
RULE OF THE CHAMBER

Any person wishing to address City Council shall step up to the lectern, state their name and address in an audible tone of voice for the record, and unless further time is granted by the presiding officer, shall limit their address to three (3) minutes. A person may not give up or relinquish all or a portion of their time to the person having the floor or another person in order to extend a person's time limit in addressing the Council.

Any person who does not wish to address Council from the lectern, may print their name, address and comment/question which he/she would like brought before Council on a card provided by the Clerk/Treasurer and return the card to the Clerk/Treasurer before the meeting begins. The Clerk/Treasurer will address the presiding officer at the start of Citizen Comments on the Agenda, notifying him of the card comment, and read the card into the record for response.

Those who want to use audio and image recording equipment in Council Chambers that requires a monopod, tripod or other auxiliary equipment for the audio and image devices shall notify the City Clerk before the meeting begins. Arrangements will be made to accommodate the request in a manner that minimizes the possibility of disrupting the meeting. No additional illuminating lights may be used in Council Chambers unless a majority of City Council members consent. Additionally, cell phones and pagers should be set to vibrate or silent mode when inside Council Chambers.

Should any person fail or refuse to comply with any Rules of the Chamber, after being informed of such noncompliance by the presiding officer, such a person may be deemed by the presiding officer to have committed a breach of the peace by disrupting the public meeting, and the presiding officer may then order such person excluded from the public meeting under Section 3 (6) of Open Meetings Act, Act 267 of 1976.

You will notice a numbering system under each heading. There is significance to these numbers. Each agenda item is numbered consecutively beginning in January and continues through December of each calendar year.

The City of Monroe will provide necessary reasonable auxiliary aids and services to individuals with disabilities at the meeting/hearing upon one week's notice to the City Clerk/Treasurer. Individuals with disabilities requiring auxiliary aids or services should contact the City of Monroe by writing or calling: City of Monroe, City Clerk/Treasurer, 120 E. First St., Monroe, MI 48161, (734) 384-9136. The City of Monroe website address is www.monroemi.gov.

AGENDA - CITY COUNCIL REGULAR MEETING MONDAY, SEPTEMBER 15, 2008 7:30 P.M.

I. CALL TO ORDER.

II. ROLL CALL.

III. INVOCATION/PLEDGE OF ALLEGIANCE.

IV. PRESENTATIONS.

Presentation by Mayor Mark G. Worrell in recognition of City Employees who retired in 2008.

Presentation by Judy Laberde, Michigan Parole Supervisor for Monroe County, and Sandie Pierce, ReEntry Liaison, regarding the Michigan Prisoner ReEntry Initiative.

Presentation by Richard Rondo, Mothers Against Drunk Driving for Southeast Michigan.

V. PROCLAMATIONS.

240 Halloween Trick-or-Treat Night – Friday, October 31, 2008 – 6:30 p.m. to 8:00 p.m.

VI. CONSENT AGENDA. (All items listed under the Consent Agenda are considered to be routine by Mayor and Council and will be approved by one motion, unless a Council member or citizen requests that an item be removed and acted on as a separate agenda item)

A. Approval of the Minutes of the Special Meeting held on Thursday, August 28, 2008 and the Minutes of the Regular Meeting held on Tuesday, September 2, 2008.

B. Approval of payments to vendors in the amount of \$_____.
Action: Bills be allowed and warrants drawn on the various accounts for their payment.

241 Lease Agreement of the Water Department House.

1. Communication from the Director of Water & Wastewater Utilities, submitting the lease agreement of the Water Department house at 6369 Pointe Aux Peaux Road, and recommending that the City lease the house at 6369 Pointe Aux Peaux Road to William Anderson and that the Mayor and City Clerk-Treasurer be authorized to sign the attached lease on behalf of the City of Monroe.
2. Supporting documents.
3. Action: Accept, place on file and the recommendation be carried out.

- 242 Water Treatment Plant Liquid Aluminum Sulfate Chemical Bid.
1. Communication from the Director of Water & Wastewater Utilities, reporting back on bids received to supply Liquid Aluminum Sulfate for the Water Treatment Plant, and recommending that a purchase order be awarded to General Chemical Performance Products, LLC to supply Liquid Aluminum Sulfate from October 1, 2008 through December 31, 2008 based on the bid unit price of \$412.00/ton.
 2. Supporting documents.
 3. Action: Accept, place on file and the recommendation be carried out.
- 243 River Sanitary Manhole Reconstruction – North Side of Dam East of Virginia Drive – Change Order Award.
1. Communication from the Director of Engineering and Public Services, submitting a change order to the North Roessler Street/Lavender Street Alley Sanitary Sewer Reconstruction project, and recommending that the City Council award the change order to Schumaker Brothers Construction for this work in the amount of \$40,000, and that a total of \$50,000 be encumbered to include a 25% project contingency and further recommending that the City Engineer be authorized to sign the change order on behalf of the City of Monroe.
 2. Supporting documents.
 3. Action: Accept, place on file and the recommendation be carried out.
- 244 USDA Water Service funding Contracts.
1. Communication from the Director of Water and Wastewater Utilities, submitting contracts and forms used for participation in the United States Department of Agriculture Rural Development Home Improvement and Repair Loans and Grants Section 504 Program, and recommending that the City of Monroe participate in this program for qualified homeowners located within the City of Monroe Water System service area and that the City Manager be authorized to sign all necessary documents on behalf of the City of Monroe.
 2. Supporting documents.
 3. Action: Accept, place on file and the recommendation be carried out.
- 245 Mason Run Environmental Protection Agency Revolving Loan Fund (RLF) Agreement Amendments.
1. Communication from the Director of Finance, submitting the Mason Run Environmental Protection Agency Revolving Loan Fund (RLF) Agreement Amendments, and recommending that the Mayor and City Council, subject to any further modifications required by the EPA, (1) approve amending the cooperative agreement with the United States Environmental Protection Agency related to the City of Monroe Brownfield Revolving Loan Fund by increasing the total budget by \$250,000 to \$1.45 million, (2) approve amending the loan agreement and promissory note between the City of Monroe and the Brownfield Redevelopment Authority by increasing the amount loaned from \$1.175 million to \$1.425 million, and (3) approve amending the Brownfield Cleanup Revolving Loan Fund agreement and promissory note between the City of Monroe and the Brownfield Redevelopment Authority by discounting the amount owed by the BRA by \$200,000.
 2. Supporting documents.
 3. Action: Accept, place on file and the recommendation be carried out.

VII. MAYOR'S COMMENTS.

VIII. CITY MANAGER COMMUNICATION.

IX. COUNCIL COMMENTS.

X. CITIZEN COMMENTS.

XI. ADJOURNMENT.

PROCLAMATION

WHEREAS, Halloween is known as a time for merrymaking for children in particular, when they dress in varying costumes as princesses, action heroes, ghosts, and witches; and

WHEREAS, the City Council sets aside October 31st, for the merry-makers to enjoy themselves in their festive and eerie costumes for the purpose of Trick-or-Treat; and

WHEREAS, it is for the safety and welfare of our children and the citizenry at large that the time be limited.

NOW, THEREFORE, I, Mark G. Worrell, Mayor of the City of Monroe, with the support of City Council, do hereby proclaim the night of Friday, October 31, 2008, between the hours of 6:30 p.m. and 8:00 p.m., as Halloween Trick-or-Treat night.

IN WITNESS WHEREOF, We have hereunto set our hands and caused the Seal of the City of Monroe to be affixed this 15th day of September 2008.

Council Members:

Mark G. Worrell, Mayor

Robert E. Clark, Precinct 1

Edward F. Paisley, Precinct 2

Kelvin McGhee, Precinct 3

Jeremy J. Molenda, Precinct 4

Mary V. Conner, Precinct 5

Brian P. Beneteau, Precinct 6



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: LEASE AGREEMENT OF THE WATER DEPARTMENT HOUSE AT 6369 POINTE AUX PEAX ROAD

DISCUSSION: The Water Department owns a house at 6369 Pointe Aux Peaux Road adjacent to the Raw Water Pump Station. The house and the raw water station were built in 1949 where the house was originally built for an operator to live and operate the raw water pump station. Currently, the raw water pump station is operated remotely from the Water Treatment Plant and has not required a full time pump station operator for many years; however, it has been past practice of the Water Department to lease the house. In the past, the house has been leased to City employees, typically water plant employees, but has recently leased it to other adjacent water system employees.

