF DISCRIMINATION

- a. In connection with the performance of the PROJECT under this CONTRACT, the RECIPIENT (hereinafter in Appendix A referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, dated March 1998, attached hereto and made a part hereof. This provision will be included in all subcontracts relating to this CONTRACT.
- b. During the performance of this CONTRACT, the RECIPIENT, for itself, its assignees, and its successors in interest (hereinafter in Appendix B referred to as the "contractor") agrees to comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6, and the Regulations of the Department of Transportation (49 CFR Part 21) issued pursuant to said Act, including Appendix B, dated June 2003, attached hereto and made a part hereof. This provision will be included in all subcontracts related to this CONTRACT.

Section 15. ASSIGNMENT OF ANTITRUST RIGHTS

With regard to claims based on goods or services that were used to meet the RECIPIENT's obligation to the DEPARTMENT under this CONTRACT, the RECIPIENT hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT.

The RECIPIENT shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT with regard to claims based on goods or services that were used to meet the RECIPIENT's obligation to the DEPARTMENT under this CONTRACT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT as a third-party beneficiary.

The RECIPIENT shall notify the DEPARTMENT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the RECIPIENT's obligation to the DEPARTMENT under this CONTRACT may have occurred or is threatened to occur. The RECIPIENT shall also notify the DEPARTMENT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services

that were used to meet the RECIPIENT's obligation to the DEPARTMENT under this CONTRACT.

Section 16. AWARD CONTINGENCY

Award of this CONTRACT will be contingent upon the RECIPIENT providing the DEPARTMENT with a duly adopted resolution authorizing a representative of the RECIPIENT to award this CONTRACT and undertake the PROJECT.

Section 17. FEDERAL TAX CODE

The RECIPIENT is a political subdivision of the State of Michigan that qualifies as a "government unit" within the meaning of Sections 141(b)(6)(A) and 141(c)(1) of the Internal Revenue Code of 1986, as amended, hereinafter referred to as the "CODE."

The RECIPIENT hereby covenants and agrees for the benefit of the DEPARTMENT that it will comply with the applicable requirements of Section 149 of the CODE.

The RECIPIENT will not permit at any time or times any of the property financed with the proceeds of the loan funds that would result in the exclusion of any bonds of the DEPARTMENT from the treatment afforded by Section 103(a) of the CODE, as from time to time amended, by reason of the classification of such bonds as "private activity bonds" within the meaning of Section 141(a) of the CODE, or as obligations guaranteed by the United States of America, as provided in Section 149(b) of the CODE, or cause interest on the bonds to be includable in gross income for federal income tax purposes.

Section 18. AWARD

This CONTRACT will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the RECIPIENT and the DEPARTMENT and upon adoption of a resolution approving said CONTRACT and approving the signature(s) thereto of the respective representative(s) of the RECIPIENT, a certified copy of which resolution will be sent to the DEPARTMENT with this CONTRACT, as applicable.

IN WITNESS WHEREOF, the parties have caused this CONTRACT to be awarded.

CITY OF SWARTZ CREEK

By:					
	Title:	111-10	-01-4	OF SUMBER	Mes

Juanto aguila



MICHIGAN DEPARTMENT OF TRANSPORTATION

3/7/08 M

APPENDIX A PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

- 1. In accordance with Act No. 453, Public Acts of 1976, the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980 the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.
- 2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
- 3. The contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 4. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
- 5. The contractor or his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this appendix.
- 6. The contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
- 7. The contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.
- 8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.
- 9. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

 March, 1998

APPENDIX B

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

- 1. <u>Compliance with Regulations</u>: The contractor shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 27, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2. <u>Nondiscrimination</u>: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or natural origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- 4. <u>Information and Reports</u>: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Michigan Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Michigan Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Michigan Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - (a) Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - (b) Cancellation, termination, or suspension of the contract, in whole or in part.
- 6. Incorporation of Provisions: The contractor shall include the provisions of paragraphs 1 through 6 of every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Michigan Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Michigan Department of Transportation to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

(ADVANCE CONSTRUCTION CONTRACT) STP & LJT

CAB

Control Section
Job Number

STU 25402 102271

Project

STP 0825(013)

Federal Item No.

