
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) 384-9138. The City of Monroe website address is www.monroem.gov.

**AGENDA - CITY COUNCIL REGULAR MEETING
MONDAY, OCTOBER 17, 2011
7:30 P.M.**

I. CALL TO ORDER.

II. ROLL CALL.

III. INVOCATION/PLEDGE OF ALLEGIANCE.

IV. PROCLAMATION.

211 November, 2011 – Native American Indian Heritage Month.

V. PRESENTATION.

Introduction of Fire Chief, Manuel T. Hoskins.

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 Work Session held on Monday, October 3, 2011 and the minutes of the Regular Meeting held on Monday, October 3, 2011.

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

212 Commemoration of The Battles of The River Raisin Annual Request.

1. Communication from the City Manager's Office, submitting a request from the Friends of the River Raisin Battlefield for permission to hold the annual Commemoration of the Battles of the River Raisin on January 21, 2012, and recommending that Council approve the request contingent upon items being met as outlined by the administration, subject to Council adopted policy and communication with Monroe Multi Sports Complex management, insurance requirements being met, and that the City Manager be granted authority to alter/amend the event due to health and/or safety reasons.
2. Supporting documents.
3. Accept, place on file and the recommendation be carried out.

- 213 DDA Parking Project Financing Notice of Intent Resolution.
1. Communication from the Finance Director, submitting a Downtown Development Authority (DDA) Parking Project Financing Notice of Intent resolution for the parking project at the Laurel-Finzel Parking Lot area, and recommending that Council approved the attached Notice of Intent Resolution related to the 2012 Capital Improvements Bonds.
 2. Supporting documents.
 3. Accept, place on file and the resolution be adopted.
- 214 Wastewater Treatment Plant – Centrifuge Replacement Parts Bids.
1. Communication from the Director of Water & Wastewater Utilities, reporting back on bids received to supply Centrifuge Replacement Parts for routine maintenance, and recommending that a purchase order be awarded to Applied Industrial out of Toledo, OH in the amount of \$15,456.30 to supply Centrifuge Replacement Parts in accordance with the bid specifications.
 2. Supporting documents.
 3. Accept, place on file and the recommendation be carried out.
- 215 S2 Grant Revised Application and Resolution – Wet Weather Facilities and Infiltration / Inflow Removal Improvements.
1. Communication from the Director of Water & Wastewater Utilities, submitting a proposed resolution authorizing the submittal of the revised S2 Grant application to the MFA and DEQ for planning and/or design activities, and recommending that Council adopt the proposed Resolution in order to maximize the S2 Grant \$1 million limit and meet the program deadline.
 2. Supporting documents.
 3. Accept, place on file and the resolution be adopted.
- 216 Support of a Five-Year Extension of The Tool & Die Renaissance Recovery Zone For Premier Industries Corporation Located at 513 North Dixie Highway.
1. Communication from the Director of Economic & Community Development, submitting a proposed resolution in support of a five-year extension of the Tool & Die Renaissance Recovery Zone for Premier Industries Corporation located at 513 North Dixie Highway, and recommending that Council support the five-year extension of the Tool & Die Renaissance Recovery Zone for Premier Industries Corporation located at 513 North Dixie Highway, by adopting Resolution 11-56 and authorize the Mayor and Clerk-Treasurer to complete the requisite documentation.
 2. Supporting documents.
 3. Accept, place on file and the resolution be adopted.
- 217 Approval of The construction of The Proposed Civil War Monument at Soldiers and Sailors Park.
1. Communication from the Director of Economic & Community Development, submitting a request for the approval of the construction of the proposed Civil War Monument at Soldiers and Sailors Park, and recommending that Council approve the proposed Civil War Monument at Soldiers and Sailors Park with the following conditions: 1) A building permit must be obtained by the construction contractor and foundation placement must be pre-approved by the Department of Water & Wastewater Utilities, 2) The final extent of the concrete court area is approved by the Department of Economic & Community Development prior to installation, 3) The applicant posts a surety bond adequate to cover a proportional share of the sanitary sewer lining, which is estimated to be a minimum of \$4,000.00, prior to installation of the foundations, 4) The \$10,000.00 endowment fund be deposited with the City prior to placement of the granite blocks, and 5) An

instrument dedicating the monument to the City is executed prior to final completion and acceptance of the monument.

2. Supporting documents.
3. Accept, place on file and the recommendation be carried out.

218 Adoption of A Revised Resolution Approving The Industrial Facilities Property Tax Exemption For MacSteel Monroe Incorporated.

1. Communication from the Director of Economic & Community Development, submitting a revised resolution approving the Industrial Facilities Property Tax Exemption for MacSteel Monroe Incorporated, and recommending that Council adopt the revised resolution approving the Industrial Facilities Exemption for MacSteel Monroe Incorporated for their facility located at 3000 E. Front Street for a period of 12-years, and authorize the Clerk-Treasurer to complete the requisite documentation.
2. Supporting documents.
3. Accept, place on file and the resolution be adopted.

219 West Front Street Reconstruction Funding Contract With MDOT.

1. Communication from the Director of Engineering & Public Services, submitting a proposed resolution delineating the terms of the West Front Street Reconstruction Contract with the Michigan Department of Transportation, MDOT, and the City of Monroe, and recommending that the attached resolution be approved, and that the local share of the costs be appropriated as detailed in the financial information below.
2. Supporting documents.
3. Accept, place on file and the resolution be adopted.

VII. MAYOR'S COMMENTS.

VIII. CITY MANAGER COMMUNICATION.

IX. COUNCIL COMMENTS.

X. CITIZEN COMMENTS

XI. ADJOURNMENT.

PROCLAMATION

WHEREAS, National American Indian Heritage Month is celebrated to recognize the significant contributions the first Americans made to the establishment and growth of the United States; and

WHEREAS, Dr. Arthur C. Parker, a Seneca Indian, led the campaign for an official day of recognition for the "First Americans" in the early 1900's, and

WHEREAS, historic observances enrich the lives of all citizens by providing a deeper understanding of the diversity of our unique Monroe heritage; and

WHEREAS, Native American Indian peoples in the Monroe County area were the Potawatomie, Ottawa, Wyandot and Huron; and

WHEREAS, Native Americans have contributed immeasurably to our country as scholars, artists, entrepreneurs, leaders, and have served in the United States Armed Forces with honor and distinction; and

WHEREAS, the theme of Native American Indian Heritage Month is "*A true Conservationist is a man who knows the world is not given by his fathers, but borrowed from his children*"; and

WHEREAS, November is a time to learn more about the history and heritage of Native American peoples and it is important to recognize and celebrate Monroe's earliest ancestors, the Native American Indians, who were the original inhabitants, explorers and settlers of the United States.

NOW, THEREFORE, I, Robert E. Clark, Mayor of the City of Monroe, with the full support of City Council, do hereby proclaim November 2011, as "**NATIVE AMERICAN INDIAN HERITAGE MONTH**" in Monroe, and we take this opportunity to honor and celebrate the contributions and heritage of Native Americans during this month.

IN WITNESS WHEREOF, We have hereunto set our hands and caused the Seal of the City of Monroe to be affixed this 17th day of October 2011.

Council Members:

Robert E. Clark, Mayor

Jeffery A. Hensley, Precinct 1

Edward F. Paisley, Precinct 2

Christopher M. Bica, Precinct 3

Jeremy J. Molenda, Precinct 4

Mary V. Conner, Precinct 5

Brian P. Beneteau, Precinct 6

honor and remember those accomplishments, contributions, and sacrifices endured by our earliest ancestors.

And...we call upon all citizens to commemorate this month with appropriate activities and programs and to recognize the importance of preservation to our heritage, to ourselves, and to our future.

.
... we honor and celebrate their importance to our great city and state.

.....reflect upon the past and recognize the many accomplishments, contributions, and sacrifices, Native Americans have made to the shaping of America.



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: REQUEST FROM THE FRIENDS OF THE RIVER RAISIN BATTLEFIELD TO HOLD THE ANNUAL COMMEMORATION OF THE BATTLES OF THE RIVER RAISIN ON JANUARY 21, 2012

DISCUSSION: The City received a request from Ralph Naveaux, President of the Friends of the River Raisin Battlefield, for permission to hold the annual Commemoration of the Battles of the River Raisin on January 21, 2012. Specifically the request is to: 1. Allow use of the field on the corner of Dixie Highway and Elm for a military tactical demonstration between 9:30 a.m. and 11:30 a.m., as well as the parking lot at the Monroe Multi Sports Complex., 2. March up to eighty (80) 1812 military personnel from the Battlefield Museum to the tactical area and back to the Museum, with assistance from the Police Department as the re-enactors cross North Dixie Highway, and 3. Allow additional parking on Detroit Avenue and East Elm Avenue, and 4. Snow clearance from sidewalks, parking lots, etc., as may be necessary and within the jurisdiction of the city.

The request was reviewed by the administrative staff and there were no objections to the request subject to insurance requirements being met and emergency vehicle access being maintained.

The Police Department has no objections to this annual request. The Squad Supervisor will be made aware of the event so they can assist the re-enactors in crossing North Dixie Highway at 10:00 a.m. and again at the conclusion of the tactical demonstration, as well as make periodic checks of this event.

The Department of Public Services should be able to provide the requested snow removal services provided that there is not a city-wide snow emergency in place at the time of the event. There is a minor chance that the railroads will still be performing required crossing work at the time of the event, but alternate pedestrian arrangements could probably be made in any event.

Therefore, it is recommended, that City Council approve the request contingent upon items being met as outlined by the administration, subject to Council adopted policy and communication with Monroe Multi Sports Complex management, insurance requirements being met, and that the City Manager be granted authority to alter/amend the event due to health and/or safety reasons.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE:

REASON FOR DEADLINE:

STAFF RECOMMENDATION: For Against

REASON AGAINST:

INITIATED BY: City Manager's Office

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: D.P.S., Police, Attorney, Engineering, Fire, Finance, Building and Manager

FINANCES

<u>COST AND REVENUE PROJECTIONS:</u>	Cost of Total Project	\$
	Cost of This Project Approval	\$
	Related Annual Operating Cost	\$
	Increased Revenue Expected/Year	\$

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

Budget Approval: _____

FACT SHEET PREPARED BY: City Manager's Office

DATE: 10/4/11

REVIEWED BY:

DATE:

COUNCIL MEETING DATE: 10/17/11

Ralph J. Naveaux
2896 Lakeshore
Monroe, Michigan 48162

September 23, 2011

George Brown
City Manager
City of Monroe

Dear Mr. Brown:

The Friends of the River Raisin Battlefield are sponsoring the annual Commemoration of the Battles of the River Raisin on Saturday, January 21, 2012. Our planned program for the 199th anniversary of the battle will begin with registration of participants at 9 am, followed by a tactical demonstration at 10 am. Ceremonies will continue at the River Raisin National Battlefield Park, followed by presentations at the Monroe County Historical Museum.

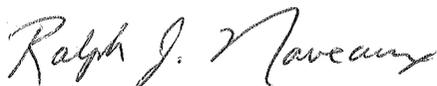
To facilitate this program and accommodate the re-enactors and public who will be attending this event, we are asking the city of Monroe to:

1. Allow the use of the field on the corner of N. Dixie Highway and E. Elm Avenue, as well as the parking lot at the Monroe Sports Center Ice Rink for our tactical demonstration and parking from 9:30 am to 11:30 am.
2. We would like to march up to 80 military personnel from the Battlefield Visitor Center to the Sports Center area and back along E. Elm.
3. We would like additional parking along Detroit Street and E. Elm Avenue with any snow clearance from sidewalks, parking lots, etc., as may be necessary and within the jurisdiction of the city.

This program has been successful in the past in attracting visitors and participants to Monroe and in serving the educational and cultural interests of our community. We thank you for the past support provided by the City of Monroe and hope you will continue to assist us in cooperation with the RRNBP and other local groups and agencies preparing for the grand 200th anniversary in 2013.

For further information, please call me at 734-289-2253 or email ralphnaveaux@att.net.

Sincerely,



Ralph J. Naveaux
President, Friends of the River Raisin Battlefield
Co-chair, Monroe County War of 1812 Bicentennial Steering Committee
Vice-Chair, Michigan Commission on the Commemoration of the War of 1812

RECEIVED

SEP 23 2011

CITY MANAGER'S OFFICE

Memorandum

To: Thomas C. Moore III, Chief of Police
From: Lt. Gregory N. Morgel
CC: Patricia Weaver, Executive Secretary to the Mayor/Manager City of Monroe
Date: September 26, 2011
Re: **Staff Study - Commemoration of the "Battles of the River Raisin"**

I have reviewed the request submitted by the "Friends of the River Raisin" concerning the Commemoration of the "Battle of the River Raisin" event scheduled for Saturday January 21, 2012 from 9:00 am – 1:00 pm at the Battlefield Visitor Center at 1403 East Elm Avenue, as well as at the battlefield site near the Monroe Multi-Sports Complex. This is an annual event; however the group has requested police involvement for the second time to assist the re-enactors during a march down East Elm Avenue and across North Dixie Highway.

The event organizer, Ralph Naveaux, advised that as part of the ceremony, approximately eighty re-enactors will be marching from the Battlefield Visitor Center to the battlefield site near the Multi-Sports complex and back. On September 26, 2011, I spoke with Mr. Naveaux in regards to several questions that I had about this event. Mr. Naveaux stated that it would be acceptable to him to have the re-enactors march down the sidewalk to and from the Visitor Center to the battlefield. I advised Mr. Naveaux that the police department would be able to assist the re-enactors as they cross North Dixie Highway. Mr. Naveaux replied that this was acceptable to him. Mr. Naveaux stated that the group will begin their march from the Visitor Center at 10:00 am to the battlefield site.

Mr. Naveaux also requested additional parking near the museum. I suggested that vehicles could legally park along the east side of Detroit Avenue, as well as along the south side of East Elm Avenue for approximately 200 yards east of the railroad tracks near North Dixie Highway. I also suggested that he contact the Monroe County Community Credit Union at 1510 East Elm Avenue, to see if it would be permissible to use their parking lot as they are closed on Saturdays. This should facilitate his parking needs.

I will advise the "6a-6p" squad supervisor of this event, so he is aware of it. I will also notify him to have two officers available to assist the re-enactors in crossing North Dixie Highway at approximately 10:00 am and again when they are finished with their battle re-enactment during their return to the Visitor Center. I will also inform the squad supervisor to have his squad make periodic checks of this event.

As always, I am available for any questions, comments, or concerns you may have.

Event Organizer: Ralph Naveaux Home: 734-289-2253

CITY OF MONROE

INTERDEPARTMENT ACTIVITY FORM

ADMINISTRATIVE ACTIVITY: Request from the Friends of the River Raisin Battlefield for permission to hold the annual Commemoration of the Battles of the River Raisin on January 21, 2012, and requesting assistance from the City for: 1. Use the field on the corner of Dixie Highway and Elm for a military tactical demonstration between 9:00 a.m. and 11:00 a.m., as well as the parking lot at the MMSC, 2. march up to eighty (80) 1812 military personnel from the Battlefield Museum to the tactical area and back to the Museum, 3. allow additional parking on Detroit Avenue and Elm Avenue, and 4. Clear away any snow from the sidewalks and parking lot at the Museum by 9:00 a.m.

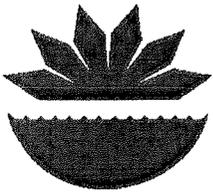
INITIATING DEPARTMENT: City Manager's Office

DATE: 9/23/11 **SUSPENSE:** A.S.A.P.

DEPARTMENT ROUTING:

DEPARTMENT	ACTIVITY REQUIRED	DATE RECEIVED	DATE TRANSMITTED	DEPARTMENT SIGNATURE
L. LaPointe Cc: D. Swallow	Review and Comment			
B. LaRoy	Review and Comment			
✓ P. Lewis	Review and Comment	9/23/11	9/27/11	
J. Mominee	Review and Comment			
T. Moore	Review and Comment			
E. Sell	Review and Comment			
G. Brown	Review / Approve			
C. Evans	Send Letter of Confirmation			

SUMMARY: No objection to event, and the Department of Public Services should be able to provide the requested snow removal services provided that there is not a City-wide snow emergency in place at the time of the event that would require re-prioritization of our available resources. There is a minor chance that the railroads will still be performing required crossing work at the time of the event, but alternate pedestrian arrangements could probably be made in any event. As in the past, parking is allowed on the east side of Detroit Avenue already, but adding temporary parking to west side is not recommended.



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: DDA Parking Project Financing Notice of Intent Resolution

DISCUSSION: The Engineering Department has advertised a bid request for the updates and improvements related to the Downtown Development Authority (DDA) Parking Project at the Laurel-Finzel Parking Lot area. The project cost will require it to be financed with a bond issue. The first step in issuing bonds is to adopt a notice of intent resolution that gets a referendum period started. The next step would be to issue a bond authorizing resolution. This will likely occur in December 2011. Additional information regarding the bond issue is described in the attached letter from the City's bond counsel, Patrick McGow. I have also attached estimated cash flow schedules prepared by PFM, our bond financial advisor.