William Anderson, a Frenchtown Township Water Treatment Plant Operator, has leased this home for the past three years and has requested to rent the house for an additional two (2) years. We are confident Mr. Anderson will continue to be a fine renter. Mr. Anderson has been a Water Plant Operator at the Frenchtown Water Plant since 1999 and has a commendable employee record with the Frenchtown Water Plant. The lease agreement requires and outlines the security deposit, liability insurance, monthly rent amount, lease duration, and identifies the tenant.

The rent is slightly lower than market value but in return the tenant mows the grass & picks up leaves around the pump station, performs minor repairs on the house, and helps keep an eye on the pump station. We think this is beneficial both to the Raw Water Partnership and the tenant, especially at this time of potential terrorist activity.

IT IS RECOMMENDED that the City lease the house at 6369 Pointe Aux Peaux Road to William Anderson and that the Mayor and City Clerk-Treasurer be authorized to sign the attached lease on behalf of the City of Monroe.

CITY MANAGER RECOMMENDATION:

- For
- For, with revisions or conditions
- Against
- No Action Taken/Recommended

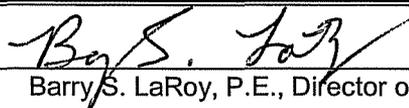
APPROVAL DEADLINE: October 31, 2008

REASON FOR DEADLINE: Current lease expires on October 31, 2008.

STAFF RECOMMENDATION: For Against

REASON AGAINST: N/A

INITIATED BY:



Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: Water Department, Frenchtown Water Department, Raw Water Partnership, Water Customers

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ N/A
Cost of This Project Approval	\$ N/A
Related Annual Operating Cost	\$ 2,359.00
Increased Revenue Expected/Year	\$ 6,000.00

SOURCE OF FUNDS:

<u>City</u>	<u>Account Number</u>	<u>Amount</u>
Property Taxes (2008-9)	591-40.521-955.005	\$ 1,659.00
Building Main. (2008-9)	591-40.521-931.000	\$ 700.00
Rental-Buildings (2008-9)	591-81.400-667.015	\$ 6000.00
<u>Other Funds</u>		

Budget Approval: _____

FACT SHEET PREPARED BY: Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities **DATE:** September 8, 2008

REVIEWED BY: _____ **DATE:** _____

COUNCIL MEETING DATE: September 15, 2008

LEASE

This lease being entered on the 1st day of November, 2008, between the City of Monroe, a municipal corporation (Landlord) and William A. Anderson (Tenant).

Landlord and Tenant agree as follows:

1. Leased Premises: Landlord leases to Tenant, and Tenant hires from Landlord the premises commonly described as 6369 Pte. Aux Peaux Road, Newport, Michigan 48166.
2. Term: This lease begins on November 1, 2008 and ends at midnight on October 30, 2010 (2-year lease).
3. Rent: During the term of this lease, Tenant will pay rent as stated:
 - (a) The sum of Five Hundred Dollars (\$500.00) per month, payable in advance on the first day of each calendar month for the period November 1, 2008 to October 30, 2010.
 - (b) Payment will be made to the Landlord at 120 E. First Street, Monroe, Michigan.
4. Utilities: Tenant will be responsible for and will promptly pay all utility bills. Tenant agrees to maintain an active telephone service during the term of this Lease.
5. Use of Premises: The premises will be used only as a single-family residence and for no other purpose.
6. Assignment and Subletting: Tenant will not assign Lease in whole or in part or sublet all or any portion of the premises.
7. Condition of Premises:
 - (a) Tenant accepts the premises in their existing condition and acknowledges that the premises are in good order and repair.
 - (b) Tenant will maintain the premises in a clean and sanitary condition. Tenant will be responsible for grass cutting, leaf and snow removal at the premises and for grass cutting and leaf removal at the water pumping station. Landlord will furnish a lawn mower and weed trimmer. Landlord will maintain said equipment, as needed. Tenant shall furnish fuel for said equipment.
 - (c) Tenant will surrender the premises at the termination of this lease in as good a condition as when received, ordinary wear and tear expected. Tenant will not paint, or otherwise redecorate the premises or make any alterations to the premises without prior written consent of Landlord. Tenant will not actively abuse the premises.

(d) Tenant will be responsible for any damage caused to the premises by Tenant, by Tenant's family members, guests, or pets, and will promptly report to Landlord any damage caused to or discovered in the premises. Landlord, upon discovery of damage to the premises or notice of damage caused to the premises, may (1) direct the Tenant to make such repairs, at the Tenant's expense, as are necessary to restore the premises to their original condition, or (2) make such repairs as are necessary to restore the premises to their original condition, and tenant will reimburse Landlord for the cost of such repairs. This subparagraph does not relate to any facilities connected with the water pumping station.

(e) Tenant may make repairs to premises and be reimbursed on mutually agreed items. All said repairs must first be inspected and approved prior to completing said repair and re-inspected once completed for reimbursement.

8. Right to Enter Premises: Landlord, or Landlord's agent, has the right to enter the premises at reasonable times and upon reasonable notice to inspect the premises, show the premises to prospective tenants or purchasers, or make repairs. In an emergency, Landlord may enter the premises without notice for any purpose reasonably connected with the emergency.

9. Indemnification: Landlord will not be liable for any damage or injury occurring on or about the premises to Tenant, Tenant's family or guests, or to any personal property that may be on the premises, except in the case of Landlord's failure to perform, or negligent performance of, a duty imposed by law. Tenant will protect, indemnify, and hold Landlord harmless from and against any loss, costs, expense, damage, or liability arising out of any accident or other occurrence on the premises causing injury to any person or property except in the case of Landlord's failure to perform, or negligent performance of, a duty imposed by law.

Tenant shall keep and maintain liability insurance with the following limits:

\$100,000.00 Liability
\$ 5,000.00 Each Person
\$100,000.00 Each Accident

This provision does not relate to any facilities connected with the water pumping station.

10. Default: If a default occurs, Landlord may terminate this lease and regain possession of the premises in accordance with applicable law. Recovery of the premises by Landlord will not relieve tenant of any obligation under this Lease.

11. Termination: It is mutually agreed that this Lease may be terminated by either party on thirty (30) days written notice to the other.

12. Holding Over: Any holding over after the expiration of the term on this lease, without written consent of Landlord, will be a month-to-month tenancy and will be governed by all applicable terms of this Lease.

13. Security Deposit: A security deposit in the amount of Five Hundred Dollars (\$500.00) is required of the tenant for the terms of this lease. The security deposit will be

refunded upon final inspection and approval of the house condition and proof that all bills related to the house have been paid.

14. Fire or Destruction: If the premises become wholly untenable through damage or destruction by fire, flood, or other natural causes not occasioned by the negligence of the Tenant, this Lease shall be void; if partially untenable, the Landlord shall repair the same in a reasonable time and manner. The obligation of the tenant to pay monthly rent shall continue during the repair period provided said repair period does not exceed forty (40) days.
15. Severability: If any part of this Lease is held invalid, the remainder will remain in full force and effect.
16. Notices: Any notice which with party may or is required to give under this Lease may be delivered personally or sent by first-class mail.
17. Truth in Renting:

NOTICE: MICHIGAN LAW ESTABLISHES RIGHTS AND OBLIGATIONS FOR PARTIES TO RENTAL AGREEMENTS. THIS AGREEMENT IS REQUIRED TO COMPLY WITH THE TRUTH IN RENTING ACT. IF YOU HAVE A QUESTION ABOUT THE INTERPRETATION OR LEGALITY OF A PROVISION OF THIS AGREEMENT, YOU MAY WANT TO SEEK ASSISTANCE FROM A LAWYER OR OTHER QUALIFIED PERSON.