RR 6295

CFDA No.

20.205 (Highway

Research Planning &

Construction)

Contract No.

08-5082

PART I

Hot mix asphalt resurfacing, drainage improvements, and pavement marking work along Elms Road from Highway I-69 northerly to the north city limits; and all together with necessary related work.

WITNESSETH:

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

WHEREAS, the PROJECT has been approved for financing in part with State Local Jobs Today Program Funds; and

WHEREAS, the PROJECT will be performed as an advance construction project; and

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

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

SURFACE TRANSPORTATION PROGRAM

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

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

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

The PROJECT work shall be performed as an advance construction PROJECT and shall meet applicable Federal requirements set forth on 23 CFR Subpart G; 23 U.S.C. 115.

It is understood that authorization to undertake the performance of the work under this contract as an advance construction PROJECT does not constitute any commitment of DEPARTMENT or Federal Funds for this PROJECT.

Expenditures incurred on this PROJECT as advance construction will not be subject to reimbursement with Federal Funds until the PROJECT is converted to a regular Federal-aid project as provided under 23 CFR 630.705(2); CFR 630.709.

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

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

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

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

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

- 4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:
 - A. Design or cause to be designed the plans for the PROJECT.
 - B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
 - C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

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

5. The PROJECT COST shall be met in part by contributions by the State Local Jobs Today Program and the REQUESTING PARTY.

State Local Jobs Today Grant Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$116,250, or (2) an amount such that 20 percent is not exceeded at the time of the award of the construction contract. The balance of the PROJECT COST, after deduction of State Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Contingent upon availability of Federal Funds and Federal approval, Federal Surface Transportation Funds, for future fiscal years, may be applied to the cost incurred as advance construction in an amount such that the Federal Surface Transportation Funds do not exceed the lesser of: (1) \$465,000, or (2) an amount such that 80 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract.

The State Local Jobs Today Program loan, through a separate contract, is an amount equivalent to the estimated Federal Surface Transportation Funding applicable to the PROJECT that is not currently available. Said loan shall be used as advance construction dollars. Contingent upon availability of Federal Funds and Federal approval, Federal Surface Transportation Funds, for future fiscal years, will be applied to any outstanding principal balance of the State Local Jobs Today Program loan for costs incurred on this PROJECT as advance construction.

Any items of PROJECT COST or any advance construction expenditure not reimbursed by Federal Funds or State Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required from the REQUESTING PARTY for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 10 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less available Federal Funds, State Local Jobs Today Loan Funds, and State Local Jobs Today Grant Funds as the PROJECT progresses.

Failure to make such payments within 10 days of receipt of billings from the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold without further notice an equal amount from the REQUESTING PARTY'S share of any future Act 51 monthly allocations.

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

- 7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.
- 8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.
- 9. The REQUESTING PARTY certifies that it is a person under the Natural Resources and Environmental Protection Act (NREPA); 1995 PA 71 and is not aware of and has no reason to believe that the property on which the work under this agreement is to be performed is a facility as defined in MCL 324.20101(o); MSA 13A.20101(1)(l). The REQUESTING PARTY certifies that it is not a person liable under Part 201 or Part 213 of the Natural Resource and Environmental Protection Act (NREPA); MCL 324.20101 et seq. and Part 213 of NREPA; MCL 324.21301a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will be acquiring property for a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release at or on the property. Pursuant to MCL 324.20126, the REQUESTING PARTY is not a person who is liable for response activity or response activity costs as defined by MCL 324.20101(ee) and (ff).
- 10. Both the REQUESTING PARTY and the DEPARTMENT certify that the DEPARTMENT is not a person liable under Parts 201 and 213 of the NREPA; that the DEPARTMENT is not an owner or operator of any property within the PROJECT limits; that the DEPARTMENT has not arranged for the disposal of hazardous substances within the PROJECT

limits, nor has the DEPARTMENT transported any hazardous substances to the PROJECT limits; that the DEPARTMENT has not conducted any activities which have resulted in a release or threat of release of hazardous substances at the facility or within the PROJECT limits and that the DEPARTMENT is otherwise not liable for any response activities or response activity costs at the facility.