It is recommended that the Mayor and City Council approve the attached Notice of Intent Resolution related to the 2012 Capital Improvement Bonds.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE: November 7, 2011

REASON FOR DEADLINE: To meet financing schedule

STAFF RECOMMENDATION: For Against

REASON AGAINST: N/A

INITIATED BY: Edward Sell, Finance Director

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: Downtown Development Authority

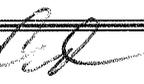
FINANCES

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
			\$ N/A
	<u>Other Funds</u>		\$ N/A
			\$ N/A
			\$ N/A
			\$ N/A

Budget Approval: _____

FACT SHEET PREPARED BY: Edward Sell, Finance Director 

DATE: 10/11/2011

REVIEWED BY: 

DATE: 10-11-11

COUNCIL MEETING DATE: October 17, 2011

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

PATRICK F. MCGOW
TEL (313) 496-7684
FAX (313) 496-8450
E-MAIL mcgow@millercanfield.com

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
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Warsaw • Wroclaw

October 10, 2011

Via email and U.S. Mail

Mr. Edward J. Sell, Jr.
Finance Director
City of Monroe
120 East First Street
Monroe, MI 48161-2169

Re: Notice of Intent Resolution for City of Monroe Capital Improvement
Bonds for DDA Parking Project

Dear Ed:

As we discussed, I have enclosed a Notice of Intent Resolution for consideration by the City Council at its meeting on October 17th. This Resolution authorizes the publication of a Notice of Intent relating to the City's bonds to be issued to pay for the downtown parking improvement project which has been proposed by the Monroe Downtown Development Authority (the "DDA").

The enclosed Resolution and notice indicates the City's intent to issue full faith and credit Capital Improvement Bonds in an amount not to exceed \$1,900,000 for the purpose of paying the cost of acquiring and constructing parking improvements, including all related land acquisition, landscaping, retaining wall improvements, utilities and all appurtenances and attachments (the "Project").

The Resolution authorizes the City Clerk to publish a notice of intent to issue Bonds in the *Monroe Evening News* indicating the City's intent to issue bonds for the parking project in an amount not to exceed \$1,900,000. The proceeds of the Bonds may be used to pay for the construction of the Project as well as reimburse the City for the engineering, design and other preliminary costs related to the Project. The Bonds will also be used to pay issuance costs related to the bonds. The Notice provides that the City will pledge its limited tax full faith and credit as security for the Bonds. The Bonds relating to the Project will actually be paid from tax increment revenues of the DDA, and

Mr. Edward Sell

-2-

October 10, 2011

the DDA will be asked to adopt a resolution pledging their tax increment revenues as we get closer to the issuance of the Bonds.

The not to exceed amount was selected by the DDA as a conservatively high estimate based on the current cost estimates plus contingencies. The size of the Bond issue will be reduced at the time of issuance to whatever amount is required based on the actual bids and final costs. The City can reduce the amount of the Bonds for this project from the amount indicated in the notice, but the City would not be able to increase the size of the Bonds for this project over the amount in the notice without republishing a new notice for the increased amount.

The Revised Municipal Finance Act requires the City to notify the electors of the City of its intent to issue the bonds by publishing a notice which gives the voters a referendum right on the issuance of the bonds. The bonds can be issued without a vote of the City electors unless a petition is filed with the City Clerk within 45 days of publication of the notice signed by at least 10% of the registered electors of the City. The form of Notice of Intent is included in the Resolution on page 4. **The Notice of Intent must be published as a display advertisement at least one-quarter (1/4) page in size in a newspaper of general circulation in the City.**

Paragraph 4 of the Resolution contains language required by the Internal Revenue Code which authorizes the City to reimburse itself from bond proceeds for certain costs relating to the project incurred prior to issuance of the bonds, including costs for engineering and design. The language of the Resolution is taken from the IRS regulations and, not surprisingly, it therefore reads as tax jargon. This is intended to provide you with flexibility relating to the use of the Bond proceeds.

The intent is to combine the Bonds for the parking project with bonds to be issued for the next phase of the City's bridge projects. Back in 2009 the City previously approved a \$14,000,000 Notice of Intent Resolution for a variety of water and bridge projects that allocated \$5,700,000 for bridge improvements. The City issued bonds in 2010 for the bridge projects totaling approximately \$2,200,000. Thus, the City has remaining \$3,500,000 of capacity under that original Notice of Intent for bridge projects and therefore we do not need to do a new Notice of Intent for the bridge projects.

The plan is to issue the Bonds in early 2012 after there is more certainty relating to the cost of the parking project. The City will also have better cost estimates for the 2012 bridge projects. Assuming the schedules are coordinated, we anticipate that the Bonds will be a combined issue that will include the proceeds for the parking project plus whatever amount is needed for the bridge projects. The DDA tax increment revenues

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. Edward Sell

-3-

October 10, 2011

will be used to pay the debt service related to the parking project and the special bridge millage will be used to pay the debt service for the bridge projects.

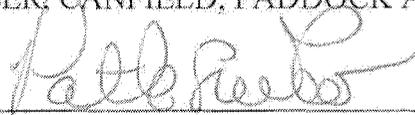
If approved by Council and the Notice of Intent is published shortly thereafter, the 45 day referendum period will expire in late November. As we get closer to having better cost estimates or bids, we will have the City Council adopt a resolution to authorize the issuance of the Bonds.

We would appreciate receiving three (3) certified copies of the Resolution upon adoption by the City Council as well as three (3) Affidavits of Publication from the newspaper in which the Notice of Intent is published. **Please remind the newspaper that the Notice must be a quarter page ad.**

If you have any questions, please do not hesitate to contact me.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: 

Patrick F. McGow

Enclosures

Cc: (w/ Encl.)

George Brown, City Manager
Rick Floraday, DDA Chairman
Daniel Swallow
Kari Blanchett
Thomas Ready, Esq.

19,479,303.1\061967-00049

DISCLOSURE UNDER TREASURY CIRCULAR 230: The United States Federal tax advice contained in this document and its attachments, if any, may not be used or referred to in the promoting, marketing or recommending of any entity, investment plan or arrangement, nor is such advice intended or written to be used, and may not be used, by a taxpayer for the purpose of avoiding Federal tax penalties. Advice that complies with Treasury Circular 230's "covered opinion" requirements (and thus, may be relied on to avoid tax penalties) may be obtained by contacting the author of this document.

**NOTICE OF INTENT RESOLUTION
2012 CAPITAL IMPROVEMENT BONDS**

CITY OF MONROE
County of Monroe, State of Michigan

Minutes of a regular meeting of the City Council of the City of Monroe, County of Monroe, State of Michigan, held on the 17th day of October, 2011, at 7:30 p.m., Eastern Daylight Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member: _____ and supported by Member: _____:

WHEREAS, the City of Monroe, County of Monroe, State of Michigan (the "City") intends to issue general obligation limited tax bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), in an aggregate principal amount of not to exceed One Million Nine Hundred Thousand Dollars (\$1,900,000) (the "Bonds"), in one or more series, for the purpose of paying the cost of acquiring and constructing parking improvements, including all related land acquisition, landscaping, retaining wall improvements, utilities and all appurtenances and attachments (the "Project"); and

WHEREAS, a notice of intent to issue the Bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the City intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is authorized and directed to publish a notice of intent to issue bonds in the *Monroe Evening News*, a newspaper of general circulation in the City.
2. The notice of intent shall be published as a display advertisement not less than one-quarter (1/4) page in size in substantially the form attached to this resolution as Exhibit A.
3. The City Council does hereby determine that the foregoing form of Notice of Intent to Issue Bonds and the manner of publication directed is the method best calculated to give notice to the City's electors and taxpayers residing in the boundaries of the City of the City's intent to issue the Bonds, the maximum amount of the Bonds, the purpose of the Bonds, the source of payment for the Bonds and the right of referendum relating thereto, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

4. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of debt to be incurred by the City.
- (b) The expenditures described in this paragraph (b) are for the costs of acquiring the Project which were paid or will be paid subsequent to sixty (60) days prior to the date hereof from the general funds of the City.
- (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$1,900,000.
- (d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the related Project are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this resolution.
- (e) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).
- (f) No proceeds of the borrowing paid to the City in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in (d) above.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members: _____

NAYS: Members: _____

RESOLUTION DECLARED ADOPTED.

City Clerk

I hereby certify that the attached is a true and complete copy of a resolution adopted by the City Council of the City of Monroe, County of Monroe, State of Michigan, at a regular meeting held on the 17th day of October, 2011, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.

City Clerk

MILLER, CAMFIELD, PADDOCK AND STONE, P.L.C.

EXHIBIT A

NOTICE TO TAXPAYERS AND ELECTORS
OF THE CITY OF MONROE
OF INTENT TO ISSUE BONDS
AND THE RIGHT OF REFERENDUM RELATING THERETO

PLEASE TAKE NOTICE that the City of Monroe, County of Monroe, State of Michigan (the "City"), intends to issue and sell its general obligation limited tax bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in an aggregate principal amount of not to exceed One Million Nine Hundred Thousand Dollars (\$1,900,000), in one or more series, for the purpose of paying the cost of acquiring and constructing parking improvements, including all related land acquisition, landscaping, retaining wall improvements, utilities and all appurtenances and attachments.

SOURCE OF PAYMENT OF BONDS

THE PRINCIPAL OF AND INTEREST ON SAID BONDS SHALL BE PAYABLE from the general funds of the City lawfully available for such purposes including property taxes levied within applicable constitutional, statutory and charter tax rate limitations.

BOND DETAILS

SAID BONDS will be payable in annual installments not to exceed twenty (20) in number and will bear interest at the rate or rates to be determined at a public or private sale but in no event to exceed the maximum rate permitted by law on the balance of the bonds from time to time remaining unpaid.

RIGHT OF REFERENDUM

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 517, Act 34, Public Acts of Michigan, 2001, as amended.

Charles Evans
City Clerk, City of Monroe



The PFM Group
 Public Financial Management, Inc.
 PFM Asset Management LLC
 PFM Advisors

305 E. Eisenhower Parkway
 Suite 305
 Ann Arbor, MI 48108

734-994-9700
 734-994-9710 fax
 www.pfm.com

OPTION 1-20 YEAR ISSUE

\$1,900,000
CITY OF MONROE
COUNTY OF MONROE, STATE OF MICHIGAN
LIMITED TAX DEVELOPMENT BONDS

<i>Dated Date:</i>	02/01/12
<i>1st Interest Payment Date:</i>	05/01/12
<i>Average Annual Payment</i>	\$159,875

CASH FLOW SCHEDULE

Levy Year	Fiscal Yr. End 30-Jun	Projected Captured DDA Taxes					\$1,900,000 Proposed Bonds dated 2/1/12					Excess Avail. For Operating	
		Curr. Assessed Value (incl. equiv. IFT) 1.00% incr	Less: Initial Assessed Value (IAV)	Estimated Captured Value	Estimated Captured Millage	Estimated Captured Taxes	Due 1-Nov	Principal Due 1-May	Interest Rates	Interest Due 1-May	Total Payment		
2010	2011												
2011	2012	\$24,749,400	\$15,836,210	\$8,913,190	25.4840	227,144				23,750	23,750	203,394	
2012	2013	24,996,894	15,836,210	9,160,684	25.4840	233,451	47,500	20,000	5.000%	47,500	115,000	118,451	
2013	2014	25,246,863	15,836,210	9,410,653	25.4840	239,821	47,000	25,000	5.000%	47,000	119,000	120,821	
2014	2015	25,499,332	15,836,210	9,663,122	25.4840	246,255	46,375	30,000	5.000%	46,375	122,750	123,505	
2015	2016	25,754,325	15,836,210	9,918,115	25.4840	252,753	45,625	35,000	5.000%	45,625	126,250	126,503	
2016	2017	26,011,868	15,836,210	10,175,658	25.4840	259,316	44,750	40,000	5.000%	44,750	129,500	129,816	
2017	2018	26,271,987	15,836,210	10,435,777	25.4840	265,945	43,750	50,000	5.000%	43,750	137,500	128,445	
2018	2019	26,534,707	15,836,210	10,698,497	25.4840	272,640	42,500	60,000	5.000%	42,500	145,000	127,640	
2019	2020	26,800,054	15,836,210	10,963,844	25.4840	279,403	41,000	70,000	5.000%	41,000	152,000	127,403	
2020	2021	27,068,054	15,836,210	11,231,844	25.4840	286,232	39,250	80,000	5.000%	39,250	158,500	127,732	
2021	2022	27,338,735	15,836,210	11,502,525	25.4840	293,130	37,250	85,000	5.000%	37,250	159,500	133,630	
2022	2023	27,612,122	15,836,210	11,775,912	25.4840	300,097	35,125	95,000	5.000%	35,125	165,250	134,847	
2023	2024	27,888,243	15,836,210	12,052,033	25.4840	307,134	32,750	105,000	5.000%	32,750	170,500	136,634	
2024	2025	28,167,126	15,836,210	12,330,916	25.4840	314,241	30,125	115,000	5.000%	30,125	175,250	138,991	
2025	2026	28,448,797	15,836,210	12,612,587	25.4840	321,419	27,250	125,000	5.000%	27,250	179,500	141,919	
2026	2027	28,733,285	15,836,210	12,897,075	25.4840	328,669	24,125	135,000	5.000%	24,125	183,250	145,419	
2027	2028	29,020,618	15,836,210	13,184,408	25.4840	335,991	20,750	145,000	5.000%	20,750	186,500	149,491	
2028	2029	29,310,824	15,836,210	13,474,614	25.4840	343,387	17,125	160,000	5.000%	17,125	194,250	149,137	
2029	2030	29,603,932	15,836,210	13,767,722	25.4840	350,857	13,125	170,000	5.000%	13,125	196,250	154,607	
2030	2031	29,899,972	15,836,210	14,063,762	25.4840	358,401	8,875	175,000	5.000%	8,875	192,750	165,651	
2031	2032	30,198,971	15,836,210	14,362,761	25.4840	366,021	4,500	180,000	5.000%	4,500	189,000	177,021	
2032	2033						0	0	5.000%	0	0	0	
<u>\$6,182,309</u>						<u>\$648,750</u>	<u>\$1,900,000</u>			<u>\$672,500</u>	<u>\$3,221,250</u>	<u>\$2,961,059</u>	

NW/KB
 10/4/2011



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 Public Financial Management, Inc.
 PFM Asset Management LLC
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305 E. Eisenhower Parkway
 Suite 305
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 734-994-9710 fax
 www.pfm.com

OPTION 3--20 YEAR ISSUE--0% GROWTH IN CAPTURED VALUES

\$1,900,000
CITY OF MONROE
COUNTY OF MONROE, STATE OF MICHIGAN
LIMITED TAX DEVELOPMENT BONDS

<i>Dated Date:</i>	02/01/12
<i>1st Interest Payment Date:</i>	05/01/12
<i>Average Annual Payment</i>	\$159,875

CASH FLOW SCHEDULE

Levy Year	Fiscal Yr. End 30-Jun	Projected Captured DDA Taxes					\$1,900,000 Proposed Bonds dated 2/1/12					Excess Avail. For Operating	
		Curr. Assessed Value (incl. equiv. IFT) 0.00% incr	Less: Initial Assessed Value (IAV)	Estimated Captured Value	Estimated Captured Millage	Estimated Captured Taxes	Due 1-Nov	Principal Due 1-May	Interest Rates	Interest Due 1-May	Total Payment		
2010	2011												
2011	2012	\$24,749,400	\$15,836,210	\$8,913,190	25.4840	227,144				23,750	23,750	203,394	
2012	2013	24,749,400	15,836,210	8,913,190	25.4840	227,144	47,500	20,000	5.000%	47,500	115,000	112,144	
2013	2014	24,749,400	15,836,210	8,913,190	25.4840	227,144	47,000	25,000	5.000%	47,000	119,000	108,144	
2014	2015	24,749,400	15,836,210	8,913,190	25.4840	227,144	46,375	30,000	5.000%	46,375	122,750	104,394	
2015	2016	24,749,400	15,836,210	8,913,190	25.4840	227,144	45,625	35,000	5.000%	45,625	126,250	100,894	
2016	2017	24,749,400	15,836,210	8,913,190	25.4840	227,144	44,750	40,000	5.000%	44,750	129,500	97,644	
2017	2018	24,749,400	15,836,210	8,913,190	25.4840	227,144	43,750	50,000	5.000%	43,750	137,500	89,644	
2018	2019	24,749,400	15,836,210	8,913,190	25.4840	227,144	42,500	60,000	5.000%	42,500	145,000	82,144	
2019	2020	24,749,400	15,836,210	8,913,190	25.4840	227,144	41,000	70,000	5.000%	41,000	152,000	75,144	
2020	2021	24,749,400	15,836,210	8,913,190	25.4840	227,144	39,250	80,000	5.000%	39,250	158,500	68,644	
2021	2022	24,749,400	15,836,210	8,913,190	25.4840	227,144	37,250	85,000	5.000%	37,250	159,500	67,644	
2022	2023	24,749,400	15,836,210	8,913,190	25.4840	227,144	35,125	95,000	5.000%	35,125	165,250	61,894	
2023	2024	24,749,400	15,836,210	8,913,190	25.4840	227,144	32,750	105,000	5.000%	32,750	170,500	56,644	
2024	2025	24,749,400	15,836,210	8,913,190	25.4840	227,144	30,125	115,000	5.000%	30,125	175,250	51,894	
2025	2026	24,749,400	15,836,210	8,913,190	25.4840	227,144	27,250	125,000	5.000%	27,250	179,500	47,644	
2026	2027	24,749,400	15,836,210	8,913,190	25.4840	227,144	24,125	135,000	5.000%	24,125	183,250	43,894	
2027	2028	24,749,400	15,836,210	8,913,190	25.4840	227,144	20,750	145,000	5.000%	20,750	186,500	40,644	
2028	2029	24,749,400	15,836,210	8,913,190	25.4840	227,144	17,125	160,000	5.000%	17,125	194,250	32,894	
2029	2030	24,749,400	15,836,210	8,913,190	25.4840	227,144	13,125	170,000	5.000%	13,125	196,250	30,894	
2030	2031	24,749,400	15,836,210	8,913,190	25.4840	227,144	8,875	175,000	5.000%	8,875	192,750	34,394	
2031	2032	24,749,400	15,836,210	8,913,190	25.4840	227,144	4,500	180,000	5.000%	4,500	189,000	38,144	
2032	2033						0	0	5.000%	0	0	0	
\$4,770,018						\$648,750	\$1,900,000			\$672,500	\$3,221,250	\$1,548,768	

NW/KB
 10/4/2011



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: REPORT BACK ON BIDS RECEIVED FOR CENTRIFUGE REPLACEMENT PARTS AT THE WASTEWATER TREATMENT PLANT

DISCUSSION: The Wastewater Department received one bid to supply Centrifuge Replacement Parts for routine maintenance on the centrifuges at the Wastewater Treatment Plant (bid tabulation attached). The bidder is Applied Industrial out of Toledo, OH such that they meet all bid specifications. The bid submitted is for \$15,456.30.