CITY OF MONROE

By: _____
Mark G. Worrell, Mayor

By: _____
Charles D. Evans, Clerk-Treasurer



William A. Anderson

COMMENCEMENT AND TERMINATION INVENTORY CHECKLIST FORM (NOT INSPECTED)

“YOU SHOULD COMPLETE THIS CHECKLIST NOTING THE CONDITION OF THE RENTAL PROPERTY AND RETURN IT TO THE LANDLORD WITHIN 7 DAYS AFTER OBTAINING POSSESSION OF THE RENTAL UNIT. YOU ARE ALSO ENTITLED TO REQUEST AND RECEIVE A COPY OF THE LAST TERMINATION INVENTORY CHECKLIST WHICH SHOWS WHAT CLAIMS WERE CHARGEABLE TO THE LAST PRIOR TENANTS.”

	BEGINNING CONDITION	ENDING CONDITION
LIVING ROOM		
DOOR (INCLUDING LOCKS):	GOOD	
WINDOWS:	GOOD	
CARPET OR FLOOR:	BILL TO CLEAN	
WALLS:	GOOD, BILL TO PAINT	
CEILING:	GOOD, BILL TO PAINT	
LIGHTS & SWITCHES:	GOOD	
OTHER: FIREPLACE	GOOD	
DINING ROOM:	GOOD, BILL TO PAINT	
HALLWAY		
FLOOR:	GOOD	
WALLS:	GOOD	
CEILING:	GOOD	
OTHER: CABINETS/CLOSET	GOOD	
KITCHEN		
WINDOWS:	GOOD	
FLOOR:	GOOD	
WALLS:	GOOD, BILL TO PAINT	
CEILING:	GOOD, BILL TO PAINT	
LIGHTS & SWITCHES:	GOOD	
STOVE:	N/A	
REFRIGERATOR:	N/A	
SINK:	FAIR	
COUNTER:	BILL REPLACE COUNTERTOP	
CABINETS:	FAIR	
OTHER:	DOOR STICKS	

---CONTINUED---

BEGINNING CONDITION

ENDING CONDITION

BEDROOM

FRONT BACK

DOOR:	GOOD	GOOD	_____
WINDOWS:	GOOD	GOOD	_____
CARPET OR FLOOR:	BILL TO CLEAN BOTH/CITY REPL FRONT IF NEEDED		
WALLS:	GOOD	GOOD	_____
CEILING:	GOOD	GOOD	_____
LIGHTS & SWITCHES:	GOOD	GOOD	_____
CLOSET:	GOOD	GOOD	_____

BATHROOM

DOOR:	GOOD	_____
WINDOW:	GOOD	_____
FLOOR:	GOOD	_____
WALLS:	FAIR	_____
CEILING:	GOOD	_____
SINK:	GOOD	_____
TUB AND/OR SHOWER:	GOOD/BILL TO PAINT SHOWER CEILING	
TOILET:	OK	_____
CABINET, SHELVES, CLOSET:	OK	_____
TOWEL BARS:	OK	_____
LIGHTS & SWITCHES:	GOOD	_____

MISCELLANEOUS

GARAGE	BILL ADD DRYER VENT FOR DRYER IN GARAGE	
EXTERIOR	BILL TO TOUCHUP PAINT AREAS/ CITY TO TRIM TREE AROUND CABLE SVC	
FURNACE	GOOD	_____
ROOFING	GOOD	_____
SIDING	GOOD	_____
BRICK	GOOD	_____
CHIMNEY	GOOD	_____
PORCH:	BILL REPLACE. SCREENS/ DOOR FAIR	

SIGNATURE OF TENANTS _____ *William Adams*

ADDRESS OF UNIT _____ 6369 PTE. AUX PEAUX, NEWPORT, MICHIGAN 48166

SIGNATURE OF LANDLORD _____ *BB*

LANDLORDS ADDRESS _____ 120 E. FIRST ST., MONROE, MI 48161

LANDLORD'S PHONE NO. _____ (734) 384-9122

DATE _____ 9/5/08



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: WATER TREATMENT PLANT LIQUID ALUMINUM SULFATE CHEMICAL BID

DISCUSSION: The Water Department received and opened two (2) bids on September 8, 2008 to supply Liquid Aluminum Sulfate (Alum). Attached is bid tabulation for reference. The lowest bid meeting all bid specifications is from General Chemical Performance Products, LLC for a 3 month period (October 1, 2008 through December 31, 2008). The vendor has performed satisfactorily and we are confident that they will perform in accordance with the bid specifications.

As you may recall, due to the market volatility with metals, Alum was bid in June 2008 with two contract time frames where a 3 month supply was recommended and awarded. This was completed in an effort to anticipate the market fluctuations with this type of chemical, getting the best price possible, and the fact that the Water Plant staff and the MDEQ are currently trying a new coagulant chemical where it is anticipated to save money overall in chemical and wastewater costs while still providing the same or better water treatment result. The application of this alternative chemical is still being used on a trial basis such that Alum will still be needed at least through December 2008. Note, that another Alum bid may be needed to finish the remaining fiscal year if the alternative chemical does not work out. Adequate funding has been budgeted.

IT IS RECOMMENDED that a purchase order be awarded to General Chemical Performance Products, LLC to supply Liquid Aluminum Sulfate from October 1, 2008 through December 31, 2008 based on the bid unit price of \$412.00 / ton.

CHEMICAL	VENDOR	DURATION	UNIT PRICE	AMOUNT	FEES	COST
Liquid Aluminum Sulfate*	General Chemical Co.	3 Months	\$412.00/Ton	96Tons+/-	None	\$39,552.00

*Remaining 6 months will need to be bid with either Alum or the alternative chemical coagulant

CITY MANAGER RECOMMENDATION:

- For
- For, with revisions or conditions
- Against
- No Action Taken/Recommended

APPROVAL DEADLINE: ASAP

REASON FOR DEADLINE: Provide an adequate amount of chemical at Water Treatment Plant to treat water needed through December 31, 2008.

STAFF RECOMMENDATION: For Against

REASON AGAINST: N/A

INITIATED BY:


Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: Water Department, Water Customers

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ 39,552.00
Cost of This Project Approval	\$ 39,552.00
Related Annual Operating Cost	\$ N/A
Increased Revenue Expected/Year	\$ N/A

SOURCE OF FUNDS:

<u>City</u>	<u>Account Number</u>	<u>Amount</u>
WTP Chemicals	59140537 752000	\$ 39,552.00
<u>Other Funds</u>		

Budget Approval: _____

FACT SHEET PREPARED BY: Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities **DATE:** September 9, 2008

REVIEWED BY: _____ **DATE:** _____

COUNCIL MEETING DATE: September 15, 2008

BID TABULATION

BID REQUEST: LIQUID ALUMINUM SULFATE
BID DUE DATE: SEPTEMBER 8, 2008
BID DUE TIME: 3:00 P.M.

DEPARTMENT: WATER

BIDDER	BID AMOUNT
1 GENERAL CHEMICAL PERMFORMANCE PRODUCTS, LLC	\$412.00 PER TON
2 USALCO	\$558.77 PER TON
3 JCI JONES CHEMICALS, INC	NO BID



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: RIVER SANITARY MANHOLE RECONSTRUCTION – NORTH SIDE OF DAM EAST OF VIRGINIA DRIVE
– CHANGE ORDER AWARD

DISCUSSION: Schumaker Brothers Construction from Ida, Michigan was awarded last year's Sanitary Sewer Replacement Program and has also been performing other projects during 2008 under Change Orders as awarded by the City Council. The first of these was awarded by the City Council on January 22, 2008, for the reconstruction of four (4) large manholes on the City's River interceptor sanitary sewer system. These manholes lie along a particularly important part of our sanitary system, as these 36" to 48" diameter sewers essentially direct nearly all sanitary sewage flows in the City limits to the Wastewater Treatment Plant. A failure of one of these manholes at a time when the river elevation was high could cause a complete failure of the plant, as massive river flows into the plant could overwhelm the system for days. Three of these four manholes have been completed, with the least critical of these having been deferred until later this Fall. Schumaker Brothers has performed previous reconstruction work exceptionally, assisting the Engineering Department with numerous field design changes.