- If subsequent to execution of this contract, previously unknown hazardous 11. substances are discovered within the PROJECT limits, which require the incurrence of response costs for response activity pursuant to state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Department of Environmental Quality, shall notify the DEPARTMENT, both orally and in writing within 24 hours of such discovery. DEPARTMENT shall consult with the REQUESTING PARTY to determine whether the area within the PROJECT limits constitutes a facility and whether the REQUESTING PARTY is required to incur response costs to address the contamination under state or federal law. If the REQUESTING PARTY is liable for response activities or response costs under state or federal laws, the DEPARTMENT will consult with the FHWA to determine the eligibility of such response costs for reimbursement. In the event that the response costs and other incidental costs including, but not limited to delay costs, are deemed not to be eligible for reimbursement by the FHWA, the REQUESTING PARTY shall be charged for and shall pay to the DEPARTMENT all response costs and delay costs of the contractor for the PROJECT. If the REQUESTING PARTY refuses to participate in such costs, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.
- 12. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Department of Environmental Quality and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.
- 13. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

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

The providing of recommendations or advice by the DEPARTMENT and its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402, MSA 3.996(102).

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT and its agents is performing a governmental function, as that term is defined in MCL 691.1401; MSA 3.996(101), which is incidental to the completion of the PROJECT.

- 14. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402; MSA 3.996(102). Exclusive jurisdiction of such highway for the purposes of MCL 691.1402; MSA 3.996(102) rest with the REQUESTING PARTY and other local agencies having respective jurisdiction.
- 15. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.
- 16. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.
- 17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.
- 18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current standard specifications for construction, and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owners protective liability insurance policy.
- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

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

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

CITY OF SWARTZ CREK

Title: MA-GOL CITY OF STIAKE OF STE

By Juant again

MICHIGAN DEPARTMENT OF TRANSPORTATION

Department Director MDOT



EXHIBIT I

CONTROL SECTION JOB NUMBER

STU 25402 102271

PROJECT

STP 0825(013)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost

\$912,700

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$912,700
Less State Local Jobs Today Grant Funds*	\$116,250
Balance	\$796,450

Less State Local Jobs Today Program Loan/Federal Funds
(Advance Construction) Future Fiscal Year**
REQUESTING PARTY'S SHARE (Future Fiscal Year)

\$465,000 \$331,450

*State Local Jobs Today Grant Funds for the PROJECT are limited to an amount as described in Section 5.

**Contingent upon availability of Federal Funds and Federal approval, Federal Surface Transportation Funds, for future fiscal years, may be applied to cost incurred as advance construction and are limited to an amount as described in Section 5.

NO DEPOSIT

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES
SECTION II PROJECT ADMINISTRATION AND SUPERVISION
SECTION III ACCOUNTING AND BILLING
SECTION IV MAINTENANCE AND OPERATION
SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

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

1. Engineering

- a. FAPG (6012.1): Preliminary Engineering
- FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
- c. FAPG (23 CFR 635A): Contract Procedures
- d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs

2. Construction

- a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
- b. FAPG (23 CFR 140B): Construction Engineering Costs
- c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
- d. FAPG (23 CFR 635A): Contract Procedures
- e. FAPG (23 CFR 635B): Force Account Construction
- f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement
- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)

- h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
- FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
- 3. Modification Or Construction Of Railroad Facilities
 - a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
 - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
 - 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
 - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
 - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION IT

PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by twenty percent (20%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUEST-ING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

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

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

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than \$25,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

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

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.
- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

SECTION III

ACCOUNTING AND BILLING

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

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

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

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

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

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

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

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

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, P.L. 98-502.