The Wastewater Treatment Plant has two centrifuges which are an integral function to the facilities secondary treatment process. The centrifuges process liquid sludge 8 hours a day, five days a week. The materials and environment the machines are subjected to are harsh such that keeping the equipment in optimal operating condition is difficult to maintain where routine maintenance is necessary to allow the WWTP to process sludge efficiently. The bid specifications include providing direct replacement Westfalia centrifuge parts used for routine maintenance on both centrifuges. Adequate funding has been budgeted for this purchase.

IT IS RECOMMENDED that a purchase order be awarded to Applied Industrial out of Toledo, OH in the amount of \$15,456.30 to supply Centrifuge Replacement Parts in accordance with the bid specifications.

CITY MANAGER RECOMMENDATION:

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

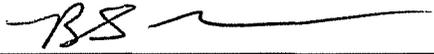
APPROVAL DEADLINE: November 9, 2011

REASON FOR DEADLINE: Bid is good for thirty (30) days.

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: Wastewater Department

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ 15,456.30
Cost of This Project Approval	\$ 15,456.30
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>
Maintenance-Equipment	590-75.527-933.000	\$ 15,456.30

Other Funds

Budget Approval: _____

FACT SHEET PREPARED BY: Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities **DATE:** October 10, 2011

REVIEWED BY:

DATE:

COUNCIL MEETING DATE: October 17, 2011

**BIDS RECEIVED LIST FOR CENTRIFUGE PARTS FOR THE
WASTEWATER DEPARTMENT. BID REQUESTS MAILED
09/28/11. BIDS DUE MONDAY, OCTOBER 10, 2011.**

	<u>BID AMOUNT</u>
BEARING SERVICES 19350 ALLEN RD BROWNSTOWN MI 48183 ATTN: RON VENDLINSKI	NO BID
BEARING HEADQUARTERS CO 11800 BELDEN CT LIVONIA MI 48150 ATTN: KEVIN HESS	NO BID
MOTION INDUSTRIES INC 5199 ENTERPRISE BLVD TOLEDO OH 43612 ATTN: JODY HENNING	NO BID
REXNORD 325 PORTSIDE CIRCLE #11 PERRYSBURG OH 43551 ATTN: MICHAEL LOSSICK	NO BID
APPLIED INDUSTRIAL PO BOX 993 TOLEDO OH 43612-3906 ATTN: BILL DUNN	\$15,456.30 (OFFICIAL CHECK)



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: S2 GRANT REVISED APPLICATION AND RESOLUTION – WET WEATHER FACILITIES AND INFILTRATION / INFLOW REMOVAL IMPROVEMENTS

DISCUSSION: In December 2010, legislation was signed to commit an additional \$40 million into the S2 Grant program. The grants are available to cover planning, design and user charge systems for potential State Revolving Fund (SRF) applicants. The grants cover 90 percent of eligible costs and require a 10 percent match. The 10 percent match is deducted from the total grant award. Recipients are limited to \$1 million in total grant assistance including grant awards under the prior S2 Grant program (2006-2007). On September 1, 2011, the S2 Grant program applications became available.

In 2006, the Monroe Metropolitan Pollution Control System was awarded an S2 Grant in the amount of \$900,134.75 were \$810,122.00 (90%) was received. With the current project, funds have been or will be expended that meet the requirements of the new S2 Grant program. In an effort to maximize the S2 grant program, City Council adopted resolution R11-49 on September 6, 2011 in the amount of \$99,865.25, however recently the Michigan Department of Environmental Quality (MDEQ) notified the City that they can apply for a larger grant amount (\$210,976.00 total grant amount, \$189,878.00 – 90%) since the \$1 million limit is based on actual funds received.

Therefore, in an effort to maximize the \$1 million S2 grant limit a new resolution in the amount will need to be adopted since an SRF loan is being pursued with the project's work activities that have been or will be completed within the overall project.

The grant program is a first-come, first-served program such that grant awards are expected to run out quickly. In an effort to increase our chances and maximize the \$1 million limit to obtain a grant, the attached resolution will need to be passed such that it will be submitted along with a revised grant application package. All funds expended on the project thus far have been fronted by Wastewater Fund Reserves.

IT IS RECOMMENDED that the Monroe City Council adopt the proposed Resolution in order to maximize the S2 Grant \$1 million limit and meet the program deadline.

CITY MANAGER RECOMMENDATION:

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

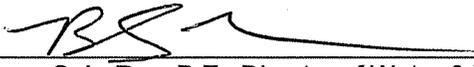
APPROVAL DEADLINE: ASAP

REASON FOR DEADLINE: Maximize the S2 grant \$1M limit / Submittal deadline for the first round of grant awards.

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: Wastewater Department, Wastewater Customers

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ 18,000,000
Cost of This Project Approval	\$ 0
Related Annual Operating Cost	\$ 0
Increased Revenue Expected/Year	\$ 0

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

Budget Approval: _____

FACT SHEET PREPARED BY: Barry S. LaRoy, P.E., Director of Water & Wastewater Utilities **DATE:** October 10, 2011

REVIEWED BY: _____ **DATE:** _____

COUNCIL MEETING DATE: October 17, 2011

City _____ of Monroe
County of Monroe

Resolution Authorizing the S2 Grant Agreement

Minutes of the regular meeting of the City Council of the City _____ of Monroe
County of Monroe, State of Michigan, (the "Municipality") held on
October 17, 2011.

PRESENT: Members: _____

ABSENT: Members: _____

Member _____ offered and moved the adoption of the following resolution,
seconded by Member _____.

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended ("Part 52"), provides at MCL 324.5204a that the Michigan Finance Authority (the "MFA") in consultation with the Michigan Department of Environmental Quality (the "DEQ") shall establish a strategic water quality initiatives grant program; and

WHEREAS, in accordance with the provisions of 2010 PA 231, which provides grants to assist municipalities in completing loan application requirements under MCL 324.5308 or completing loan application requirements for other sources of financing for sewage treatment works projects, storm water treatment projects or nonpoint source projects; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended, Part 52, and other applicable provisions of law, the MFA, the DEQ, and the Municipality that is a grant recipient shall enter into a grant agreement (the "S2 Grant Agreement") that requires the Municipality to repay the grant under certain conditions as set forth in MCL 324.5204a, as amended; and

WHEREAS, the Municipality does hereby determine it necessary to undertake planning, revenue system development, and/or design activities related to a project for which it intends to seek financing for construction; and

WHEREAS, it is the determination of the Municipality that at this time, a grant in the aggregate principal amount not to exceed \$210,976.00 ("Grant") be requested from the MFA and the DEQ to pay for the planning and/or design activities; and

WHEREAS, the Municipality shall obtain this Grant by entering into the S2 Grant Agreement with the MFA and the DEQ.

NOW, THEREFORE, BE IT RESOLVED THAT:

Director of Water &

1. Wastewater Utilities (*title of the designee's position*), a position currently held by Barry S. LaRoy, P.E. (*name of the designee*), is designated as the Authorized Representative for purposes of the S2 Grant Agreement.

2. The proposed form of the S2 Grant Agreement between the Municipality, the MFA and DEQ (attached hereto as Appendix I) is hereby approved and the Authorized Representative is authorized and directed to execute the S2 Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representative.

3. The Municipality shall repay the Grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority if any of the following conditions occur:

(a) the Municipality fails to submit an administratively complete loan application for assistance from the SRF, the SWQIF or other source of financing for the project within 3 years of the Grant award;

(b) the project has been identified as being in the fundable range or is approved for funding from another source and the Municipality declines loan assistance for 2 consecutive fiscal years unless the Municipality proceeds with funding from another source; or

c) the Municipality is unable to, or decides not to, proceed with constructing the project.

4. The Grant, if repayable, shall be a first budget obligation from the general funds of the Municipality, and the Municipality is required, if necessary, to levy ad valorem taxes on all taxable property in the Municipality for the payment thereof, subject to applicable constitutional, statutory and Municipality tax rate limitations.

5. The Municipality shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds for the general local government administration activities or activities performed by municipal employees.

6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the MFA and the DEQ in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the MFA or the DEQ or as may be otherwise necessary to effect the approval and delivery of the Grant.

7. The Municipality acknowledges that the S2 Grant Agreement is a contract between the Municipality, the MFA and the DEQ.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

YEAS: Members:

NAYS: Members:

RESOLUTION DECLARED ADOPTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the
City Council of the City of Monroe, County of
Monroe, said meeting was conducted and public notice of said meeting was given
pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976,
and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Name Charles D. Evans, Clerk-Treasurer
City of Monroe, Clerk
City of Monroe County of Monroe



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: Support of a five-year extension of the Tool & die Renaissance Recovery Zone for Premier Industries Corporation located at 513 North Dixie Highway

DISCUSSION: In 2004, in an effort to assist the struggling tool & die industry in Michigan, the legislature amended the Michigan Renaissance Zone Act (PA 376 of 1996) to specifically include tool and die businesses and designate up to 35 “recovery zones.” The recovery zones could have a duration of between 5 and 15 years based on a recommendation from the local unit of government and review by the State Tax Commission. Designation of a recovery zone has the impact of creating a nearly tax free zone in which qualified companies could operate. This includes abatement of a majority of property taxes (with the exception of bond supporting millages) and a significant portion of the former Michigan Business Tax. In the last three years of the abatement, there is a 25% phase out (i.e. 75%, 50%, and 25%). If approved, the Michigan Strategic Fund reimburses the schools for the lost property tax revenues.

One of the criteria for being considered for a Tool & Die Renaissance Recovery Zone is that the eligible company joins a collaborative group of other Tool & Die related companies to share ideas, develop tooling standards, standardize project management methods, grow their customer base and work on joint sales and marketing initiatives. Statewide, as of June 2010, 272 companies had joined collaboratives and been designated as part of recovery zones. While the Michigan Strategic Fund Board is not designating any new recovery zones or expanding the existing recovery zones at this time, they are allowing companies that did not receive the maximum 15-year duration to apply for extensions of up to 5-years, not to exceed a total of 15-years. This application must be received before the 3-year phase out begins.

In 2006, Premier Industries Corporation joined the Michigan Coast-to-Coast Tool & Die Collaborative and applied for designation as a recovery zone. This application was first reviewed by the City of Monroe Economic Development Review Committee (EDRC), which resulted in a recommendation to City Council to support the application for duration of 8-years. City Council passed the requisite resolution of support in June 2006 and the recovery zone was approved by the Michigan Strategic Fund beginning January 1, 2007. Without the requested extension, this abatement would begin to phase out in 2012 and conclude in 2014. With the requested extension, the phase out would begin in 2017 and the abatement would expire at the end of 2019. The EDRC reviewed the application for a 5-year extension and recommended that City Council support the application to the Michigan Strategic Fund (*Application and EDRC minutes attached*).

When reviewing a request for a tax abatement, the local unit should take into consideration factors such as the level of investment (\$ amount invested), type of investment (i.e. permanency), number of jobs retained and/or created, pay scale of the jobs, type of business (i.e. high technology), potential for secondary or spin-off benefits in the community, impacts to the community infrastructure and environment, and likelihood of future investments and/or job creation.

Level of Investment- Premier Industries reported that they have purchased new CNC Equipment (Fadal 6030), reconditioned existing machinery and acquired new computers and Master Cam software. The company currently operates in a 34,000 s.f. manufacturing and assembly space, which they have maintained in good condition with regular maintenance activities.

Type of Investment- The CNC machinery is fixed equipment that is not easily disassembled and relocated. Therefore, this is a relatively permanent investment that indicates the company plans to operate at this location for a period of time to recoup the investment. The computers and software will modernize the shop to help them remain competitive with similar facilities.

Number of Jobs Retained and/or Created- Premier Industries currently employs 23 people, which is down significantly from their peak of 62 employees, but they have been able to remain at constant employment levels over the past few years and have secured recent orders that could grow this number.

Pay Scale of the Jobs Retained and/or Created- The jobs retained are in the skilled trades, with an hourly rate averaging \$23.00/hour plus benefits. These wage rates exceed the benchmarks set by the City in the living wage ordinance. A majority of the employees also reside within the City of Monroe, helping support the local economy. The company has recently invested in training for their employees through the Monroe County Community College. They have 3 newly Certified Welders and 4 Master Cam operators.

Impacts on Community Infrastructure and Environment- The current facility is well maintained and has little or no negative impact on the surrounding properties. The frontage on N. Dixie Highway is within an Industrial zoned and planned area, and traffic is able to easily access I-75 for shipments and deliveries. There are no known emissions from the site. The company is required to properly handle the hydraulic fluids and lubricants that are used by the machinery and equipment.

IT IS RECOMMENDED that the City Council support the five-year extension of the Tool & die Renaissance Recovery Zone for Premier Industries Corporation located at 513 North Dixie Highway, by adopting Resolution 11-56 and authorize the Mayor and Clerk/Treasurer to complete the requisite documentation.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE: October 17, 2011

REASON FOR DEADLINE: November 7, 2011 submittal deadline to the Michigan Strategic Fund

STAFF RECOMMENDATION: X For Against

REASON AGAINST: N.A.

INITIATED BY: Premier Industries Corporation Application, Department of Economic and Community Development

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: Assessing Department, Clerk/Treasurer's Office, Department of Economic and Community Development, Other Taxing Jurisdictions (LET, Library, Monroe County, Community College)

FINANCES

<u>COST AND REVENUE PROJECTIONS:</u>	Cost of Total Project	\$ 0
	Cost of This Project Approval	\$ 0
	Related Annual Operating Cost	\$ 0
	Increased Revenue Expected/Year, Year 1:	\$ (7,885.11)*
	Total for ALL 5-Years	\$ (39,425.55)*

* *ESTIMATED* difference between projected property tax revenues with and without the abatement. Based on type and value of improvements submitted by the applicant. Personal property depreciates during the term of the abatement.

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

Budget Approval: _____

FACT SHEET PREPARED BY: Dan Swallow, Director of Economic and Community Development **DATE:** 10/11/2011

REVIEWED BY: George Brown, City Manager

DATE:

COUNCIL MEETING DATE: October 17, 2011

**CITY OF MONROE
RESOLUTION**

Resolution supporting the time extension of the Renaissance Zone for Premier Industries Corporation.