The Monroe County Drain Commissioner's Office has now carried out their plan to lower the River water level to assist with eradication of the Flowering Rush. Since this has been completed, we have identified one additional location, which actually consists of two manhole structures, where water has already been leaking into the sanitary sewer at a high rate, but was undetected due to its being completely underwater until now. Reconstruction of this structure should also include some work on the adjacent storm sewer as well, so we have programmed some costs from the General fund as well for this portion of the work. The work location is on the north bank of the River at the dam immediately east of Virginia Drive extended.

As before, we have asked Schumaker Brothers to provide hourly rates for labor and equipment, as well as required mark-ups, as this type of work cannot be quoted on a lump sum basis due to its high degree of uncertainty. In the past, we have found them to be uniquely suited for this type of work, and they have been employed for several years as the City of Toledo's standby contractor for this type of work as well. Their rates are reasonable, and we feel there is no advantage to competitively bidding this particular work for the above reasons. The change order and attachments have been included for your reference, and these are the same as those submitted in January.

IT IS RECOMMENDED that the City Council award the attached Change Order to the North Roessler Street / Lavender Street Alley Sanitary Sewer Reconstruction (original contract) project to Schumaker Brothers Construction for this work in the amount of \$40,000, and that a total of \$50,000 be encumbered to include a 25% project contingency. **IT IS FURTHER RECOMMENDED** that the City Engineer be authorized to sign the change order on behalf of the City of Monroe.

CITY MANAGER RECOMMENDATION:

- For
- For, with revisions or conditions
- Against
- No Action Taken/Recommended

APPROVAL DEADLINE: As soon as possible

REASON FOR DEADLINE: Contractor would like to complete remaining two manhole replacements before the end of October if possible.

STAFF RECOMMENDATION: X For Against

REASON AGAINST: N/A

INITIATED BY: Department of Engineering and Public Services

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: City Council, Engineering Department, Wastewater Department

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$50,000*
Cost of This Project Approval	\$50,000*
Related Annual Operating Cost	\$ N/A
Increased Revenue Expected/Year	\$ N/A

*Includes 25% contingency, funding is estimated cost only.

SOURCE OF FUNDS:

<u>City</u>	<u>Account Number</u>	<u>Amount</u>
Sanitary Sewer Rehabilitation	590-75.529-973.000 02Z05	\$45,000
Storm Sewer Reconstruction	401-95.449-818.020 07C10	\$5,000
<u>Other Funds</u>		

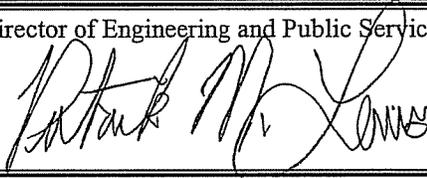
Budget Approval: _____

FACT SHEET PREPARED BY: Patrick M. Lewis, P.E., Director of Engineering and Public Services **DATE:** 09/09/08

REVIEWED BY:

DATE:

COUNCIL MEETING DATE: September 15, 2008



Jan 01, 2008 - Dec 31, 2008

<u>RATES</u>	<u>DESCRIPTION</u>
28.19 Hr	SUPERVISOR Operator - Joe (Ptrn)
	LABOR
28.19 Hr	Operator
21.88 Hr	Laborer
37.91 %	Payroll Taxes & Insurance / Labor
38.00 %	Profit & Overhead / Labor
	Fringe Benefits
10.10 Hr	Operator
9.76 Hr	Laborer

Notes: Payroll Taxes & Insurance - Detail...

6.20 %	FICA
1.45 %	Medicare
0.80 %	FUTA
10.30 %	MI UIA
19.16 %	Workers Comp
<u>37.91 %</u>	Total

Jan 01, 2008 - Dec 31, 2008

RATES DESCRIPTION

VEHICLES

100 Hr	Kenworth Dump Truck (Quad Axle 20yd)
65 Hr	Chevy Dump Truck (1ton)
350 Day	Kenworth Flat Bed (w/sm tools)
350 Day	Grumman Panel Van (w/sm tools)
400 Day	Tk50 - Eq Trailer (25Ton)

EQUIPMENT

250 Hr	Komatsu PC150 Excavator w/Hyd Clamshell
300 Hr	CAT235 Excavator
100 Hr	CAT 304 Mini Excavator
100 Hr	JCB214 Tractor Loader Backhoe
500 Day	Asphalt Roller
400 Use	Video Sewer Camera
100 Day	Square Shoring Box each - from 11ft to 6ft wide by 4ft high
80 Day	Round Shoring Liner each - Small
300 Day	Round Shoring Liner each - 12ft to 10ft dia by 10ft high
200 Day	Perimeter Security (Fencing) Around Excavation
15 Day	Traffic Control Signs
4 Day	Traffic Control Barrels
75 Day	Concrete Cut-Off Saw
60 Day	Chain Saw
100 Day	Cutting Torches
50 Day	Wheel Barrow
100 Day	Compactor - Hand Tamp
175 Day	2" Pump w/Hoses
225 Day	3" Pump w/Hoses
300 Day	Safety Tripod & Harness
350 Day	6.5KW Kubota Generator
150 Day	ManHole Blower
250 Day	Iron Support Beams
500 Use	Air Monitoring Equip
500 Day	Concrete Saw (Target 18 hp)
400 Day	Hydraulic Power Pack
200 Day	Solar Arrow Board
300 Day	Laser Level
700 Day	Pro-Tec Shoring System

Notes: Hourly Rates - 2 Hr minimum
Day Rates - 1/2 Day minimum

Jan 01, 2008 - Dec 31, 2008

<u>RATES</u>	<u>DESCRIPTION</u>
Cost + 15%	Mark up on Materials
Cost + 15%	Rented Equipment
Cost + 15%	Street Barricades / SafeWay (Arrow Board & Lited Barricades, etc...)
Cost + 5%	Mark up on Sub-Contractors
3%	Bond Insurance of Total Cost of Job (Guarantee for work performed)

Notes: PAYMENT TERMS: Net 30 Days

A Finance Charge of 1 1/2% per month (18% per Annum)
will be applied to the unpaid balance after 60 days.



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: USDA WATER SERVICE FUNDING CONTRACTS

DISCUSSION: The City of Monroe Water Department has been approached by the United States Department of Agriculture Rural Development to participate in their Home Improvement and Repair Loans and Grants Section 504 Program. Qualified homeowners must be located within non-urbanized areas to participate in the program such that they can apply to this program to fund home improvements including obtaining water service from public water systems. Qualified homeowners who are located within the City of Monroe Water System service area would then be able to obtain a loan or grant through the program to pay for their water assessment and water service. Attached are typical contracts and forms used where the City of Monroe would be required to execute separate contracts with each eligible homeowner.

Currently there are approximately 3 to 6 homeowners within Exeter Township who are eligible to participate in the program. Other Michigan public water systems have participated in this program in the past and no problems have been experienced. The program process is setup by the Water Department providing a cost sheet to the homeowner; the homeowner applying and being awarded a loan or grant; all documents being executed by all parties; the Water Department installing the service; and then lastly the Water Department submitting the necessary paperwork to obtain reimbursement for the costs of the service installation. Costs of water service installations including system development fees are typically below \$5,000.

The contract and all documents have been reviewed by Tom Ready, City Attorney such that he is familiar with all documents language.

IT IS RECOMMENDED that the City of Monroe participate in the United States Department of Agriculture Rural Development Home Improvement and Repair Loans and Grants Section 504 Program for qualified homeowners located within the City of Monroe Water System service area and that the City Manager be authorized to sign all necessary documents on behalf of the City of Monroe.