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

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

The agency shall submit two copies of:

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

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

b. Agencies expending less than \$300,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Transportation Bureau of Highways Technical Services 425 W. Ottawa, P.O. Box 30050 Lansing, MI 48909

- d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.
- e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.
- f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.
- 2. Agreed Unit Prices Work All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.
- Force Account Work and Subcontracted Work All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than \$1,000.00 shall be submitted unless it is a final or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number ______", or "Final Billing".

- 4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.
- 5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
- 6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

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

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

C. General Conditions:

- 1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.
- 2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
- 3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

03-15-93

- 4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).
- 5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

SECTION IV

MAINTENANCE AND OPERATION

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

1. All Projects:

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

- 2. Projects Financed in Part with Federal Monies:
 - a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).
 - b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

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

- c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.
- d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

- B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.
- C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

03-15-93

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.
- C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

APPENDIX A PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

- 1. In accordance with Act No. 453, Public Acts of 1976, the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980 the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.
- The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
- 3. The contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 4. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
- 5. The contractor or his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this appendix.
- 6. The contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
- 7. The contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.
- 8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.
- 9. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

 March. 1998

APPENDIX B

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

- Compliance with Regulations: The contractor shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 27, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2. Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or natural origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 3. <u>Solicitations for Subcontracts. Including Procurements of Materials and Equipment</u>: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- 4. <u>Information and Reports</u>: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Michigan Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Michigan Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. <u>Sanctions for Noncompliance</u>: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Michigan Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - (a) Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - (b) Cancellation, termination, or suspension of the contract, in whole or in part.
- 6. Incorporation of Provisions: The contractor shall include the provisions of paragraphs 1 through 6 of every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Michigan Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Michigan Department of Transportation to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

City of Swartz Creek, MI **Group:** AmeraPlan ID#: 80200

COST COMPARISON REPORT

BCN ID#:	00100208-0001	
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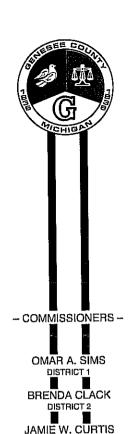
BCN ID#: 0	00100208-0	0001				2010-2	2011	-					
Monthly Enrol	<u>lment</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
													_
1 Person		1	1	1	1	1							
2 Person		6	6	6	6	6							
Family		10	10	10	10	10							
<u>FC</u>		<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>							
Total		17	17	17	17	17	0	0	0	0	0	0	0
Renewal Rates	<u>s:</u>	BCN 5, \$10 O	V, \$50 ER, \$10	0/20 Rx									
1 Person	\$478.18												
2 Person	\$1,099.82												
Family	\$1,291.09												
FC	\$239.09												
Renewal Costs	<u>s:</u>												
1 Person		\$478.18	\$478.18	\$478.18	\$478.18	\$478.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 Person		\$6,598.92	\$6,598.92	\$6,598.92	\$6,598.92	\$6,598.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Family		\$12,910.90	\$12,910.90	\$12,910.90	\$12,910.90	\$12,910.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<u>FC</u>		<u>\$239.09</u>	<u>\$239.09</u>	\$239.09	\$239.09	\$239.09	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	\$0.00	<u>\$0.00</u>
Total		\$20,227.09	\$20,227.09	\$20,227.09	\$20,227.09	\$20,227.09	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
New Rates:		BCN DED \$1.	000. \$10 OV. S	\$35 UC, \$50 E	R. \$10/20 Rx								
1 Person	\$366.01	,	, ,	, , , , , , , , , , , , , , , , , , , ,	, ,								
2 Person	\$841.84						Savings	s Through	June				
Family	\$988.24						Caring	I	ourre				
FC	\$183.01)					
New Costs:								/					
1 Person		\$366.01	\$366.01	\$366.01	\$366.01	\$366.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 Person		\$5,051.04	\$5,051.04	\$5,051.04	\$5,051.04	\$5,051.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Family		\$9,882.40	\$9,882.40	\$9,882.40	\$9,882.40	\$9,882.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<u>FC</u>		<u>\$183.01</u>	<u>\$183.01</u>	<u>\$183.01</u>	<u>\$183.01</u>	<u>\$183.01</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total		\$15,482.46	\$15,482.46	\$15,482.46	\$15,482.46	\$15,482.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Difference Cos	st:	\$4,744.63	\$4,744.63	\$4,744.63	\$4,744.63	\$4,744.63	\$0.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AmeraPlan Fe	es:	\$288.15	\$288.15	\$288.15	\$288.15	\$288.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Month Utilizati	ion:	\$0.00	\$0.00	\$0.00	\$2,415.74	\$3,545.16							
Monthly Savin	ıgs:	\$4,456.48	\$4,456.48	\$4,456.48	\$2,040.74	\$911.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Year to Date S	avings:	\$4,456.48	\$8,912.96	\$13,369.44	\$15,410.18	\$16,321.50	\$16,321.50	\$16,321.50	\$16,321.50	\$16,321.50	\$16,321.50	\$16,321.50	\$16,321.50