WHEREAS, Premier Industries Corporation is currently designated as part of a Renaissance Zone pursuant to Public Act 376 of 1996, as amended (the "Act"); and

WHEREAS, this Renaissance Zone is slated to expire on December 31, 2014; and

WHEREAS, the Michigan Renaissance Zone Act, 1996 PA 376, has been amended by 2006 PA 440 and 2008 PA 116 to permit extending the duration of time for one or more portions of a Renaissance Zone; and

WHEREAS, Premier Industries Corporation, a Michigan-based company, intends to increase capital investment and/or job creation on approximately 2.5 acres of land (more particularly described below) in the Michigan Coast to Coast Tool & Die Collaborative (Round 3); and

WHEREAS, Premier Industries Corporation has requested that the Renaissance Zone on its proposed property/location be extended in duration by an additional five (5) years, so that the new expiration date would be December 31, 2019; and

WHEREAS, the extension of the Renaissance Zone duration on Premier Industries Corporation's property is necessary to increase capital investment or job creation in the City of Monroe and the surrounding communities for years to come; and

WHEREAS, should the extension of the Renaissance Zone be granted, persons and property within that zone will be exempt from taxes levied by the city, township, village, county, and other units of government as provided by the Act, which will provide a stimulus to development in the area; and

WHEREAS, the City of Monroe is the "qualified local governmental unit" that originally requested the Premier Industries Corporation designation; and

WHEREAS, the City of Monroe requests that the State of Michigan grant a five (5) year time extension of the Tool & Die Renaissance Recovery Zone for the 2.5 acres of property that Premier Industries Corporation owns in Michigan Coast to Coast Tool & Die Collaborative (Round 3); and

WHEREAS, no payment in lieu of tax of any kind is being received for support of the proposed time extension.

Property Description

Parcel Number: 9R-01890-006

COMM AT A PT ON E LI PC 214 2343.26 FT S 24D 50M W FR E R/O/W LI NYC RR WITH E LI PC 214 SD PT BEING IN CL N DIXIE HWY; TH S 24D 50M W 252.66 FT; TH N 65D 10M W 453.05 FT TO E R/O/W LI NYC RR; TH N 34D 44M E 256.38 FT; TH S 65D 10M E 408.97 FT TO POB IN PC 214 (CONT 2.5 ACRES M/L)

NOW, THEREFORE, BE IT RESOLVED:

That if a Renaissance Zone time extension is granted to the land described by the parcel number(s) and legal description, then persons and property within the Renaissance Zone shall be exempt from taxes levied by the City of Monroe as provided in the Act for a period of five (5) years beginning January 1, 2015 through December 31, 2019.

Motion:

Seconded By:

YEAS:

NAYS:

RESOLUTION DECLARED ADOPTED

I, Charles D. Evans, City Clerk-Treasurer of the City of Monroe, County of Monroe, State of Michigan, do hereby certify that the foregoing is an exact copy of a Resolution adopted by the City Council of said City, at a regular meeting thereof held on the 17th day of October 2011.

Charles D. Evans
CityClerk-Treasurer

MICHIGAN RENAISSANCE ZONE PROGRAM

**Tool & Die Renaissance Recovery Zone
Application for a Time Extension**

MICHIGAN STRATEGIC FUND

July 2011

MICHIGAN RENAISSANCE ZONE PROGRAM
Tool & Die Renaissance Recovery Zone
Time Extension

Application Checklist / Submission Instructions

APPLICATION CHECKLIST

- Completed Application
- Resolution from the Local Unit of Government recommending the Time Extension (Not more than 5 years and including Real Property Parcel Number(s)).
- A Property Parcel map including boundaries, parcel number(s) and acreage.
- Applicant must disclose, in a brief narrative, any possible conflicts of interest with members of the Local Unit of Government and/or MSF.
- Copies of the two (2) most recent real property tax bills.

APPLICATION SUBMISSION

The completed original application should be mailed to the address below.

Michigan Renaissance Zone Program
Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913

NOTE: This application, including any attachments, contains information from the Renaissance Zone Program of the Michigan Strategic Fund. This information is intended for use only by the project to which it is released. If you are not the intended recipient of this application, be advised that any dissemination, distribution, or use of the contents of this application is strictly prohibited.

MICHIGAN RENAISSANCE ZONE PROGRAM

Tool & Die Renaissance Recovery Zone Time Extension PART 1 – APPLICATION FORM

A. TOOL & DIE RENAISSANCE RECOVERY ZONE –CONTACT/SIGNATORY INFORMATION

Contact Person Name: John Hill	Title: President	
Tool & Die Renaissance Recovery Zone Coalition Name: Michigan Coast to Coast Tool & Die Collaborative		
Telephone: 586-888-8800	E-mail: johnhill@midwestmold.com	
Street Address / PO Box: 29900 Hayes Road		
City: Roseville	State: Mi	ZIP Code: 48066
I, JOHN HILL, CERTIFY THAT THE COMPANY IN THIS APPLICATION IS PARTICPATING AND COLLABORATING WITH THE TOOL & DIE RENAISSANCE RECOVERY ZONE COALITION ON A REGULAR BASIS AND INFORMATION PROVIDED IS COMPLETE, TRUE AND ACCURATE.		
Signature:	Title: President	Date: 9/30/11 see attachment

B. COMPANY INFORMATION

Name of Company:Premier Industries Corporation		
Street Address / PO Box: 513 North Dixie Hwy		
City:Monroe	State:Mi	ZIP Code:48162
Contact Name:Kathleen Vadun	Title:Controller	
Telephone:734-241-8474	E-mail:kvadun@premierindustriescorp.com	
Signatory's Name:Kathleen Vadun	Title:Controller	
Street Address / PO Box:513 North Dixie Hwy		
City:Monroe	State:Mi	Zip:48162
Telephone:734-241-8474	Email:kvadun@premierindustriescorp.com	

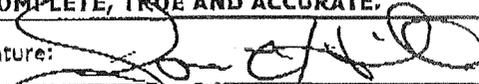
C. PROPERTY INFORMATION – CAN NOT INCLUDE MORE PROPERTY THAN WHAT WAS ORIGINALLY DESIGNATED

Owner Name & Title:Lake Erie Properties, LLC - Premier Industries Corporation - Camex, Inc - Lake Erie Electrical Corporation		
Street Address: 513 North Dixie Hwy		
City:Monroe	State:Mi	Zip Code:48162
Telephone:734-241-8474	E-Mail: kvadun@premierindustriescorp.com	
Total Acres to be included within zone:	2.5 acres	
Number of years applying for a Time Extension: (Note: Not to exceed 5 years)	5	
If the Company is not the owner, please describe the length of the lease and provide verification that the property is leased by the Company: see attached		

MICHIGAN RENAISSANCE ZONE PROGRAM

Tool & Die Renaissance Recovery Zone
Time Extension
PART 1 - APPLICATION FORM

A. TOOL & DIE RENAISSANCE RECOVERY ZONE -CONTACT/SIGNATORY INFORMATION

Contact Person Name: John Hill	Title: President	
Tool & Die Renaissance Recovery Zone Coalition Name: Michigan Coast to Coast Tool & Die Collaborative		
Telephone: 586-888-8800	E-mail: johnhill@midwestmold.com	
Street Address / PO Box: 29900 Hayes Road		
City: Roseville	State: Mi	ZIP Code: 48066
I, JOHN HILL, CERTIFY THAT THE COMPANY IN THIS APPLICATION IS PARTICPATING AND COLLABORATING WITH THE TOOL & DIE RENAISSANCE RECOVERY ZONE COALITON ON A REGULAR BASIS AND INFORMATION PROVIDED IS COMPLETE, TRUE AND ACCURATE.		
Signature: 	Title: President	Date: 9/30/11

B. COMPANY INFORMATION

Name of Company: Premier Industries Corporation		
Street Address / PO Box: 513 North Dixie Hwy		
City: Monroe	State: Mi	ZIP Code: 48162
Contact Name: Kathleen Vadun	Title: Controller	
Telephone: 734-241-8474	E-mail: kvadun@premierindustriescorp.com	
Signatory's Name: Kathleen Vadun	Title: Controller	
Street Address / PO Box: 513 North Dixie Hwy		
City: Monroe	State: Mi	Zip: 48162
Telephone: 734-241-8474	Email: kvadun@premierindustriescorp.com	

C. PROPERTY INFORMATION - CAN NOT INCLUDE MORE PROPERTY THAN WHAT WAS ORIGINALLY DESIGNATED

Owner Name & Title: Lake Erie Properties, LLC	Premier Industries Corporation	
Street Address: 513 North Dixie Hwy		
City: Monroe	State: Mi	Zip Code: 48162
Telephone: 734-241-8474	E-Mail: kvadun@premierindustriescorp.com	
Total Acres to be Included within zone: 2.5 acres		
Number of years applying for a Time Extension: (Note: Not to exceed 5 years)	5	
If the Company is not the owner, please describe the length of the lease and provide verification that the property is leased by the Company: see attached		

Lease Certification

Date: September 30, 2011
To: Michigan Strategic Fund Board
Subject: Certification of Leased Property

This is to certify that Premier Industries Corporation, Camex, Lake Erie Electrical leases the property and building located at 513 North Dixie Highway, Monroe, Michigan 48162 from Lake Erie Properties.

Premier Industries Corporation, Camex and Lake Erie Electrical are required to pay all taxes for this property. Taxes are not included in the lease payment and are paid for separately.

Lake Erie Properties
Name of Landlord

734-241-8474
Phone Number

MICHIGAN RENAISSANCE ZONE PROGRAM

Tool & Die Renaissance Recovery Zone

Time Extension

Part 2 – Description of the Project

A. Describe the history and background of the company.

- History and background of Premier Industries Corporation:

Premier Industries Corporation and its' employees have been designing and building special machinery for 65 years. Our diverse customer base and extensive experience have led to successful programs in the automotive, glass, paint finishing, steel, food and medical industries.

Premier industries currently employs 23 people that include project managers, skilled journeymen machinist (CNC and conventional), certified welders, machine builders, electricians along with pneumatic and hydraulic piping specialists.

Our facility, which is located in Monroe, Michigan has 34,000 square feet of manufacturing and assembly space. Our maximum shop capacity during busy times allows upto about 2800 direct shop labor hours per week. Our high water mark for yearly sales was 12 million dollars (62 employees) with our current average around 2-1/2 to 3-1/2 million during the past few years.

With the assistance of the Tool & Die Renaissance Recovery Zone Program (and the City of Monroe) Premier has been able to sustain during very difficult economic times.

B. Describe the corporate structure of the company. e.g. LLC, C corp, S corp, etc.

C Corporation

C. Describe what investment has been made at the property since the time of the Renaissance Zone designation.

Investment in property since the time of the Renaissance Zone designation:

On going maintenance to building and property (i.e.: paint, roof repairs, parking lot repairs, lawn and garden maintenance, concrete maintenance, correcting drainage from adjacent properties etc.)

Purchase of Fadal 6030 CNC equipment

Reconditioning and maintenance to existing equipment

Purchase of computer systems and equipment
(MasterCam (shop) + office)

D. How many full-time employees were employed at time of designation and how many full-time employees are employed today? If employment levels have decreased, please explain.

Full-Time employees at time of designation:	26
Full-Time employees currently:	23

Our employees are comprised of union skilled trades persons (United Steelworkers – Local 2511) with an average of 30 years seniority all living in Monroe County; plus management staff with an average of 28 years seniority (the president of the company has 47 years seniority) all living in Monroe County; our project manager, sales and support staff has 2 years seniority with 50% living in Monroe County.

When Premier Industries was first awarded the Michigan Recovery Zone Program, we felt the market was at its' lowest point. Little did anyone know that the automotive industry would need bail outs and our financial institutions would be under scrutiny. We have been faced with many challenges from downsizing an already lean

company to working with companies with little financial support. But with the assistance of this program and many sacrifices we have survived.

In the past year, we have experienced many companies going forward on projects that they had shelved and new endeavors. We too have added four new employees and have moved forward on implementing new projects. In addition, we have continued with training of our employees.
(3-certified welders plus 4- MasterCam CNC software)

Premier Industries, with the continued support of the city of Monroe, will continue to expand, adding skilled jobs plus additional equipment. We have built strong bonds with the members of the Michigan Coast to Coast Tool & Die Collaborative to achieve increased business for all members and the ability to compete for much larger and diversified projects.

(Please Note: Because our employees have long term seniority, some individuals elected to retire during this time.)

E. How often does the Company meet to collaborate with the Tool & Die Renaissance Recovery Zone Coalition?

Our member meetings are quarterly with committees meeting/conference calls occurring between the member meetings. With our main focus currently on sales and marketing we are communicating on a regular basis. We have completed our brochure (attached) and are updating our web site (www.mcctd.com). In addition, when opportunities arise for the members we are in constant contact.

F. What is the Company's North American Industrial Classification System (NAICS)?

333513

G. Is any new investment planned and/or any new full-time jobs being created? Please explain.

New investments and/or new full-time jobs:

Premier Industries is committed to continuing our quest to be what our customers' expect by providing them with the resources to fulfill their requirements.

We have been researching new pieces of CNC equipment and the employees needed to facilitate their operation.

Our overhead cranes are currently at a 10 ton capacity.... Our customers continue to request the build of heavier equipment.

New stake truck, pick up truck and hi-low.

Premier is consistently looking for skilled trades people, project managers and electrical engineers and as our backlog increases so will the addition of personnel.

MICHIGAN RENAISSANCE ZONE PROGRAM

Tool & Die Renaissance Recovery Zone

Time Extension

Part 2 – Description of the Project

H. Describe the benefit package provided to the employees:

Premier Industries hourly employees are at the top of our rate scale receiving \$20.81 an hour.

Our benefits package includes:

Premier Industries pays all premiums for our benefits package with the exception of \$ 18.12/mos/individual for BCBS

Blue Cross Blue Shield – Community Blue 4

Vision

Life Insurance

Dental Insurance

Pension - Defined Benefit (hire date prior to 10/5/1997)

401(k) Program

Vacation & Holiday Pay

I. Is the Property a single Contiguous Geographic Area? Yes No

J. Real Property Parcel ID#(s): **Should be the same as approved by the Local Unit of Government per their Resolution**

LAKE ERIE PROPERTIES, LLC	9R-01890-006	(59-01890-006)
PREMIER INDUSTRIES CORPORATION	9R-00290-000	(58-00290-000)
CAMEX, INC	9R-00062-000	(58-00062-000)
LAKE ERIE ELECTRICAL CORPORATION	9R-01037-000	(58-01037-000)

K. Legal Description of the property to be included in the Renaissance Zone.

SEE ATTACHED 9R-01890-006 (59-01890-006)

BEGINNING AT A POINT OF THE TRACT DESCRIBED AS FOLLOWS:

THENCE NORTH 69 DEG. 55' 9" WEST, A DISTANCE OF 252.7 FEET

THENCE NORTH 0 DEG. 5' 0" EAST, A DISTANCE OF 453.0 FEET

THENCE SOUTH 80 DEG. 1' 0" EAST, A DISTANCE OF 256.4 FEET

THENCE SOUTH 0 DEG. 4' 11" WEST, A DISTANCE OF 409.0 FEET TO POINT OF BEGINNING

SAID TRACT CONTAINING 2.5 ACRES (100077.0 SQ. FT.) OF LAND MORE OR LESS PERIMETER = 1371.1 FEET

L. Is there any other company located within the building or parcel that is currently designated for your Tool & Die Renaissance Recovery Zone? If yes, please explain.

LAKE ERIE PROPERTIES, LLC	BUILDING AND PROPERTY
PREMIER INDUSTRIES CORPORATION	OPERATING COMPANY
CAMEX, INC	MACHINERY AND EQUIPMENT
LAKE ELECTRICAL CORPORATION	ELECTRICAL ASPECT OF PREMIER

M. What percentage of commodities/raw materials will be purchased out-of-state?

10 - 15%

N. If purchasing commodities outside the state, please explain why that is necessary.

PREMIER INDUSTRIES CORPORATION BUILDS SPECIAL MACHINERY,
NORAMALY A ONE-OF-A-KIND APPLICATION, IN WHICH THE CUSTOMER
DICTATES THE RAW AND COMMERCIAL ITEMS TO BE PURCHASED.
PREMIER CONTINUALLY TRIES TO PURCHASE OUR ITEMS LOCALLY.