CITY MANAGER RECOMMENDATION:

- For
- For, with revisions or conditions
- Against
- No Action Taken/Recommended

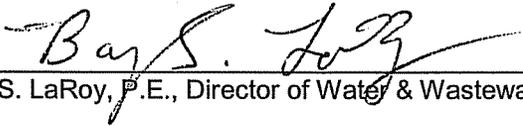
APPROVAL DEADLINE: As soon as possible.

REASON FOR DEADLINE: Execute necessary documents so as to install water services to qualified homeowners.

STAFF RECOMMENDATION: For Against

REASON AGAINST: N/A

INITIATED BY:


Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: City Manager, Water Department, Water Customers

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ N/A
Cost of This Project Approval	\$ N/A
Related Annual Operating Cost	\$ N/A
Increased Revenue Expected/Year	\$ N/A

<u>SOURCE OF FUNDS:</u>	<u>City</u>	Account Number	Amount
	<u>Other Funds</u>		

Budget Approval: _____

FACT SHEET PREPARED BY: Barry S. LaRoy, P.E., Dir. of Water & Wastewater Utilities **DATE:** September 10, 2008

REVIEWED BY: **DATE:**

COUNCIL MEETING DATE: September 15, 2008

CONSTRUCTION CONTRACT

State _____

County _____

This Contract, made this _____ day of _____, 20____,
by _____ of _____
(hereinafter called the "Owner"), and _____ of _____
(hereinafter called the "Contractor").

WITNESSETH that the parties hereto agree as follows:

(A) The Contractor will furnish materials and perform the work for:

for the consideration of _____ dollars (\$ _____),
in accordance with the "General Conditions" shown in this contract and the specifications and the drawings as follows:

(B) The Contractor will start work by _____, 20____, and will complete
the work by _____, 20____ (See paragraph III of General Conditions).

(C) The Owner will make payments as follows. (Check proper payment clause and effectively xxxxxxxx out all of the clauses not applicable.)

- 1. ONE LUMP SUM will be made for the whole contract, upon acceptance by the owner and Rural Development of all work required hereunder and compliance by contractor with all the terms and conditions of this contract.
- 2. PARTIAL PAYMENTS NOT TO EXCEED 60 PERCENT of the value of the work in place (less the aggregate of previous payments) will be made at intervals of _____. The value of work in place shall be as estimated by the contractor and approved by Rural Development. Prior to receiving any partial payment, the contractor must furnish the owner with a statement showing the total amount owed to date for materials and labor procured under this contract and, if required by the owner or Rural Development, must also submit evidence showing that previous partial payments were properly applied and that the current payment will be properly applied. Upon completion of the whole contract and acceptance of the work as required hereunder, by the owner and Rural Development, and compliance by the contractor with all terms and conditions of this contract, the amount due the contractor will be paid.
- 3. PARTIAL PAYMENTS IN THE AMOUNT OF 90 PERCENT of the value of the work in place and of the value of the materials suitably stored at the site (less the aggregate of previous payments) will be made at intervals of _____. The value of the work and materials in place or on site shall be as estimated by the contractor and approved by the owner and Rural Development. Upon acceptance by the owner and Rural Development of all work required hereunder and compliance by the contractor with all terms and conditions of this contract, the amount due the contractor will be paid. The contractor shall, before the owner signs the contract, deliver to the owner a surety bond in the amount of the contract.

(D) The items described below (the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity required by Executive Order 11246, the Equal Opportunity Clause published at 41 CFR 60-1.4 (a) and (b), and the Standard Federal Equal Employment Opportunity Construction Contract Specifications required by Executive Order 11246) apply, during the performance of this contract, if the contract exceeds \$10,000 (This also includes subsequent loans and grants, or contract change orders made during the construction period of the original contract, which will cause the total to exceed \$10,000.) to the following: (1) All contractors or subcontractors who hold any Federal or federally assisted construction contract, (2) All grants, contracts and loans (direct, insured, or guaranteed) let by Rural Development, and (3) All construction work performed by construction contractors and subcontractors for Federal nonconstruction contractors and subcontractors if the construction work is necessary in whole or in part to the performance of a nonconstruction contract or subcontract. The items are applicable to all of a contractor's or subcontractor's employees who are engaged in "on site" construction including those construction employees who work on a non-Federal or non-federally assisted construction site. The items, however, will not preempt state or local government regulations of the construction industry, and will not relieve contractors and subcontractors of the obligations they may have under other affirmative action or equal opportunity programs.

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

- (i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
- (ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
- (iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
- (iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable and participation or community identification).

2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractors failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction projects. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organization's responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source of community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall

provide notice of these programs to the sources complied under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc., by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and recruitment and training organizations serving the Contractor's recruitment area and environment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to the organizations such as above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The effort of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been

established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even through the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at

least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work will be performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (E.G., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(E) The contractor will determine if this contract is subject to a Hometown Plan. Check this block if contract is subject to a Hometown Plan. Effectively xxxxx out this provision if it is not. This contract is subject to the

_____ Plan. The applicable conditions are attached hereto and made a part hereof.

UNDERSTANDING A CONSTRUCTION CONTRACT & THE CONSTRUCTION PROCESS

Prior to signing the Construction Contract, The Borrower, Contractor and Rural Development (RD) County Supervisor must discuss and reach mutual understanding on the following items:

1. INVOLVED PARTIES AND THEIR OBLIGATIONS:

- A. The contract is between the Borrower and the Contractor. Although RD is interested in the proper execution of the Contract, RD is not and will not become a party to the Contract, or incur any liability.
- B. The Contractor will complete the work in accordance with the approved Contract documents, including the plans and specifications. Work will not start prior to loan closing, issuance of the Building Permit, and Notice to Proceed.
- C. The plans and specifications will be checked for incomplete information: utilities, interior finishes, thermal protection, electrical, mechanical and plumbing fixtures, cabinets, hardware, sump discharge, landscaping, drive and walks, etc.
- D. During the time of construction: water, sanitary sewer, electric and heat will be paid by the Contractor. Utilities hookups will be in the name of the Borrower and paid for by the Contractor.
- E. The Borrower and Contractor will read and understand the provisions contained in the MI-FmHA Form and the Construction Contract, and will acknowledge so by signing this Form.

2. CHANGES TO CONTRACT DOCUMENTS:

- A. Any changes made to the plans and specifications will be initialed and dated on all copies by the Contractor, Borrower and RD County Supervisor. The specifications, site plan, floor plan/s, elevations, building section/s, electrical, plumbing and mechanical documents should be complete and signed by the Borrower, Contractor and RD.
- B. Any changes in the Contract will be made using Form FmHA 1924-17 "Contract Change Order", and approved by the Borrower and Contractor, and accepted by the RD County Supervisor before the change takes place. Change orders will cover any material, construction method and/or time changes.

3. PAYMENTS:

- A. Partial payments may be requested, in writing, by the Contractor. Both the Borrower and the RD County Supervisor must be satisfied with the amount and quality of work completed. The amount of the request should be based on the work satisfactorily completed on site less the retainer specified by the Construction Contract. If the Borrower and RD County Supervisor have reason to believe partial payments may not be applied properly, checks will be made jointly to the Contractor and persons furnishing Contract material, equipment and/or labor.
- B. Michigan law gives the right to anyone furnishing labor, material, or equipment to place a claim or lien against the property when their invoices for payment have not been paid. Unconditional lien waivers should be submitted to Rural Development before a final payment is approved.
- C. A list of sub contractors should be furnished to the Borrower and RD by the Contractor.

UNDERSTANDING A CONSTRUCTION CONTRACT & THE CONSTRUCTION PROCESS
(continued - page 2)

4. INSPECTIONS:

- A. The Borrower has the responsibility for making on-site development inspections of the construction as work progresses. The inspections are recommended at least weekly and prior to approval of partial payments. Inspections are to be made during normal business hours of the Contractor, or at other agreed upon times.
- B. The RD County Supervisor, or their designated representative, is responsible for completing periodic inspections to protect the governments interest in the project, and determine the authorized amount of work satisfactorily completed. The Contract will establish the minimum inspections required. The Contractor should notify the RD County Supervisor at least two days prior to the required inspections. Required FmHA posters and the Building Permit weather card will be posted on site.
- C. The Borrower, Contractor and RD County Supervisor will be present for the final inspection. Forms FmHA 1924-12 "Inspection Report"; and FmHA 1924-14 "Builder's Warranty" will be completed.