1/1 Page: 08/09/2010 03:51 PM GL ACTIVITY REPORT FOR CITY OF SWARTZ CREEK User: MClark

FROM 202-463.301-801.450-463.301 TO 202-463.301-801.450-463.301 TRANSACTIONS FROM 07/01/2009 TO 06/30/2010

Date	JNL	Туре	Description	Reference #	Debits	Credits	Balance
Fund 202	Major S	treet F	und				
07/01/200	9		202-463.301-801.450-463.301 Con	struction Engineering	BEG. BALANCE		0.00
10/29/200	9 AP	INV	MORRISH RD CONSTRUCTION ENGINEE	RING 00019137	3,872.00		3,872.00
11/05/200		INV	MORRISH RD CONSTRUCTION ENGINEE	RING 00019175	16,318.75		20,190.75
12/29/200		INV	MORRISH RD CONSTRUCTION ENGINEE		12,128.25		32,319.00
12/29/200		INV	MORRISH RD CONSTRUCTION ENGINEE		3,591.25		35,910.25
01/27/201		INA	MORRISH RD CONSTRUCTION ENGINEE		2,037.25		37,947.50
, ,		INV	MORRISH RD CONSTRUCTION ENGINEE		775.25		38,722,75
02/25/201			MORRISH RD CONSTRUCTION ENGINEE		363.25		39.086.00
03/25/201		INV			741.25		39,827.25
05/06/201	O AP	INV	MORRISH RD CONSTRUCTION ENGINEE			0.00	39,827.25
06/30/201	0		202-463.301-801.450-463.301	END BALANCE	39,827.25	0.00	39,827

APL 00 WAS24-OK ANRAD



DISTRICT 3

JOHN NORTHRUP

DISTRICT 4

MILES T. GADOLA

DISTRICT 5

PATRICIA LOCKWOOD

DISTRICT 6

ARCHIE H. BAILEY

TED HENRY

DISTRICT 8

PATRICK F. GLEASON

DISTRICT 9

Genesee County Board of Commissioners

1101 BEACH STREET, ROOM 312

TELEPHONE (810) 257-3020 FAX (810) 257-3008



Dear Local Elected Official:

August 9, 2010

I am contacting you on behalf of Genesee County regarding the County's Mobile Command Vehicle ("MCV"). The MCV was purchased over eight years ago to serve as a mobile command and control center for disasters and emergencies in Genesee County.

As you are no doubt aware, current economic conditions have resulted in significant financial challenges for local governments. Genesee County is no exception. With dwindling revenue, the Board of Commissioners and County Departments must reevaluate the priority of County programs and eliminate non-mandated services.