MICHIGAN RENAISSANCE ZONE PROGRAM

Tool & Die Renaissance Recovery Zone Time Extension Part 3 – Tax Information

A. FOREGONE MICHIGAN BUSINESS TAX

Annual savings of Michigan Business Tax for the Company to date since designation	\$32,212.00
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B. FOREGONE PROPERTY TAXES

Annual savings of property taxes for the Company to date since designation	\$102,763.00
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C. SEV AND TV ON THE PROPERTY

SEV Year: **2011**

TV Year: **2011**

	SEV	TV
Real Property-LAND	\$59,870.00	\$38,530.00
Real Property-BUILDING	\$485,600.00	\$312,540.00
Personal Property	\$140,320.00	\$140,320.00
TOTALS	\$685,790.00	\$491,390.00

D. ADDITIONAL INFORMATION

Do you certify that all Taxes (property, income and other) are current? Yes No
If no, explain below:

School District Code (Speak with your Treasurer if you do not know your 5-digit School District Code)	58010
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Company's Federal Employer Identification Number (FEIN)	38-2640806
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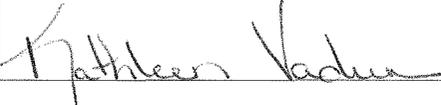
Company's Dun & Bradstreet Number (DUNS):	14-434-4991
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Senator's Name:Randy Richardville	Senate District:17
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Representative's Name:Dale Zorn	House District:56
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COMPANY CONSENT AND CERTIFICATION

I, KATHLEEN VADUN, CERTIFY THAT THE INFORMATION PROVIDED IN THIS APPLICATION IS, COMPLETE, TRUE AND ACCURATE. I ALSO CERTIFY THAT THERE ARE NO PENDING OR OUSTANDING ISSUES WITH ANY LOCAL OR STATE AGENCY.

Signature	Date
	10-4-11

DRAFT

DRAFT

DRAFT

**CITY OF MONROE
ECONOMIC DEVELOPMENT REVIEW COMMITTEE
MEETING MINUTES
MONDAY, OCTOBER 3, 2011
FIRST FLOOR CONFERENCE ROOM
MONROE CITY HALL**

The meeting was called to order by the Chairperson, George Brown, at 8:40 AM

1. Roll Call

Present: Robert E. Clark, Mayor
George Brown, City Manager
Brian Beneteau, City Councilman
Sam Guich, City Assessor
Edward Paisley, City Councilman (Alternate Representative)
Tom Ready, City Attorney
Dan Swallow, Director of Economic and Community Development

Guests: Kathleen Vadun, Controller, Premier Industries Corp.
Tom Snary, President, Premier Industries Corp.

2. Consent Agenda

- A. Approval of the Agenda
- B. Approval of the Minutes from August 10, 2011

Motion Clark, supported by Ready to approve the Consent Agenda as presented.

Motion Carried Unanimously

3. Old Business

None

4. New Business

- A. Application for a 5-year Extension of the Tool and Die Renaissance Recovery Zone for Premier Industries Corporation located at 513 N. Dixie Highway.

Director Swallow reported that Premier Industries Corporation has applied for a 5-year extension of the Tool and Die Renaissance Recovery Zone, which was first granted in 2006, and became effective January 1, 2007. The Recovery Zone will begin to phase out beginning in 2012. It is important to note that Premier is an active member of the Michigan Coast-to-Coast Tool & Die Collaborative, a prerequisite for designation as a recovery zone. The original application was reviewed by the Economic Development Review Committee (EDRC), which resulted in a recommendation to City Council to support the application for duration of 8-years.

City Council passed the requisite resolution in June 2006. Without the requested extension, this abatement would begin to phase out in 2012 and conclude in 2014. With the requested extension, the phase out would begin in 2017 and the abatement would expire at the end of 2019. While that State statute, Public Act 376 of 1996 allows for a total of 15-years, the Michigan Strategic Fund adopted a policy to limit extensions to 5-years.

Ms. Vadun stated that while initially the Company felt the 8-year abatement would be sufficient, they did not expect the poor economic environment to last as long as it has, particularly in automotive. They have made investments in new machinery including a CMC machine and upgraded software at the Company. They have also invested in training of their workforce to obtain new certifications. She also noted that a majority of their employees live in the City of Monroe and they pay above average wages with benefits. Mr. Snary continued that they have a few new contracts that they believe will allow the Company to grow the workforce in the near future.

The Committee members discussed the requirements in the State statute, the potential difference in property tax revenues and the need for the extension. Committee members stated the Company was a distinctive industry for Monroe and agreed that the economic conditions were worse than expected. Councilman Beneteau pointed out the unique products produced by Premier Industries and stated he felt the City should consider assisting the company. Mr. Ready noted that the application was incomplete in Section 3, which would need to be corrected prior to submittal to City Council.

Motion by Clark, seconded by Ready to recommend to City Council that the City request a 5-year Extension of the Tool and Die Renaissance Recovery Zone for Premier Industries Corporation located at 513 N. Dixie Highway.

Yeas: Clark, Brown, Beneteau, Ready, Swallow

Nays: Guich

Motion Passed

- B. Consider Formation of an Obsolete Property Rehabilitation Act (OPRA) District for the Area near the intersection of E. First Street and Conant Street (Detroit Stoker Property).

Director Swallow reported that he has been working with the Detroit Stoker company for the past 6-months on a redevelopment plan for their property located near the intersection of E. First Street and Conant Street. The use of the property has changed over time and the manufacturing component of the business at this site has been significantly reduced. The facility is now predominantly used for office space to accommodate the Company's administrative and engineering functions. A portion of the building is still used for assembly of prototypes and product testing. This change in use led to the Assessor's Office to reclassify the property from industrial to commercial

for property tax purposes. Mr. Guich stated the company was fully aware of this change and did not object at the July Board of Review.

Where previously the property could have been considered for an Industrial Facilities Exemption (IFE) to incentivize redevelopment of the property, now that it is considered a predominantly “commercial” use, granting an IFE is problematic. The City may want to consider offering an OPRA tax incentive to encourage the redevelopment project and retain the corporate office. In order to be eligible, an OPRA District would first need to be established.

Director Swallow noted a District could include a portion of the property, the entire property, or multiple properties, depending on where the City wanted to encourage commercial redevelopment. Because the property is currently industrial zoned and surrounded by industrial or residential zoning and master planned to stay in those uses, Director Swallow recommended a limited district.

The Committee members agreed that the proposed district should be limited to where commercial land uses are likely to occur on the property. Mr. Ready recommended that action on this item be postponed until the applicant can provide a map and/or legal description of the buildings that will be retained and rehabilitated.

5. Communications

None

6. Adjournment

Motion Guich, supported by Clark to Adjourn.

Motion Carried Unanimously

The meeting adjourned at 9:50 AM



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: Approval of the construction of the proposed Civil War Monument at Soldiers and Sailors Park

DISCUSSION: The Monroe County Civil War Casualties Monument Committee has proposed construction of a Civil War Monument at Soldiers and Sailors Park to commemorate the approximately 436 Monroe County men who were killed in the Civil War. The location sought in the park is at the north terminus of Navarre Street, near the intersection with East Front Street. This location is just east of the site of the Custer Equestrian Monument from 1923 to 1955.

The applicant is proposing a monument made up of three (3) rectangular granite blocks, containing images of Civil war heroes, a list of the casualties, and recognition of contributors to the monument. The central block will contain an image of a civil war soldier, the dates of the conflict and a list of the Medal of Honor recipients. Two flanking blocks will include the list of known casualties from the Monroe County area. On the back side of the blocks are proposed images of Civil War heroes George Armstrong Custer, Thomas Ward Custer, and Norman Hall, with a description of their lifetime achievements (*See Attached Renderings*).

The applicant has proposed a relatively large concrete pad as a "court area" with foundations poured to support the granite blocks that comprise the actual monument. City staff believes the extent of this concrete pad could be reduced and replaced with landscaping to soften the appearance of the monument and minimize the extent of open hardscape. The applicant has stated they are willing to consider a change to the extent of concrete pad surrounding the monument, but want to ensure minimal maintenance requirements.

In accordance with the Monument Policy adopted by City Council in February 2010 (Amended June 2011), the monument was reviewed by City staff to ensure the proposed monument meets several guidelines. These guidelines include significance or relevance to the City of Monroe; the proposed monument reflects some aspect of the city's heritage, culture or development; the type, quality and character of the materials to be used; the cost to construct the monument; evidence of an endowment fund to maintain the monument; and size and significance of monument. The proposed Civil War Monument clearly meets these guidelines in terms of the significance of the Civil War to the history of the City of Monroe and the number of Monroe County residents that perished in the War. City staff recommended some improvements to the proposed monument design that included a more unique appearance similar to monuments at the Gettysburg Battlefield. The applicant retained the granite block design despite these recommendations (*See Attached Project Review- Historic Preservation Office*).

The process in the Monument Policy for submitting a proposal includes the following applicable requirements: d) A detailed site plan showing the location of the proposed monument; Illustrations, photographs or drawings of the proposed monument; and Material samples or a sample board for the proposed monument; h) At its discretion, City Council may require a surety bond to ensure completion of the project; i) Prior to installation, the person or group shall provide evidence of an endowment fund for maintenance of the monument; and j) An instrument of permanent dedication shall be executed. The applicant has submitted a site plan showing the desired location for the monument and renderings of the finished appearance of the monument. Because of the likely cost of lining the sanitary sewer that traverses the site, staff recommends a surety bond in a minimum amount to cover the proportional cost of lining the sewer in the proposed area of impact (i.e. the length of sewer covered by the concrete court area). The applicant has provided a letter stating they are prepared to establish a \$10,000.00 endowment for maintenance of the monument; the applicant has agreed to provide \$4,000.00 towards lining of the sewer; and the instrument dedicating the monument to the City will need to be drafted prior to completion of the monument.

The project was reviewed by all the City Departments for potential impact to City infrastructure and operations. There were no objections to the proposed monument, with the condition that the foundations would not impact a nearby sanitary sewer. When the monument design was staked out in the field there was a potential conflict with an existing 24" X 18" brick sanitary sewer that traverses the site. Following proposed relocation of the monument and several consultations with the applicant in the field, an acceptable location was agreed upon by the applicant and City staff.

The Water and Wastewater Utilities Department has agreed that IF the applicant uses a foundation design that disperses the load away from the sanitary sewer, that the foundation could come no closer than 18" horizontally of the sanitary sewer routing. Additionally, if the applicant proposes concrete flat work (court area) over the top of the sanitary sewer, the Department requested that the applicant pay a proportional share of the cost to line the sanitary sewer. Lining of the sewer will significantly extend the service life of the sewer and minimize the likelihood that the monument would be disturbed for maintenance or repair of that sewer. At this time, the applicant has agreed to provide \$4,000.00 toward the cost of lining the sewer.

IT IS RECOMMENDED that the City Council approve the proposed Civil War Monument at Soldiers and Sailors Park with the following conditions:

1) A building permit must be obtained by the construction contractor and foundation placement must be pre-approved by the Department of Water and Wastewater Utilities, 2) The final extent of the concrete court area is approved by the Department of Economic and Community Development prior to installation, 3) The applicant posts a surety bond adequate to cover a proportional share of the sanitary sewer lining, which is estimated to be a minimum of \$4,000.00, prior to installation of the foundations 4) The \$10,000.00 endowment fund be deposited with the City prior to placement of the granite blocks, and 5) An instrument dedicating the monument to the City is executed prior to final completion and acceptance of the monument.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE: October 17, 2011

REASON FOR DEADLINE: Installation of foundations prior to winter.

STAFF RECOMMENDATION: X For Against

REASON AGAINST: N.A.

INITIATED BY: VFW Post 1138 Application for Civil War Monument, Department of Economic and Community Development

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED:

FINANCES

COST AND REVENUE PROJECTIONS:

Cost of Total Project	\$ 0
Cost of This Project Approval	\$ 3,500.00*
Related Annual Operating Cost	\$ 300.00**
Increased Revenue Expected/Year	\$ 0

* *ESTIMATED In-Kind services by City staff for review and inspections.*

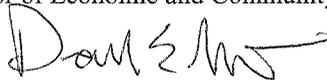
** *AVERAGE- Maintenance tasks will vary from year to year.*

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

Budget Approval: _____

FACT SHEET PREPARED BY: Dan Swallow, Director of Economic and Community Development **DATE:** 10/11/2011

REVIEWED BY: George Brown, City Manager



DATE:

COUNCIL MEETING DATE: October 17, 2011

Monroe Civil War Project Site Plan and Foundation Specifications

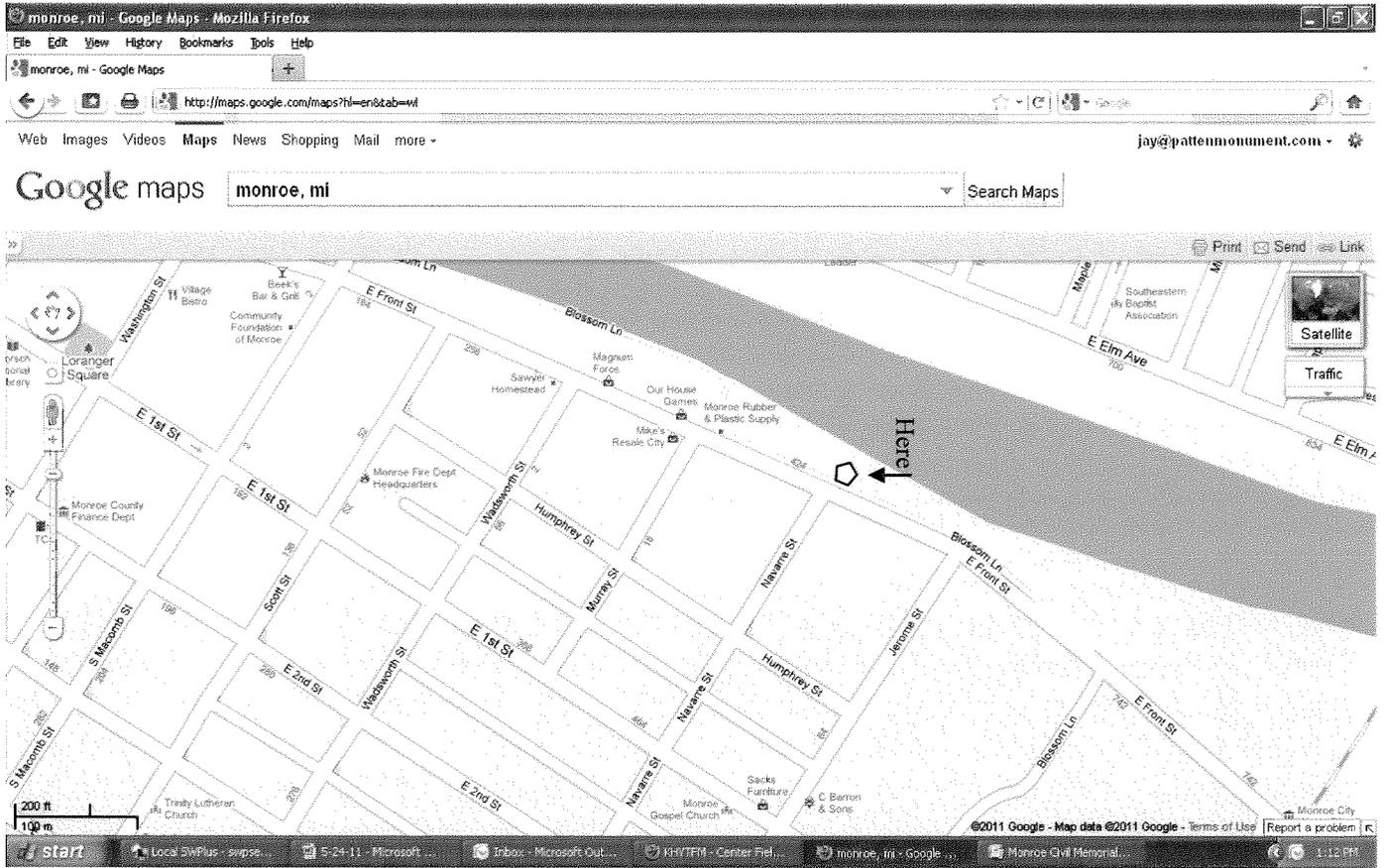
Attached is the overall site plan for the Monroe Civil War Memorial to be placed at the corner of Front Street and Navarre. It will be a five sided court area with three large features honoring our resident veterans who gave their all during the Civil War.