5. CLOSING:

- A. The contractor, at final closing of the Contract, will furnish completed Form FmHA 1924-10 "Release of Claimants", and sign Form FmHA 1924-9 "Certificate of Contractor's Release".
- B. Liquidated damages should be resolved between the Borrower and the Contractor prior to final payment.

6. DISPUTES:

Disputes in the construction and/or completion of the Contract will be resolved between the Borrower and Contractor with Rural Development remaining informed by both parties to the Contract.

(Contractor's name & signature)

(Borrower's name & signature)

(Rural Development - name & signature)

(date)

PN 775 (6/7/96)

oOo

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

(Contractor)

(Owner)

GENERAL CONDITIONS

I. CHANGES IN WORK.- The Owner may at any time, with the approval of the official designated by Rural Development (hereinafter called the Representative), make changes in the drawings and specifications, within the general scope thereof. If such changes cause an increase or decrease in the amount due under this contract or in the time required for its performance, an equitable adjustment will be made, and this contract will be modified accordingly by a "Contract Change Order". No charge for any extra work or material will be allowed unless the same has been ordered on such contract change order by the Owner with the approval of the Representative, and the price therefore stated in the order.

II. INSPECTION OF WORK.- All materials and workmanship will be subject to inspection, examination, and test, by the Representative, who will have the right to reject defective material and workmanship or require its correction.

III. COMPLETION OF WORK.- If the Contractor refuses or fails to complete the work within the time specified in paragraph B of this contract, or any extension thereof, the Owner may, with the approval of the Representative, terminate the Contractor's right, to proceed. In such event the Owner may take over the work and prosecute the same to completion by contract or otherwise and the Contractor will be liable for any excess cost occasioned the Owner thereby; and the Owner may take possession of and utilize in completing the work such materials and equipment as may be on the site of the work and necessary therefore. If the Owner does not terminate the right of the Contract to proceed, the Contractor will continue the work, in which event, actual damages for delay will be impossible to determine, and in lieu thereof, the Contractor may be required to pay to the Owner the sum of

\$ _____ as liquidated damages for each calendar day of delay, and the Contractor will be liable for the amount thereof. Provided, however, that the right of the contractor to proceed will not be terminated because of delays in the completion of the completion of the work due to unforeseeable causes beyond the Contractor's control and without Contractor's fault or negligence.

IV. RELEASES.- Prior to final payment, the Contractor will submit evidence that all payrolls, material bills, and other indebtedness connected with the work have been paid as required by the Owner or the Representative.

V. OBLIGATION TO DISCHARGE LIENS.- Acceptance by the Owner and the Representative of the completed work performed by the Contractor and payment therefore by the Owner will not relieve the Contractor of obligation to the Owner (which obligation is hereby acknowledged) to discharge any and all liens for the benefit of subcontractors, laborers, material- person, or any other persons performing labor upon the work or furnishing material or machinery for the work covered by this contract, which have attached to or may subsequently attach to the property, or interest of the Owner.

VI. NOTICES AND APPROVAL IN WRITING.- Any notice, consent, or other act to be given or done hereunder will be valid only if in writing.

VII. ADDITIONAL REQUIREMENTS.- The Contractor, in the performance of this contract, will comply with all applicable Equal Opportunity requirements. The provisions of RD Instruction 1901-F concerning the protection of historical and archaeological properties and the provisions of RD Instruction 1940-G concerning environmental requirements apply. The contractor understands that should any archaeological resources be discovered during the construction process, the contractor will notify the owner and cease further construction activity that could affect the resource until the Owner has consulted with Representative and the Contractor is informed of any steps to be taken or told to proceed with construction.

VIII. CLEANING UP.- The contractor shall keep the premises free from accumulation of waste material and rubbish and at the completion of the work shall remove from the premises all rubbish, implements and surplus materials and leave the building broom-clean.

IX. BUILDERS WARRANTY.- Upon completion of the work the contractor will; (Check proper warranty clause and effectively xxxxxxxx out the inapplicable clause.)

execute Form RD 1924-19, "Builders Warranty"

provide an RD - approved 10-year home warranty policy in accordance with Section 1924.9 and Exhibit L of

RD Instruction 1924-A.

BUILDER'S WARRANTY

Name(s) and Address of Purchaser(s)/Owner(s)

Property Location

For good and valuable consideration, the undersigned Warrantor hereby warrants to the Purchaser(s) or Owner(s) identified above and to his (their) successors or transferees, all of whom are hereinafter referred to as Owners that:

The building, including appurtenances located on the property identified above, is constructed or improved in substantial conformity with the drawings and specifications which have been approved in writing by the Farmers Home Administration (FmHA). This Warranty applies to all workmanship, materials, and the installation of equipment (including, but not limited to, the heating system, water heater, ranges and refrigerator).

The Owners shall give written notice to the Warrantor promptly after the discovery of any defective condition. Such written notice must be given to the Warrantor during the period of warranty. The period of warranty shall be (a) in the case of new construction or rehabilitation, one year from the date of initial occupancy of the completed or rehabilitated building or (b) in the case of improvements made to an existing building owned by the Owners prior to the improvements being made, one year from the date of the completion of the work.

It is agreed and understood that this warranty shall apply only to those defective conditions of which the Warrantor has been given written notice during the period of warranty.

Warrantor further agrees that he will take any necessary actions to correct such defective conditions within _____ days of receipt of written notice. If such action is not taken within _____ days, the Owners may, at their option, contract with another party for the correction of the defects. Warrantor agrees to pay any expenses incurred by the Owners to correct defects covered by this Warranty.

This warranty shall be in addition to, and in no way reduce, all other rights and privileges which such Owners may have under any other law or instrument, and shall be binding on the Warrantor notwithstanding any provision to the contrary contained in the contract of purchase or any other instrument executed by the Owners.

This warranty is executed, in part, for the purpose of inducing the Farmers Home Administration, United States Department of Agriculture, to make, insure, or guarantee a loan on the captioned property.

If this is signed by anyone other than the Warrantor, the person signing for the Warrantor represents and certifies that he is authorized to execute same by the Warrantor and by his signature the Warrantor is bound under the terms and conditions of this warranty.

- NOTES:
- A. Builder or Dealer-Contractor to complete all three forms except dates, meet with owner to agree on warranty period, sign and give to owner with the final request for payment.
Owner to meet with Warrantor to agree on warranty period and to date and sign, retain original, and forward one copy to contractor, and one to FmHA with the final request for payment.
 - B. This warranty shall be required in all cases involving new construction or rehabilitation of buildings including those built under contract, those built for sale without FmHA required construction inspections and those under conditional commitment procedures.

WARNING

Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$250,000 or imprisoned not more than five years, or both."

Public reporting burden for this collection of information is estimated to average 15 minutes per response including the time for reviewing instructions searching existing data sources, gathering and maintaining the data needed and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, AG Box 7630 Washington D.C. 20250; to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0042), Washington, D.C. 20503. Please DO NOT RETURN this form to either of these addresses. Forward to FmHA only.

In addition to the preceding warranty, the following items are covered by a company warranty and/or guarantee as follows:

Item	Serial & Model No.	Name and Address of Company	No. Yrs. or Mos. of Warranty
Heating System			
Kitchen Range			
Water Heater			
Refrigerator			
Manufactured Home			
Other			
Other			

NOTICE TO PURCHASER(S)/OWNER(S): ANY NOTICE OF DEFECTIVE WORKMANSHIP, MATERIALS OR NONCONFORMITY MUST BE DELIVERED TO THE WARRANTOR NO LATER THAN _____

(Warrantor shall insert date one(1) year from initial occupancy, date of conveyance of title or date of completion, whichever is applicable.) All plastic pipe used in this job will carry a 5-year warranty from the date shown by the Warrantor above.