As a result of this process, it has been determined that current budget constraints limit the County's ability to continue to support the Mobile Command Vehicle program. As a result, the County is considering two options: 1) Allow another governmental unit within the County to take over the program, or 2) Sell the vehicle.

- 1. If a city or township within the County is interested in taking over the Mobile Command Vehicle program, the County would turn maintenance and operation of the vehicle over to the city or township. The transfer agreement would mandate that the vehicle would remain available for use in emergency incidents within the County for a period of at least five years, and would control the disposition of certain grant-funded equipment within the vehicle. Beyond those requirements, the use of the vehicle would be at the city or township's discretion.
- 2. If no city or township is interested in taking over the program, it has been proposed that the vehicle be sold. Certain equipment within the vehicle was purchased using federal grant funds, and that equipment would need to be retained by the County or County 9-1-1 and used for emergency response purposes. The vehicle itself would be sold, and the funds devoted towards County emergency response and law enforcement programs.

If you have an interest in taking over the Emergency Command Vehicle program, or would like further information about the vehicle or the County's proposed options, please contact me or my staff as soon as possible. If we not receive an expression of interest in taking over the Mobile Command Vehicle program by October 1, 2010, the County will begin the process of selling the vehicle.

Best regards,

Jamie W. Curtis, Chairperson

I I D Curka

Genesee County

Board of Commissioners

Paul Bueche

Subject: FW: ROWE Bulletin - State Legislators Consider Funding Changes

From: Jodie Wright [mailto:JWright@rowepsc.com]

Sent: Monday, August 09, 2010 11:31 AM

To: Jack Wheatley

Cc: Leanne Panduren; Kent Alexander; Jim Redding; Eric Johnston **Subject:** ROWE Bulletin - State Legislators Consider Funding Changes



State Legislators Consider Funding Changes

Legislators are working on bills relating to sewer and transportation funding that may benefit your community! The fol are a few to keep your eyes on.

Sewer

Senators proposed two bills in July to reinstate the S2 grant process and dedicate more funds to Brownfield projects.

Senator Jud Gilbert introduced SB 1443, which includes language to provide \$80 million in grants to assist municipal with loan application costs (pre-engineering) when applying for funds through the SRF and other funding sources.

Senator Patricia Birkholz introduced SB 1442, which includes language to provide \$200 million for Brownfield cleanul

The bills are currently being reviewed by the Senate Committee on Natural Resources and Environmental Affairs.

Transportation

Also in July, several Representatives introduced HB 6342, proposing if the Michigan Department of Transportation do qualify for federal funds because of an inability to match the funds, the percentage of funds then allocated to local jurisdictions be based on their ability to match the funds rather than a set percentage. In a nutshell, this means the locould get more federal funds if they have the money to match it.

The bill is currently being reviewed by the House Committee on Transportation.

To see the entire language of the bills visit www.legislature.mi.gov

MEDC Announces New Grants

The Michigan Economic Development Corporation (MEDC) is now offering the following:

- · A new program focused on assisting farmer's markets in non-entitlement low and moderate income communities
- An Urban Farm to Food Grant, providing opportunities for farmer's markets in entitlement communities
- An Arts Build Communities (ABC) / Rural Arts Grant for small rural communities to highlight rural arts projects

Deadlines are fast approaching. For more information visit www.TheMEDC.org

ROWE Professional Services Company

Corporate Office PO Box 3748 Flint, MI 48502 P: (810) 341-7500 Grayling Office 403 Huron Street Grayling, MI 48738 P: (989) 348-4036 Lapeer Office 128 N. Saginaw Street Lapeer, MI 48446 P: (810) 664-9411

Mt. Pleasant Office 127 S. Main Street Mt. Pleasant, MI 48858 P: (989) 772-2138

Tri-Cities Office 419 N. Madison Avenue Bay City, MI 48708 P: (989) 772-2138

Myrtle Bea 511 Broad Myrtle Bea P: (843) 44

Engineering Surveying Aerial Photography/Mapping Landscape Architecture Planning

Paul Bueche

From: Simen, Figura & Parker, PLC [SimenFiguraParkerPLC@cbmail1.com]

Sent: Monday, August 09, 2010 1:16 PM

To: Paul Bueche

Subject: Simen, Figura & Parker PLC, Texting While Driving Article

<u>Unsubscribe</u> | <u>View in your web browser</u> | <u>Forward to a Friend</u>

SIMEN, FIGURA & PARKER, P.L.C.