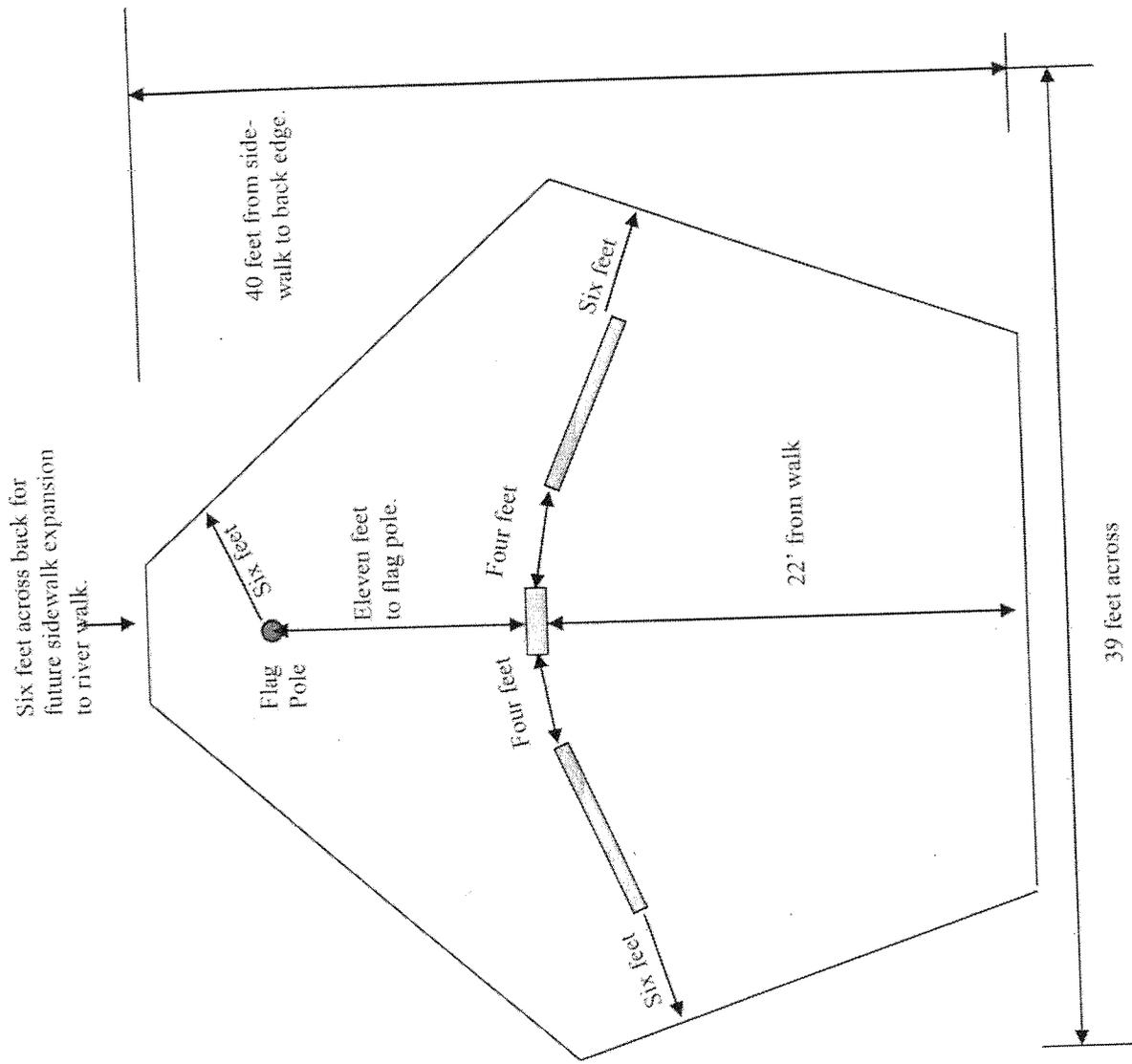
The court area will be approximately 40' x 39' centered off the side walk crossing on the north side of Front Street. The actual court area will be of textured concrete and standard thickness shaped similar to what is shown in the attached pages. All will be built in accordance to City codes governing such items.

Per site plan three foundations need to be poured prior to pouring the surrounding textured concrete court area where the features will be placed. The two large foundations will be 8' 6" X 1' 4" and four feet deep solid concrete. The small foundation will be 4' 0" X 1' 6" and four feet deep solid concrete.

Each of the three features will be dowelled and glued together as well as to the foundation.

Questions regarding this project may be directed toward project chair Richard Sieb 734-241-8898.





NOT TO SCALE



Front Street

Side Walk

Navarre

Monroe County Civil War Casualties Monument Committee
PO Box 2323
Monroe, MI 48161

July 21, 2011

Mr. Dan Swallow
City of Monroe
120 E. 1st St.
Monroe, MI 48161

Dear Mr. Swallow:

On behalf of the Monroe County Civil War Casualties Monument Committee I want to let you know that we will be giving the City of Monroe \$10,000 to set up a care fund for the monument. The check will be coming from the Monroe County Historical Society on our behalf. We expect to make this payment in early 2012. Right now we are in the process of finalizing the names to be on the monument and we will then order the granite.

If you have any questions, please let me know or you can contact Dick Sieb. My cell phone number is 734-652-1192 or my work number is 734-240-7787.

Sincerely,



Chris Kull
Secretary - Treasurer

project review

Historic Preservation Office

RE: Civil War Monument – Soldiers & Sailors Park

The Planning/Preservation Office has reviewed the design for the proposed monument to be located at Soldiers & Sailors Park honoring persons from Monroe County either killed or injured during the Civil War. As part of this review, the Planning/Preservation Office sought comments from various departments within the city. Our recommendations are presented below.

The original concept presented by the veterans' association was a pair of upright, black granite slabs with the names of the killed and injured engraved on them. During our initial meeting and review, the Preservation Office noted the contemporary design of the proposed monument and recommended that the organization consider a design more contextually appropriate to the period being commemorated. It was noted that Gettysburg Battlefield provides a wide array of examples that could provide direction and guidance for a fitting tribute to Monroe's Civil War veterans. The City agreed in concept to a Civil War Monument at Soldiers & Sailors Park without a firm design in hand. The decision to approve the monument in concept allowed the organization to continue raising funds while further refining the design.

Approximately a year later, the Civil War Monument Committee (represented by David Eby and Dick Sieb) met with City staff to submit a revised proposal. The new design consisted of a hexagonal plaza with three (3) upright monuments creating a shallow "U" facing E. Front Street. The two upright, black granite stones in the original design had been replaced although the preferred location for the monument remained the same, which was the second location for the Custer Equestrian Monument.

The proposed plan was circulated among the various departments. The Building Department indicated that it would require construction drawings prior to commencing work. The Engineering Department and the Department of Water, Wastewater & Utilities (WW&U) responded having similar comments and concerns. These focused upon the sanitary sewer, which runs under the Committee's proposed location. Barry Laroy, Director of Water, Wastewater & Utilities, offered a revised design for the plaza, which used a slightly deeper "U" that was shifted to the east. The revised design centers the monuments and plaza within the existing trees, which would create a semi-circle behind it. While the sanitary sewer would still run under a portion of the monument plaza under this new scenario, it would only be on the western edge even though both the Engineering and W,W&U departments originally recommended a ten (10) foot separation between the monument's foundation and the sanitary sewer.

In addition to moving the monument, Mr. Laroy also proposed lining the brick sewer. These revisions would allow the monument to remain in essentially the same location as originally proposed and would reduce potential problems with the sanitary sewer and the need to excavate the sanitary sewer and disturb the monument once constructed. He also indicated that

WW&U would be willing to share costs for relining the sewer with the veterans' organization. While this revised proposal has been given to the veterans, there has been no formal action on their part as of this time.

Regarding the proposed design, the Preservation Office maintains its earlier reservations. The design's use of separated, upright granite slabs evokes a more modern feel, although the current iteration improves upon the original design which proposed the use of black, upright slabs of granite that was highly reminiscent of Maya Lin's Viet Nam Memorial. Designs such as these tend to blur the subject matter being commemorated. As noted above, there are a number of excellent sources that can provide examples and guidance for a monument that is more contextually appropriate. A review of monuments at Gettysburg Battlefield is an excellent starting point. I've attached photos at the end of this report showing a variety of monuments found at Gettysburg. Of course, these vary in cost and complexity but as the examples indicate – very good monuments can be accomplished with relatively simple designs.

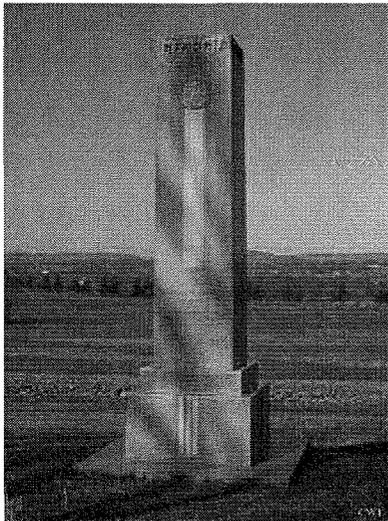
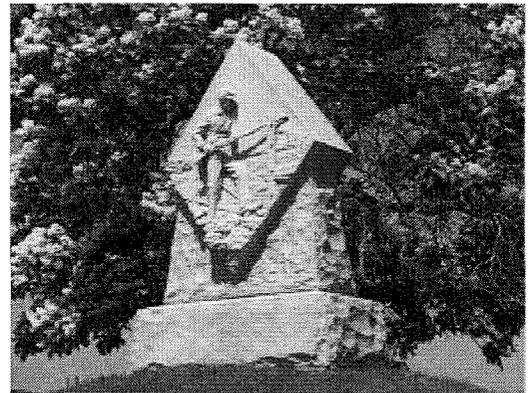
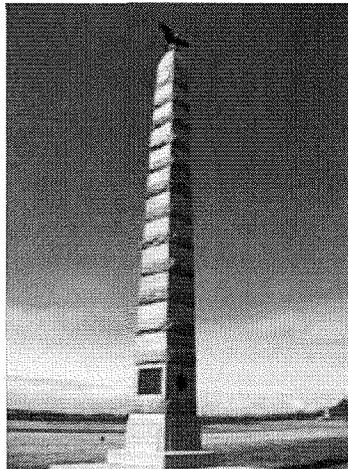
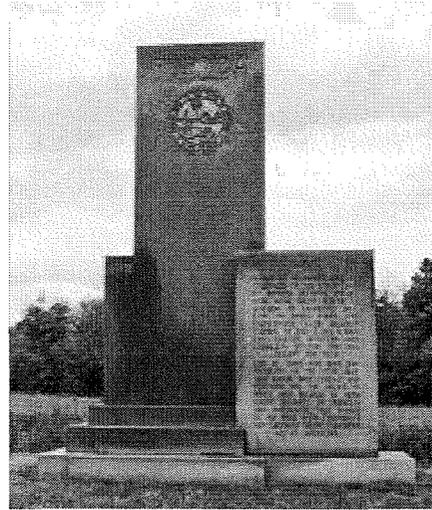
The Civil War Monument was approved in concept so that the veterans' association could continue to do fundraising. While the association may be exempted from fees for the monument application as they began meeting with City staff prior to the adoption of the monument policy, I would strongly recommend that an application be completed and the proposed Civil War Monument be vetted through the process established in the policy.

Jeffrey Green, AICP
City Planner / Historic Preservation Officer

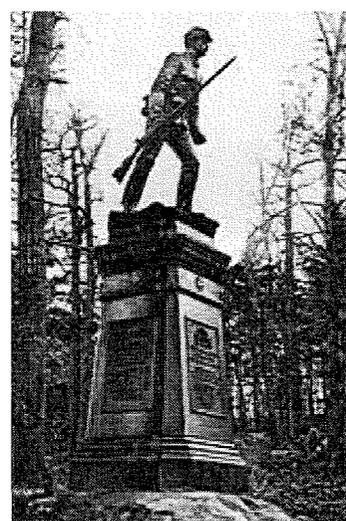
October 3, 2011

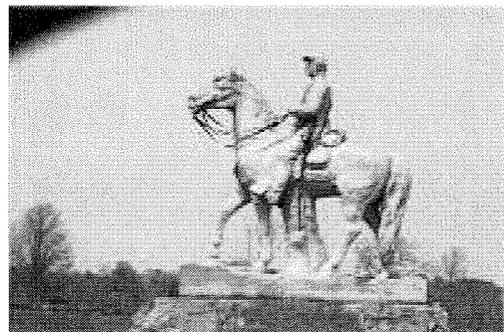
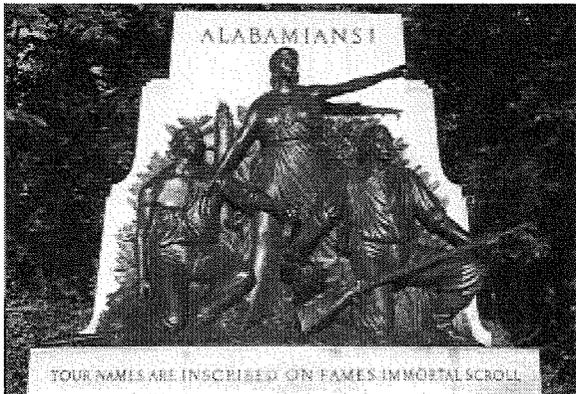
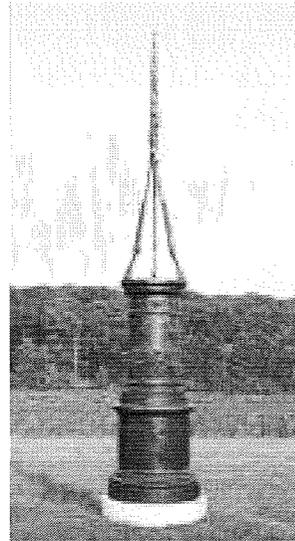
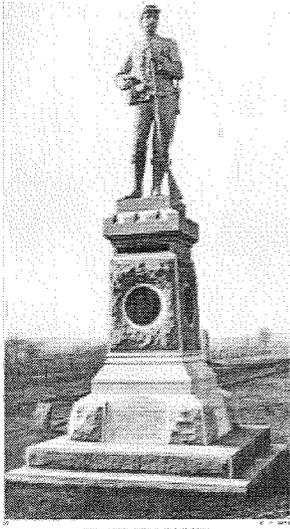


JOHN W. YORK MONUMENT
The monument to John W. York, a soldier of the 1st New York Cavalry, who was killed at the battle of Gettysburg, July 3, 1863.



JOHN W. YORK MONUMENT
The monument to John W. York, a soldier of the 1st New York Cavalry, who was killed at the battle of Gettysburg, July 3, 1863.





Green, Jeffrey

From: Lewis, Patrick
Sent: Wednesday, July 20, 2011 3:50 PM
To: Green, Jeffrey
Cc: Swallow, Dan; Laroy, Barry; Lehmann, Joseph
Subject: Proposed Civil War monument comments
Attachments: 20110720152537971.pdf

Jeff,

Per the attached request, the Engineering and Public Services Department has reviewed the request and has the following comments:

1. We have no objection to the concept of the monument or its being located in Soldiers and Sailors Park in general.
2. There appears to be a public sanitary sewer that will affect placement of the monument in the desired location. The attached submittal does show the sewer in a reasonably close representation of its actual position, but it is recommended that the Wastewater Department locate it in the field.
3. The proposed footings and any part of the monument should not be placed any closer than 10 feet from the outside edge of the sanitary sewer pipe, though I do not believe we would have major objections to the concrete pad being in this area, as this could be removed and replaced if necessary.
4. A perpetual care fund should be established to provide for long term maintenance of the monument, footings, and pad.

Let me know if you have any further questions.

Patrick M. Lewis, P.E.
Director of Engineering and Public Services City of Monroe 120 East First Street Monroe, MI 48161 patrick.lewis@monroemi.gov
(734) 384-9124 phone
(734) 384-9108 fax

-----Original Message-----

From: first.floor.copier@monroemi.gov [<mailto:first.floor.copier@monroemi.gov>]
Sent: Wednesday, July 20, 2011 3:26 PM
To: Lewis, Patrick
Subject:

This E-mail was sent from "RNPC479A2" (MP 5500/LD255).

Scan Date: 07.20.2011 15:25:37 (-0400)
Queries to: first.floor.copier@monroemi.gov

**Civil War Monument - E. Front St @ Navarre St
City of Monroe Water & Wastewater Utilities
Plan Review / Comments**

Received: 7-7-11

Reviewed: 7-8-11

1. The proposed monument appears to be located over top of the existing 24"x18" brick sanitary sewer and adjacent to a 20" PCCP water main. The brick sewer has been field located. The brick sanitary sewer was built in 1885 and it is recommended to not disturb the soil above the sewer so as to avoid catastrophic failure of the sewer. The 20" PCCP water main was built in 1964 and services the western communities of the water system.
2. The site plan appears to be acceptable as long as the foundations of the proposed monuments are at least 10' away from the brick sanitary sewer routing. It is suggested to field locate the brick sanitary sewer in relation to the proposed monument site and adjust the final location accordingly. If a suitable location cannot be found on the northeast side of the intersection it is suggested to locate the monument on the northwest side of the intersection.

Civil War Monument-Rev I.docx



MAP COMMENTS:
Dark, heavy lines represent the sanitary system.