We have furnished the above company warranties and/or guarantees to the owner for his/her use. If this warranty covers a manufactured home, we certify that the manufactured home property substantially complies with the plans and specifications and the manufactured home sustained no hidden damage during transportation and, if manufactured in separate sections, that the sections were properly joined and sealed according to the manufacturer's specifications.

IN TESTIMONY WHEREOF, the Warrantor has signed this warranty this _____ day of _____, 19 _____

_____, 19 _____

(Warrantor's Address)

By _____ (SEAL)
Warrantor (Signature & Title)

Receipt of this warranty is acknowledged this _____ day of _____, 19 _____

Purchaser(s)/Owner(s)

FMHA 1924-19

Signature of Purchaser(s)/Owner(s)
Date of receipt of warranty

including existing for
any other agent
Washington, D.C. 20250
to any other of these

Date _____

Dear Sir:

I hereby acknowledge the receipt of _____ dollars
(\$ _____) in full payment of my contract dated _____ for improvement work which I did for you and
which is described in my contract.

I certify that I have paid in full for all materials purchased and all labor employed in the performance of this contract, and that there
are no claims against me under this contract on account of injuries sustained by workers employed by me or by subcontractors
thereunder. I hereby release you from any claims arising by virtue of this contract.

I am attaching Form RD 1924-10, "Release by Claimants," signed by all persons from whom I have purchased materials and by all
subcontractors and all persons employed in connection with my contract with the above-named borrower.

WARNING

The statements and representations made above are made in connection with construction financed in whole or
in part by the United States Department of Agriculture (USDA). The statements and representations will be
used to determine the release of USDA provided funds. The making of any false statement or misrepresentation
herein may be a crime punishable under Title 18 U.S.C. § 1001 which provides in part: "Whoever, in any matter
within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or
covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or
representations, or makes or uses any false writing or statement or entry, shall be fined under [title 18 of the United
States code] or imprisoned not more than five years, or both.

Sincerely,

Contractor

Position 6

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0042. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: Mason Run Environmental Protection Agency Revolving Loan Fund (RLF) Agreement Amendments

DISCUSSION: The environmental response to phase 5 of the Mason Run brownfield site began in September 2007. The total budget available for the response at the beginning of the project was \$2,566,611. The sources of that funding were as follows:

Michigan Clean Michigan Initiative (CMI) Loan	\$ 800,000
EPA RLF Funding	1,200,000
City Brownfield Cleanup RLF Grant	<u>566,611</u>
Total	\$2,566,611

The CMI loan will be repaid to the State of Michigan. The Brownfield Redevelopment Authority (\$1,175,000) and Creative Land Design (\$25,000) will repay the RLF loan to the City of Monroe. The CMI loan and the RLF loan will be repaid through tax increment revenue captured by the Brownfield Redevelopment Authority (BRA). Both loans were approved by the City Council in 2005.

The BRA has been advised by its engineers that it will need an additional \$370,000 to prepare additional Mason Run land for residential redevelopment. The EPA has advised the City that an additional \$250,000 is available in RLF funds. This would increase the previously approved \$1.2 million to \$1.45 million. In addition, the BRA has repaid approximately \$120,000 of a prior revolving loan that was received on earlier phases of Mason Run. The prior revolving loan money that has been repaid is required to be administered by the BRA and the funds must be used to provide assistance to brownfield redevelopment projects for eligible activities and for which a brownfield plan has been prepared. These two items are the proposed funding sources for the additional costs that need to be incurred to prepare a majority of the site for residential redevelopment.

In addition to those funding options, the City of Monroe has been advised by the EPA that it has the ability to discount a prior Brownfield Cleanup Revolving Loan Fund (BCRLF) loan that was made to the BRA by up to \$200,000. This loan was made for the environmental response costs for previous phases of Mason Run. If the City Council were to approve this discount, the BCRLF loan balance would be reduced by \$200,000. The long term effect of doing this is that the repayment of those funds can ultimately be used on other brownfield projects, and they would not be available for that purpose, but if this action were combined with approval of the \$250,000 addition to the RLF funding, the funds that would ultimately come back to the City would actually be increased by \$50,000 in total and the BRA's loans would be increased by the same amount.

The BRA, at its August 21, 2008 meeting, passed two separate motions asking (1) the City Council to approve the additional RLF funding in the amount of \$250,000, and (2) the City Council to discount the BCRLF loan made to the BRA in 2003 by \$200,000.

When these RLF funding sources are received from the EPA, the City of Monroe agrees to accept the funds, but before the funds can be used, the City must find someone to accept a loan and perform the development project. To document that loan, a loan agreement and a promissory note are signed by both parties. Amendments to agreements already signed must occur for the funding discussed above to take place.

It is recommended that the Mayor and City Council, subject to any further modifications required by the EPA, (1) approve amending the cooperative agreement with the United States Environmental Protection Agency related to the City of Monroe Brownfield Revolving Loan Fund by increasing the total budget by \$250,000 to \$1.45 million, (2) approve amending the loan agreement and promissory note between the City of Monroe and the Brownfield Redevelopment Authority by increasing the amount loaned from \$1.175 million to \$1.425 million, and (3) approve amending the Brownfield Cleanup Revolving Loan Fund agreement and promissory note between the City of Monroe and the Brownfield Redevelopment Authority by discounting the amount owed by the BRA by \$200,000.

CITY MANAGER RECOMMENDATION:

- For
- For, with revisions or conditions
- Against
- No Action Taken/Recommended

APPROVAL DEADLINE: 9/15/2008

REASON FOR DEADLINE: Contract prices and fall 2008 completion of the project

STAFF RECOMMENDATION: For Against

REASON AGAINST: N/A

INITIATED BY: Edward Sell, Finance Director and Brownfield Redevelopment Authority

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: BRA and Mason Run Neighborhood

FINANCES

COST AND REVENUE PROJECTIONS:

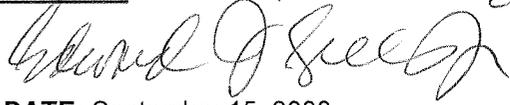
Cost of Total Project	\$ N/A
Cost of This Project Approval	\$ 50,000
Related Annual Operating Cost	\$ N/A
Increased Revenue Expected/Year	\$ N/A

SOURCE OF FUNDS:	<u>City</u>	<u>Account Number</u>	<u>Amount</u>
			\$ N/A
	<u>Other Funds</u>		\$ N/A
	Brownfield Redevelopment Authority Tax Captures		\$ 50,000
	BRA BCRLF Loan Repayment Fund (244-65.802-818.020)		\$ 120,000
			\$ N/A

Budget Approval: 

FACT SHEET PREPARED BY: Edward Sell, Finance Director 

DATE: 9/9/2008

REVIEWED BY: 

DATE: 9-10-08

COUNCIL MEETING DATE: September 15, 2008

FIRST AMENDMENT TO
EPA BROWNFIELDS CLEANUP REVOLVING
LOAN FUND AGREEMENT
FOR PHASE FIVE OF
THE MASON RUN PROJECT

THE CITY OF MONROE BROWNFIELD REDEVELOPMENT AUTHORITY

This First Amendment to the Loan Agreement is entered into by and between the City of Monroe, 120 East First Street, Monroe, Michigan 48161, a municipal corporation organized under the laws of Michigan as a home rule city, and the City of Monroe Brownfield Redevelopment Authority, 2929 East Front Street, Monroe, Michigan 48161.