BUSINESS REAL ESTATE LOCAL GOVERNMENT BANKRUPTCY ESTATE PLANNING LITIGATION TAXATION ALTERNATIVE DISPUTE RESOLUTION

DON'T TEXT ME, BRO!

"I have an answering machine in my car. It says, I'm home now. But leave a message and I'll call when I'm out." – Stephen Wright, Comedian

If you are like me, nothing is more infuriating than traveling down the expressway while typing away on your cell phone; only to glance up and see some teenager who is...can you believe it...texting while driving! Well, the Michigan Legislature has heard our cries about those other people (and, maybe, the fact that the number one distraction of drivers is a use of a wireless device and that driving while distracted is a factor in 25 percent of police reported crashes) and they have enacted a ban on texting while driving.

The statute makes it a civil infraction to "read, manually type, or send a text message" on a wireless 2-way communication device located in the hand or lap of a person who is driving on a highway or street. The statute explicitly allows the use of a GPS devise if it is affixed to your car and it does not apply to use of a cell phone to report a traffic accident or other emergency. The penalty for violating the act is a \$100 fine for the first violation, and a \$200 fine for the each violation thereafter. You will not receive any points, it doesn't appear on your driving record and there are no driver responsibility fees.

At this early stage, the questions surrounding the meaning and effect of the statute far outweigh the answers, as it is unclear how broadly this statute could be interpreted:

- Does "text message" include emails, or updating your Facebook page? Does it include dialing a number in order to make a call?
 - How would an officer know the difference as you zip past at 25 70 M.P.H.?
- Does an officer have reasonable suspicion to stop a vehicle if they see the driver glance at his or her lap?
 - Do these situations give the officer any right to search your phone?

Unfortunately, it may be years before we have answers to these questions.

Until then, the best advice is to simply keep your cell phone in your pocket or purse; if not for the fines, then for the many hours and thousands of dollars you will lose if you are involved in an accident. If you have any questions regarding the above information, please contact Colin Linsenman at: (810) 235-9000.

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Paul Bueche

From: Genesee County Small Cities and Villages [GCSCV@LISTSERV.MML.ORG] on behalf of Slattery,

Robert [RSlattery@GCRC.ORG]

Sent: Monday, August 09, 2010 7:46 AM

To: GCSCV@LISTSERV.MML.ORG

Subject: Press Release: Reconstruction of Ballenger Highway from Van Slyke Road to the Swartz Creek Bridge.

PRESS RELEASE PRESS RELEASE

FOR IMMEDIATE RELEASE August 9, 2010 Contact: Project Engineer, Alex Patsy, P.E.

(810) 767-4920

GCRC Web site: www.gcrc.org



Reconstruction of Ballenger Highway from Van Slyke Road to the Swartz Creek Bridge.

Flint, Michigan. ---

The Genesee County Road Commission and the Michigan Department of Transportation announce the reconstruction of Ballenger Highway from Van Slyke Road to the Swartz Creek Bridge. Work to start Monday August 9, 2010. This road will be detoured between August 9th and November 12th. Please follow the detour route of Miller Road, I-75, I-69, Hammerberg Road & 12th Street. The road will be fully open to traffic on or before November 12, 2010. Completion scheduled for spring of 2011.

Drivers are urged to slow down and proceed with caution in this and all work zones.

Please contact Project Engineer Alex Patsy at 810.767.4920 ext 252 if you have questions.

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Please slow down in work zones – for your family and ours