MAP LEGEND:

SANITARY STRUCTURES (TYPE)

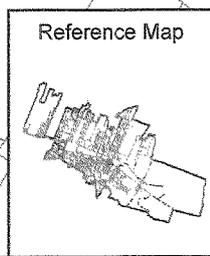
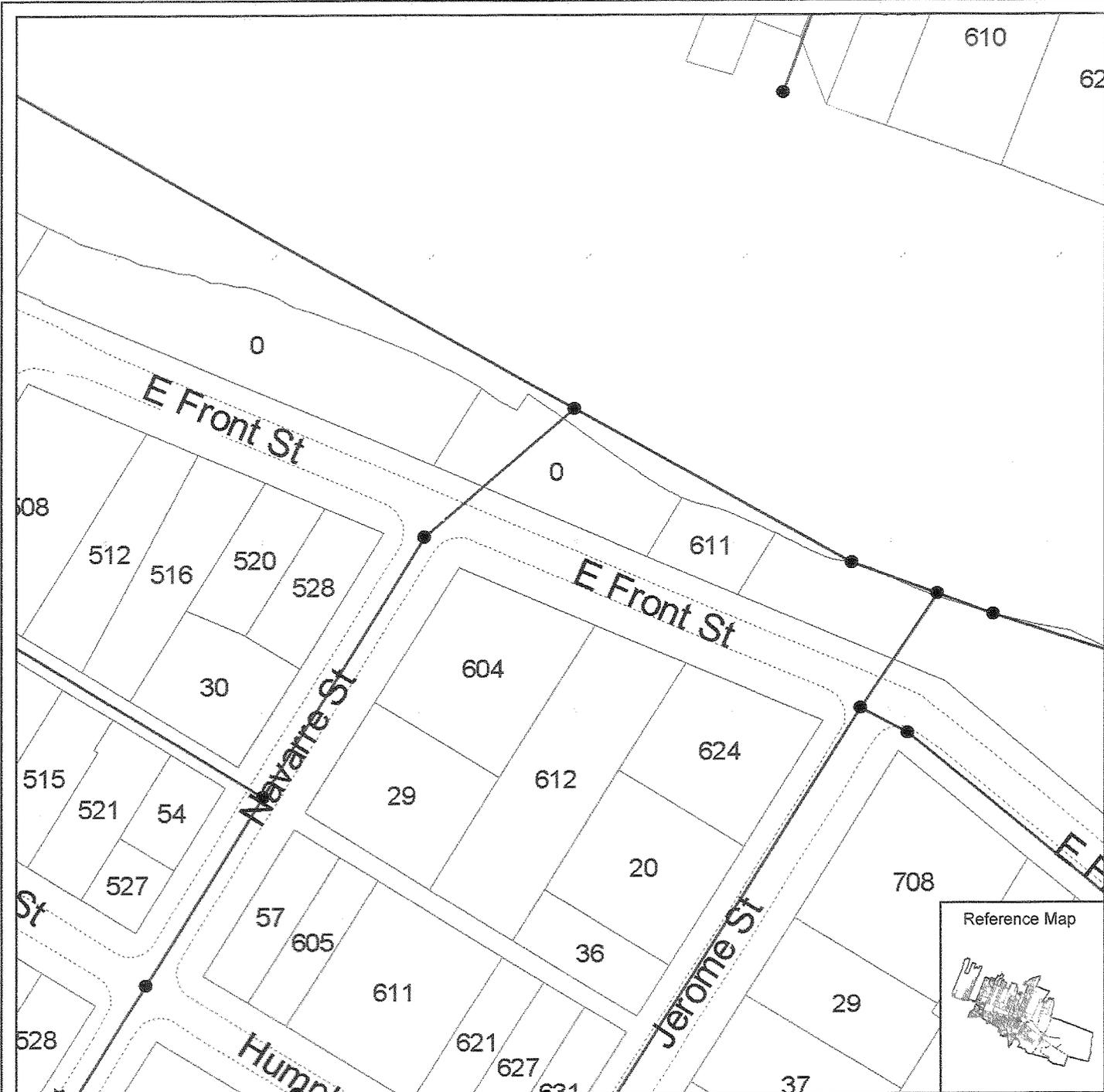
- Sanitary_Manhole
- Chamber
- ⊗ Air Release Valve
- ⊕ Junction
- ⊙ WWT
- ⊗ Sanitary_Pump_Station
- ⊗ Air and Vacuum Valve
- ⊗ Air Release Chamber
-

SANITARY PIPES (TYPE)

- ⚡ Abandoned
- FM
- ⚡ Gravity
- IND
- Intercepting Sewer
- Private
- Relief Sewer
- Trunk Sewer
- Transite pipe

EDGE OF PAVEMENT

- CITY LIMITS
- PARCELS



Map Scale: 1 inch = 122 feet

Map Date: 7/07/2011

Data Date: May 13, 2011

Sources: City of Monroe, River's Edge GIS, LLC.



Disclaimer:
DISCLAIMER: This map is neither a legally recorded map nor a survey and is not intended to be used as one. The user acknowledges that the City shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City from any and all claims brought by the User, its employees or agents, or third parties which arise out of the User's access or use of data provided.

MONUMENT POLICY

CITY OF MONROE, MICHIGAN

1. Intent

It is the intent of this policy to develop a review process that ensures that requests to construct and locate monuments, memorials, plaques, or similar items or structures of commemoration in the City of Monroe shall reflect good design and planning; take into consideration economic factors related to ongoing maintenance and repair; ensure contextual compatibility with the areas or neighborhoods in which they are to be located; and reflect some aspect of the city's heritage, culture, development, or its citizens.

2. Definition

Monument, Memorial, and Commemorative Structures – Any monument, statue, plaque, structure, tree, shrub, designed landscape, or other object or thing constructed, erected, planted, or otherwise located in a city park or on city property intended to commemorate or memorialize any person, group, place, or event. Historical markers erected by the Monroe County Historical Society at selected sites throughout the city (whether owned by the city or in the public right-of-way) are exempted from this policy.

3. Origination of Proposals for Monuments

Proposals for the erection of a monument, memorial, or commemorative structure may be brought to the Monroe City Council or its designee in any of the following ways:

- a). A member of the City Council may suggest a monument;
- b). An advisory board (acting as the designee of the City Council for matters of review of monument proposals) may make such a recommendation; and
- c). Any Monroe resident or group of residents may submit a suggestion or request that a monument be erected. Such suggestions or requests shall describe the type of monument being proposed, the location, justification for the monument, and evidence of an established maintenance/endowment fund that will be available to and used at the discretion of the city for the purpose of

maintaining and/or repairing the monument(s), landscaping, irrigation system, electrical system, infrastructure or other accoutrements related to said memorial, statue, monument, or similar commemorative feature.

4. Staff Review of Monument Proposals

The City Council shall refer any request to erect a monument, memorial, or commemorative structure to staff for an analysis of the proposal and to determine consistency with the guidelines established in Section 5 of this policy.

5. Guidelines for Review of Proposals

In determining whether to approve a proposed monument, the City Council or its designee shall consider the following, in addition to any other items that the Council or its designee may deem relevant to a specific request or project:

- a). Significance or relevance to the city of Monroe, or the prominence of the person, place, or event to be commemorated or memorialized;
- b). Determination as to whether a proposed monument, memorial, or commemorative structure reflects some aspect of the city's heritage, culture, or development, and whether or not the subject matter has already been commemorated or memorialized elsewhere or by another monument;
- c). Determination that the monument's proposed location will be compatible with its surroundings and consistent with the comprehensive plan, the recreation plan, planning and urban design best practices, and park design;
- d). The type, quality, and character of the materials to be used;
- e). The cost to construct, erect, locate, and/or maintain the monument, as well as evidence of an established endowment fund, accessible by the city of Monroe, for the long-term maintenance and repair of the monument or monuments;

- f). The cost to install, operate, repair, and/or maintain a mechanical and/or electrical system proposed for use in conjunction with a monument or memorial. Such systems should be identified by the applicant with related costs factored into the monument/memorial endowment fund;
- g). At the discretion of the reviewing body, additional weight may be given to a project that constitutes a large or significant installation and recognizes a broader segment of the community's population. (E.g., a significant installation might be defined by the amount of investment, the artist or sculptor creating the monument or memorial, the size or significance of installation, etc.)

6. Process for Submitting Monument Proposals/Requests

- a). A person or group interested in proposing a monument shall contact the City of Monroe Planning Office to receive an information packet and application and to schedule a pre-application meeting with Planning staff to discuss the proposal (other departments, as deemed necessary, may also be involved);
- b). For monuments, memorials, and similar installations defined within this policy, a resolution specifically recognizing the individual, group, or event to be commemorated must first be adopted by the Monroe City Council. The resolution shall state how the proposed monument or memorial reflects the city's heritage, culture, or development and why an individual, group, or event should be recognized by a monument, memorial or commemorative structure;
- c). Erection of any monument, memorial, or commemorative structure shall meet the five-year "waiting period" requirement. The "waiting period" may be modified as deemed appropriate by Council;
- d). After adoption of a resolution recognizing an individual, group, or event, the proposal's sponsor shall submit a completed application to the City's Planning Office. The application shall include:

- A detailed site plan showing the location of the proposed monument, property lines, adjacent buildings, utilities, proposed landscaping, etc.; (large or complex projects may require preparation by a design professional);
 - Illustrations, photographs, drawings of the proposed monument/memorial; and
 - Material samples or a sample board (if requested) for proposed monument or memorial.
- e). In reviewing a proposal, the City Planning Office shall consider the monument or memorial to be constructed, the landscape design, location, as well as other factors determined relevant, such as projected long-term costs associated with the maintenance and upkeep of a specific monument or memorial. The Planning Office will deliver its findings, recommendations, and comments to the City Council (or its designee).
- f). Upon receipt and review of the Planning Office analysis, the City Council shall act on the proposal by approving, approving with conditions, or denying the request.
- g). If approved or approved with the conditions, it shall be the responsibility of the person or group sponsoring the monument or memorial to bear the cost of its production and installation (unless it is a municipally-sponsored project).
- h). At its discretion, the City Council may require a surety bond to be posted to ensure completion of the project.
- i). Prior to installation, the person or group proposing the monument or memorial shall provide to City Council evidence of an endowment fund established for long-term maintenance, repair, upkeep of the monument or memorial being proposed, and any related electrical or mechanical systems or infrastructure. The City of Monroe shall have sole discretion to access said funds, as needed, to carryout annual maintenance, repairs, and upkeep.
- j). An instrument of permanent dedication shall be executed between the City and the individual or group sponsoring the monument or memorial upon completion of the project and acceptance by the City of Monroe.

- l). A Letter of Acceptance shall then be issued by the City of Monroe and any bond held by the city shall be released if such bond funds remain.
- m). The Letter of Acceptance shall indicate that the monument, memorial, or commemorative structure has complied with the proposed design and met all requirements set forth in this policy and, as such, shall become property of the City of Monroe.

7. Content or Subject Matter

Under no circumstances shall any permanent memorials, monuments or commemorative structures depict subjects that are trademarked, commercially-licensed, or otherwise deemed inappropriate by City Council (or its designee).

8. Permits and Approvals

This policy and the actions of the City Council shall not be construed to relieve any person or group from securing all necessary permits and meeting any and all requirements related to the design, installation, and erection of a monument, memorial, or commemorative structure and any associated accoutrements.

9. Application and Review Fees

A non-refundable \$500 application fee is due with application submission.

Depending upon the complexity of a project, an additional \$1,000 fee may also be required at the time of application. These funds will be placed in an escrow account and will be used if additional review time, professional technical review, or additional materials or services are necessary. Any unused escrow funds will be returned to the applicant upon project completion and issuance of the Letter of Acceptance. Escrow funds should not be confused with a surety bond that may also be required.



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: Adoption of a revised resolution approving the Industrial Facilities Property Tax Exemption for MacSteel Monroe Incorporated.

DISCUSSION: The State Department of Treasury has requested that the City add the following statement to the resolution approving the Industrial Facilities Tax Exemption (IFE) for MacSteel Monroe Incorporated:

WHEREAS, the aggregate SEV of real and personal Property exempt from ad valorem taxes within the City of Monroe, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEVE of personal and real property thus exempted.

The City Assessor has determined that this is an accurate statement based on the current State Equalized Value (SEV) of the City and proposed addition of this investment.

IT IS RECOMMENDED that the City Council, adopt the revised resolution approving the Industrial Facilities Exemption for MacSteel Monroe Incorporated for their facility located at 3000 E. Front Street for a period of 12-years, and authorize the Clerk/Treasurer to complete the requisite documentation.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE: October 17, 2011

REASON FOR DEADLINE: Request from State Department of Treasury to receive documentation within 30-days

STAFF RECOMMENDATION: X For Against

REASON AGAINST: N.A.

INITIATED BY: Monroe MacSteel Incorporated Application, Department of Economic and Community Development

PROGRAMS, DEPARTMENTS, OR GROUPS AFFECTED: Assessing Department, Clerk/Treasurer's Office, Department of Economic and Community Development, Other Taxing Jurisdictions (LET, Monroe Public Schools, ISD, Library, Monroe County, Community College)

FINANCES

COST AND REVENUE PROJECTIONS:	Cost of Total Project	\$ 0
	Cost of This Project Approval	\$ 0
	Related Annual Operating Cost	\$ 0
	Increased Revenue Expected/Year, Year 1:	\$ (248,427.00)*
	Year 12:	\$ (140,190.00)*
	Total for ALL 12-Years	\$ (2,145,091.00)*

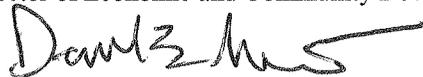
* *ESTIMATED* difference between projected property tax revenues with and without the abatement. Based on type and value of improvements submitted by the applicant. Personal property depreciates during the term of the abatement.

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

Budget Approval: _____

FACT SHEET PREPARED BY: Dan Swallow, Director of Economic and Community Development **DATE:** 10/12/11

REVIEWED BY: George Brown, City Manager



DATE:

COUNCIL MEETING DATE: October 17, 2011

**CITY OF MONROE
RESOLUTION**

1 **WHEREAS**, an Application for Industrial Facilities Exemption Certificate, pursuant to Act
2 No. 198 of the Public Acts of 1974, as amended, was filed by MacSteel Monroe
3 Incorporated for property located at 3000 East Front Street, Monroe, Michigan, within a
4 designated Industrial Development District more particularly described in Exhibit A, on
5 May 27, 2008; and

6 **WHEREAS**, the City of Monroe Economic Development Review Committee reviewed
7 the application and recommended approval of the application for real and personal
8 property improvements requested for a period of twelve (12) years; and

9 **WHEREAS**, a Public Hearing was held by City Council on September 6, 2011 for
10 property owners, taxpayers, the City Assessor, the applicant and representatives of the
11 affected taxing units on the granting of an Industrial Facilities Exemption Certificate for
12 Monroe MacSteel Incorporated and no comments were made supporting and no
13 comments were made objecting to the request; and

14
15 **WHEREAS**, the aggregate SEV of real and personal property exempt from ad valorem
16 taxes within the City of Monroe, after granting this certificate, will not exceed 5% of an
17 amount equal to the sum of the SEV of the unit, plus the SEV of personal and real
18 property thus exempted.

19 **NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Monroe
20 hereby approves the application from Monroe MacSteel Incorporated, dated August 8,
21 2011 for an Industrial Facilities Exemption Certificate for property located at 3000 East
22 Front Street, Monroe, Michigan and more particularly described in its Application for
23 Industrial Facilities Exemption Certificate dated August 8, 2011 for real property
24 improvements in the amount of twenty million four hundred ninety six thousand four
25 hundred and seventy eight dollars (\$20,496,478.00) and personal property
26 improvements in the amount of forty six million four hundred fifty three thousand six
27 hundred and one dollars (\$46,453,601.00) for a period of twelve (12) years and subject
28 to the following conditions which are to be enumerated in a separate Agreement by and
29 between the City of Monroe and Monroe MacSteel Incorporated to be executed pursuant
30 to Act No. 334 of the Public Acts of 1993, Section 22:

- 31 1. That Monroe MacSteel Incorporated shall invest a sum not less than sixty
32 six million nine hundred fifty thousand and seventy nine dollars
33 (\$66,950,079.00) for certain real and personal property improvements
34 located at 3000 East Front Street, which is more particularly identified in
35 its Application for Industrial Facilities Exemption Certificate dated August
36 8, 2011;
- 37 2. That Monroe MacSteel Incorporated shall create not less than thirty five
38 (35) new jobs at this site within two years of project completion;

- 39 3. That Monroe MacSteel Incorporated shall pay their employees a “living
40 wage” as outlined in City of Monroe Ordinance 04-016;
41
42 4. That it is understood by and between the parties that the City of Monroe
43 shall request withdrawal of the abatement by the State Tax Commission if
44 Monroe MacSteel Incorporated fails to complete the improvements at the
45 specified location;
- 46 5. That it is understood by and between the parties that the abatement be
47 subject to periodic review to assure compliance with the terms of the
48 Agreement to be executed by the parties pursuant to Public Act 334 of
49 1993, Section 22, as authorized by this Resolution of City Council; and
- 50 6. That it is understood by and between the parties that should a periodic
51 review identify any non-compliance with the terms and conditions of said
52 Agreement, Monroe MacSteel Incorporated shall be given a period of
53 thirty (30) days to bring itself into compliance or the City of Monroe will
54 request the withdrawal of the abatement by the State Tax Commission.