RECITALS

- A. The City of Monroe and the Brownfield Redevelopment Authority entered into an agreement on November 21, 2007 in which the Brownfield Redevelopment Authority agreed to borrow One Million One Hundred Seventy-Five Thousand Dollars (\$1,175,000) for the redevelopment of Phase Five of the Mason Run Project, pursuant to Cooperative Agreement No. BL-96580601-0 with the United States Environmental Protection Agency awarded September 23, 2005.
- B. The City of Monroe obtained supplemental funding from the United States Environmental Protection Agency under the Brownfield Cleanup Revolving Loan Fund in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) for Phase Five of the Mason Run Project.
- C. The Mason Run Project engineers have advised the Brownfield Redevelopment Authority that additional funds will be needed to finish preparing a majority of the Phase Five portion of the project for residential redevelopment. The supplemental funding awarded to the City of Monroe will be used for that purpose.

NOW, THEREFORE, in consideration of the mutual promises set forth hereinafter, the City and the Brownfield Redevelopment Authority agree as follows:

- 1. **Loan.** The amount of the loan set forth in section 1 is being revised from One Million One Hundred Seventy-Five Thousand Dollars (\$1,175,000) to One Million Four Hundred Twenty-Five Thousand Dollars (\$1,425,000).
- 2. **Promissory Note.** The obligation of the Brownfield Redevelopment Authority to repay the loan shall be evidenced by the amended Promissory Note, attached hereto as Exhibit B1.
- 3. All terms and conditions of the original Brownfields Cleanup Revolving Loan Fund Agreement not inconsistent herewith shall remain in full force and effect.
- 4. This first amendment will become effective when approved and executed by the Brownfield Redevelopment Authority and approved by the City Council and signed by the Mayor and Clerk.

This Loan Agreement was approved by the City of Monroe Brownfield Redevelopment Authority and the Chairman was authorized to sign this first amendment on the ___ day of _____, 2008.

The City of Monroe Brownfield Redevelopment Authority

Thomas A. Krzyston, Chairman

Subscribed and sworn to before me on _____ on behalf of the City of Monroe Brownfield Redevelopment Authority.

Notary Public, Monroe County

My commission expires

This Loan Agreement was approved by the Monroe City Council and the Mayor and Clerk were authorized to sign this first amendment on the ___ day of _____, 2008.

City of Monroe

Mark G. Worrell, Mayor

Charles D. Evans, Clerk

Subscribed and sworn to before me on _____ on behalf of the City of Monroe, Michigan.

Notary Public, Monroe County

My commission expires

**EXHIBIT B1
FIRST AMENDMENT TO PROMISSORY NOTE
BORROWER: BROWNFIELD
REDEVELOPMENT AUTHORITY
MASON RUN PROJECT**

\$1,425,000.00

Monroe, Michigan
_____, 2008

1. The amount of the original Promissory Note, a principal sum of One Million One Hundred Seventy-Five Thousand Dollars (\$1,175,000), shall be increased by a sum of Two Hundred Fifty Thousand Dollars (\$250,000) to a principal sum of One Million Four Hundred Twenty-Five Thousand Dollars (\$1,425,000). This Two Hundred Fifty Thousand Dollars (\$250,000) was made available by supplemental funding received from the United States Environmental Protection Agency in the form of a Brownfield Revolving Loan Fund loan.
2. All terms and conditions set forth in the original Promissory Note not inconsistent herewith shall remain in full force and effect.

To the BRA: The City of Monroe Brownfield Authority
120 East First Street
Monroe, MI 48161

Attention: Thomas A. Krzyston, Chairman (or his successor)

With copies to: Edward Sell, City of Monroe Finance Director (or his successor)

To the City: City of Monroe
120 East First Street
Monroe, MI 48161

Attention: Mayor Mark G. Worrell (or his successor)

With copies to: George Brown, City Manager
(or his successor)

The City of Monroe Brownfield Redevelopment Authority (Obligor)

Thomas A. Krzyston, Chairman

**FIRST AMENDMENT TO
BROWNFIELDS CLEANUP REVOLVING
LOAN FUND AGREEMENT
FOR PORTIONS OF
THE MASON RUN PROJECT**

THE CITY OF MONROE BROWNFIELD REDEVELOPMENT AUTHORITY

This First Amendment to the Loan Agreement (the “**Agreement**”) is entered into by and between the **City of Monroe**, 120 East First Street, Monroe, Michigan 48161, a municipal corporation organized under the laws of Michigan as a home rule city, (“**City**”), and the City of Monroe Brownfield Redevelopment Authority (“**BRA**”), 2929 East Front Street, Monroe, Michigan 48161.

RECITALS

- A. The City and the BRA entered into a certain Loan Agreement dated with an effective date of July 17, 2003 in accordance with the requirements of a certain Cooperative Agreement No. BL 97598201-0 awarded September 16, 2002 between the UEPA and the City.
- B. Pursuant thereto the BRA executed a promissory note payable to the City in the sum of \$312,758.00 based upon the initial estimate for the BRA’s portion of the costs for the cleanup of certain phases of the Mason Run Project as further described in the initial Loan Agreement.
- C. Thereafter the BRA executed a First Amendment to said promissory note in the amount of \$469,977.00 based upon the actual costs for the BRA’s portion of the costs for said cleanup.
- D. Based upon the EPA rules and regulations applicable to the above mentioned Cooperative Agreement under the EPA’s Brownfields Cleanup Revolving Loan Program, as amended, and based upon communications with EPA Region Five, the City may discount the loan made to the BRA for the applicable phases of the Mason Run Project by the amount of \$200,000.

NOW THEREFORE, the City and BRA agree as follows:

- 1. The City does hereby discount the balance of the promissory note, currently \$376,084.98, by the sum of \$200,000, resulting in a current balance without

accrued interest as of the date this Amendment is approved by the City in the amount of \$176,084.98.

2. The City and the BRA agree to execute a Second Amendment to the promissory note in the amount of the discounted amount set forth above.
3. All terms and conditions of the original Brownfields Cleanup Revolving Loan Fund Agreement not inconsistent herewith shall remain in full force and effect.
4. This First Amendment will become effective when approved and executed by the BRA and the City and signed by the Mayor and Clerk and BRA representatives.

This Loan Agreement was approved by the City of Monroe Brownfield Redevelopment Authority and the Chairman was authorized to sign this first amendment on the ___ day of _____, 2008.

The City of Monroe Brownfield Redevelopment Authority

Thomas A. Krzyston, Chairman

Subscribed and sworn to before me on _____ on behalf of the City of Monroe Brownfield Redevelopment Authority.

Notary Public, Monroe County
My commission expires

This Loan Agreement was approved by the Monroe City Council and the Mayor and Clerk were authorized to sign this first amendment on the ___ day of _____, 2008.

City of Monroe

Mark G. Worrell, Mayor

Charles D. Evans, Clerk

Subscribed and sworn to before me on _____ on behalf of the City of Monroe, Michigan.

Notary Public, Monroe County
My commission expires

**SECOND AMENDMENT TO
PROMISSORY NOTE
BORROWER:
BROWNFIELD REDEVELOPMENT AUTHORITY
MASON RUN PROJECT**

\$176,084.98

Principal due after discount

Monroe, Michigan
_____, 2008

1. The amount of the first amendment to the Promissory Note, a principal sum of Four Hundred Sixty-Nine Thousand Nine Hundred Seventy-Seven Dollars (\$469,977.00), shall be discounted by a sum of Two Hundred Thousand Dollars (\$200,000) and principle paid to a principal sum of One Hundred Seventy-Six Thousand Eighty-Four Dollars and Ninety-Eight Cents (\$176,084.98).

2. All terms and conditions set forth in the first amendment to the Promissory Note not inconsistent herewith shall remain in full force and effect.

To the BRA: The City of Monroe Brownfield Authority
120 East First Street
Monroe, MI 48161

Attention: Thomas A. Krzyston, Chairman (or his successor)

With copies to: Edward Sell, City of Monroe Finance Director (or
his successor)

To the City: City of Monroe
120 East First Street
Monroe, MI 48161

Attention: Mayor Mark G. Worrell (or his successor)

With copies to: George Brown, City Manager
(or his successor)

The City of Monroe Brownfield Redevelopment Authority (Obligor)

Thomas A. Krzyston, Chairman