55 **BE IT FURTHER RESOLVED**, that the City of Monroe hereby states being fully advised
56 that the granting of this Industrial Facilities Exemption Certificate to Monroe MacSteel
57 Incorporated for the property located at 3000 East Front Street, Monroe, Michigan, and
58 more particularly described in its Application for Industrial Facilities Exemption Certificate
59 dated August 8, 2011, together with the aggregate amount of certificates previously
60 granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No.
61 255 of the Public Acts of 1978 shall not have the effect of substantially impeding the
62 operation of the City of Monroe or impairing the financial soundness of a taxing unit
63 which levies ad valorem taxes in the City of Monroe.

64 **BE IT FURTHER RESOLVED**, that the Mayor and Clerk/Treasurer be authorized to
65 execute an Agreement of the parties pursuant to Public Act 334 of 1993 and that a copy
66 of said Agreement be filed by the Clerk/Treasurer with the Michigan Department of
67 Treasury.

68 **EXHIBIT A**

69 (Please see attached Resolution dated July 22, 1996 establishing the Industrial
70 Development District)

71

72 Motion:

73 Seconded By:

74

75 Ayes:

76 Nays:

77 Absent:

78

79

80 **RESOLUTION DECLARED ADOPTED**

81

82 I, Charles D. Evans, City Clerk-Treasurer of the City of Monroe, County of Monroe, State
83 of Michigan, do hereby certify that the foregoing is an exact copy of a Resolution
84 adopted by the City Council of said City, at a regular meeting thereof held on the 17th
85 day of October 2011.

86

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Charles D. Evans
City Clerk-Treasurer



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

ANDY DILLON
STATE TREASURER

We are in receipt of an Industrial Facilities Tax (IFT) Exemption application which is missing the following items:

- Second copy of original Application plus attachments.
- Resolution establishing district.
- Resolution approving/denying application (transfer application).
- Letter of Agreement signed by local unit and applicant.
- Affidavit of Fees signed by local unit and applicant.
- Building permit for real improvements if project has already begun.
- Equipment list with dates of beginning of installation for each piece with day, month and yr. In list form. (we do not accept just the year, please include day month and yr)
- Equipment list with breakdown of cost per itemized acquisition.
- Form 3222 (if applicable).
- Triple Net Lease agreement.
- Other: The resolution provided is missing the below required statement. Please correct the resolution and resubmit. A sample resolution has been attached.

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the (governmental unit), after granting this certificate, (will/will not) exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted; and

Please send the missing documentation via fax or e-mail within 30 days of this request to complete the application. If the required documentation is not received within 30 days from the date of this letter, the application will be dismissed as inactive.

If you have any questions, concerns, or require additional information, please contact Sarah Miller at (517) 373-3272.

Fax Number (517) 373-3553

E-Mail millers17@michigan.gov

State of Michigan
Property Tax Exemption Section
P.O. Box 30471
Lansing, MI 48909-7971

RESOLUTION

WHEREAS, an Application for Industrial Facilities Exemption Certificate, pursuant to Act No. 198 of the Public Acts of 1974, as amended, was filed by MacSteel Monroe Incorporated for property located at 3000 East Front Street, Monroe, Michigan, within a designated Industrial Development District more particularly described in Exhibit A, on May 27, 2008; and

WHEREAS, the City of Monroe Economic Development Review Committee reviewed the application and recommended approval of the application for real and personal property improvements requested for a period of twelve (12) years; and

WHEREAS, a Public Hearing was held by City Council on September 6, 2011 for property owners, taxpayers, the City Assessor, the applicant and representatives of the affected taxing units on the granting of an Industrial Facilities Exemption Certificate for Monroe MacSteel Incorporated and no comments were made supporting and no comments were made objecting to the request.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Monroe hereby approves the application from Monroe MacSteel Incorporated, dated August 8, 2011 for an Industrial Facilities Exemption Certificate for property located at 3000 East Front Street, Monroe, Michigan and more particularly described in its Application for Industrial Facilities Exemption Certificate dated August 8, 2011 for real property improvements in the amount of twenty million four hundred ninety six thousand four hundred and seventy eight dollars (\$20,496,478.00) and personal property improvements in the amount of forty six million four hundred fifty three thousand six hundred and one dollars (\$46,453,601.00) for a period of twelve (12) years and subject to the following conditions which are to be enumerated in a separate Agreement by and between the City of Monroe and Monroe MacSteel Incorporated to be executed pursuant to Act No. 334 of the Public Acts of 1993, Section 22:

1. That Monroe MacSteel Incorporated shall invest a sum not less than sixty six million nine hundred fifty thousand and seventy nine dollars (\$66,950,079.00) for certain real and personal property improvements located at 3000 East Front Street, which is more particularly identified in its Application for Industrial Facilities Exemption Certificate dated August 8, 2011;
2. That Monroe MacSteel Incorporated shall create not less than thirty five (35) new jobs at this site within two years of project completion;
3. That Monroe MacSteel Incorporated shall pay their employees a "living wage" as outlined in City of Monroe Ordinance 04-016;
4. That it is understood by and between the parties that the City of Monroe shall request withdrawal of the abatement by the State Tax Commission if Monroe MacSteel Incorporated fails to complete the improvements at the specified location;
5. That it is understood by and between the parties that the abatement be subject to periodic review to assure compliance with the terms of the Agreement to be executed by the parties pursuant to Public Act 334 of 1993, Section 22, as authorized by this Resolution of City Council; and

6. That it is understood by and between the parties that should a periodic review identify any non-compliance with the terms and conditions of said Agreement, Monroe MacSteel Incorporated shall be given a period of thirty (30) days to bring itself into compliance or the City of Monroe will request the withdrawal of the abatement by the State Tax Commission.

BE IT FURTHER RESOLVED, that the City of Monroe hereby states being fully advised that the granting of this Industrial Facilities Exemption Certificate to Monroe MacSteel Incorporated for the property located at 3000 East Front Street, Monroe, Michigan, and more particularly described in its Application for Industrial Facilities Exemption Certificate dated August 8, 2011, together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978 shall not have the effect of substantially impeding the operation of the City of Monroe or impairing the financial soundness of a taxing unit which levies ad valorem taxes in the City of Monroe.

BE IT FURTHER RESOLVED, that the Mayor and Clerk/Treasurer be authorized to execute an Agreement of the parties pursuant to Public Act 334 of 1993 and that a copy of said Agreement be filed by the Clerk/Treasurer with the Michigan Department of Treasury.

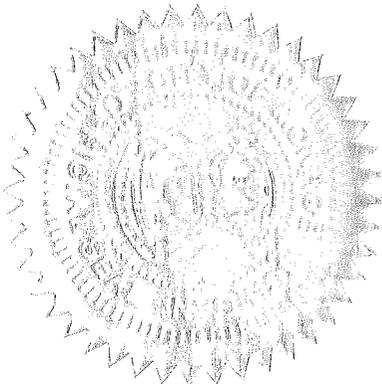
EXHIBIT A

(Please see attached Resolution dated July 22, 1996 establishing the Industrial Development District)

Motion: Council Member Molenda
Seconded by: Council Member Beneteau
Ayes: 7 Nays: 0 Absent: 0
Motion Carried.

RESOLUTION DECLARED ADOPTED

I, Charles D. Evans, City Clerk-Treasurer of the City of Monroe, County of Monroe, State of Michigan, do hereby certify that the foregoing is an exact copy of a Resolution adopted by the City Council of said City, at a regular meeting thereof held on the 6th, day of September, 2011.



A handwritten signature in black ink, appearing to read 'Charles D. Evans', is written over a horizontal line. The signature is located on the right side of the page.

Charles D. Evans
City Clerk-Treasurer

RESOLUTION

WHEREAS, the Plant Rehabilitation and Industrial Development Act, Act 198 of the Public Acts of 1974, as amended, provides for the establishment of industrial development districts and the exemption from certain ad valorem property taxes for facilities located within such districts for the purpose of assisting industrial enterprises in locating, constructing, and equipping manufacturing facilities within the State of Michigan; and

WHEREAS, the City of Monroe finds and has made a determination that more than 50% of the state equalized valuation of the property proposed for the district is obsolete for industrial development; and

WHEREAS, the Port of Monroe has made application for an Industrial Development district in accordance with the provisions of Act 198 which encompasses property located in the Port of Monroe Industrial Park within the City of Monroe; and

WHEREAS, the City's Economic Development Review Committee reviewed the application on July 2, 1996 and recommends to City Council the establishment of an Industrial Development District for said property; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Monroe hereby establishes an Industrial Development District encompassing the following property in the Port of Monroe Industrial Park:

A parcel of land located on Private Claims 161, 166, 346, 347, 348, and 349, and Sections 9, 10, 15 and 16, T.7.S., R.9.E., City of Monroe, Monroe County, Michigan described as follows:

From the intersection of the north line of 100 foot wide East Front Street with the west line of 80 foot wide Port Avenue, northwesterly along the north line of East Front Street north 55° 01' 00" west, 69.40 feet to the Point-of-Beginning;

thence; southwesterly across a 100 foot wide East Front Street and a 42 foot wide railroad right-of-way south 34° 59' 60" west, 142.00 feet to a point on a curve to the right, and on the north property line of North Star Steel;

thence, continuing along this property line the following ten courses: 794.87 feet on a 5804.65 foot radius to the right, said curve having a chord bearing and distance of north 51° 05' 37" west, 794.25 feet;

thence; south 42° 49' 45" west, 7.47 feet;

thence; north 52° 55' 35" west, 191.11 feet;

thence; 320.40 feet on a 686.78 foot radius curve to the left, said curve having a chord bearing distance of north 66° 17' 28" west, 317.50 feet;

thence; south 44° 19' 30" west, 542.61 feet;

thence; south 22° 27' 57" west, 1642.05 feet;

thence; south 51° 26' 01" east, 409.25 feet;

thence; south 80° 26' 56" east, 2102.11 feet;

thence; south 55° 10' 30" east, 2073.99 feet;

thence; north 23° 32' 00" east, 1295.07 feet to a point on the south line of the railroad right-of-way adjacent to East Front Street;

thence; south 55° 10' 30" east, 101.55 feet to a point on the property line common to the Port of Monroe and the Detroit Edison Company;

thence; south 23° 32' 00" west, 2393.50 feet along this common property line adjacent to the Detroit Edison Company Monroe Power Plant cooling water channel to a point located within the waters of Plum Creek;

thence; along a line proceeding through the waters of Plum Creek the following six courses;

north 66° 28' 00" west, 860.32 feet;

thence; south, 18.55 feet;

thence; north 73° 00' 00" west, 1485.00 feet;

thence; north 55° 46' 30" west, 1286.52 feet;

thence; north 19° 04' 09" east, 396.90 feet;

thence; north 70° 36' 50" west, 3574.89 feet to the easterly right-of-way line of Interstate 75;

thence; continuing along the shoreline of Plum Creek the following twenty courses;

north 70° 36' 50" west, 316.73 feet across the right-of-way of Interstate 75, to the westerly right-of-way line of Interstate 75;

thence; north 70° 36' 50" west, 816.21 feet;

thence; north 65° 10' 00" west, 173.18 feet;

thence; north 42° 42' 00" west, 150.11 feet;

thence; north 19° 50' 00" west, 108.25 feet;

thence; north 06° 55' 00" west, 338.16 feet;

thence; north 44° 59' 00" west, 118.88 feet;

thence; north 64° 07' 00" west, 183.24 feet;

thence; south 88° 39' 00" west, 291.86 feet;

thence; north 52° 45' 00" west, 770.95 feet;

thence; south 58° 05' 00" west, 268.00 feet;

thence; north 57° 10' 00" west, 119.00 feet;

thence; north 36° 32' 00" west, 76.00 feet;

thence; north 11° 55' 00" west, 240.00 feet;

thence; north 20° 03' 00" east, 35.00 feet;

thence; north 56° 44' 00" east, 350.00 feet;

thence; north 24° 35' 00" east, 285.00 feet;

thence; north 00° 32' 00" west, 176.00 feet;

thence; north 18° 18' 00" west, 215.00 feet;

thence; north 60° 05' 00" west, 117.53 feet;

thence; north 34° 26' 40" east, 417.25 feet to a point on a curve on a railroad easement;

thence; along the railroad easement the following five courses:

222.04 feet on a 482.53 foot radius curve to the right, said curve having a chord bearing and distance of south 83° 57' 56" east, 220.09 feet;

thence; north 19° 13' 02" east, 7.00 feet;

thence; south 70° 46' 58" east, 158.53 feet to a point on a curve;

thence; 240.73 feet on a 978.62 foot radius curve to the right, said curve having a chord bearing and distance of south 63° 44' 09" east, 240.12 feet;

thence; south 56° 41' 20" east, 136.64 feet;

thence; north 34° 26' 40" east, 342.34 feet to a point on the south right-of-way line of Wood Street;

thence; south 55° 33' 20" east, 837.66 feet;

thence; north 34° 28' 03" east, 29.55 feet;

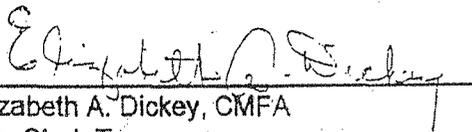
thence; south 55° 38' 32" east, 590.64 feet;
thence; south 55° 34' 10" east, 244.00 feet;
thence; south 34° 26' 47" west, 283.00 feet;
thence; south 55° 34' 10" east, 393.83 feet to the southeast corner of "Consolidated Land Company Plat No. 1" (recorded in Liber 5, Page 15 Monroe County Records);
thence; north 34° 26' 42" east, 1403.00 feet to the northeast corner of "Consolidated Land Company Plat No. 1"
thence; north 55° 38' 42" west, 1224.58 feet;
thence; north 34° 03' 20" east, 1039.88 feet;
thence; north 55° 39' 10" west, 229.00 feet;
thence; north 34° 03' 13" east, 80.00 feet to the northerly right-of-way line of East First Street;
thence; north 55° 39' 10" west, 485.35 feet;
thence; north 32° 54' 06" east, 21.91 feet to the south line of a 30 foot wide railroad right-of-way adjacent to East Front Street;
thence; 176.94 feet on a 1445.19 foot radius curve to the left to a point of tangency, said curve having a chord bearing and distance of south 73° 57' 43" east, 176.83 feet;
thence; south 77° 28' 10" west, 381.59 feet;
thence; south 60° 55' 40" east, 391.54 feet;
thence northeasterly across a 30 foot wide railroad right-of-way and a 66 foot wide East Front Street north 31° 29' 10" east, 108.06 feet;
thence; north 60° 55' 40" west, 201.05 feet;
thence; north 38° 47' 20" east, 19.00 feet to a point on the shoreline of the River Raisin;
thence; along the shoreline of the River Raisin the following seven courses;
south 47° 09' 18" east, 49.26 feet;
thence; south 57° 06' 49" east, 30.07 feet;
thence; south 63° 48' 45" east, 201.83 feet;
thence; south 78° 59' 51" east, 69.33 feet;
thence; south 75° 09' 24" east, 158.03 feet;
thence; south 65° 18' 42" east, 134.57 feet;
thence; south 46° 43' 40" east, 75.00 feet;
thence; south 34° 16' 20" west, 94.89 feet;
thence; south 56° 04' 40" east, 48.38 feet;
thence; south 34° 16' 20" west, 17.69 feet to a point on the north right-of-way line of East Front Street;
thence; north 50° 49' 40" west, 27.47 feet;
thence; southwesterly across a 66 foot wide East Front Street and a 30 foot wide railroad right-of-way south 36° 32' 50" west, 108.06 feet;
thence; 482.49 feet on a 1417.69 foot radius curve to the right to a point of tangency, said curve having a chord bearing and distance of south 41° 04' 40" east, 480.17 feet;
thence; north 31° 19' 40" west, 240.40 feet to a point of intersection of the southerly line of the 30 foot wide railroad right-of-way and the westerly right-of-way line of Interstate 75;
thence; continuing along the southerly line of the railroad right-of-way, across the Interstate 75 right-of-way and under the Interstate 75 roadway to a point of intersection of the southerly line of a 42 foot wide railroad right-of-way and the easterly right-of-way line of Interstate 75 (the 30 foot wide railroad right-of-way increases to a 42 foot wide right-of-way as it crosses the Interstate 75 right-of-way);
thence; 63.94 feet on a 1446.69 foot radius curve to the left to a point of tangency, said curve having a chord bearing and distance of south 55° 43' 11.5" east, 63.94 feet;
thence; south 56° 59' 10" east, 700.39 feet;

thence; northeasterly across a 42 foot wide railroad right-of-way and a 100 foot wide East Front Street north 33° 00' 50" east, 142.00 feet;
thence; 515.03 feet on a 5796.65 foot radius curve to the right, said curve having a chord bearing and distance of south 54° 26' 27" east, 514.80 feet;
thence; north 38° 06' 05" east, 512.51 feet to a point on the shoreline of the River Raisin;
thence; along the shoreline of the River Raisin the following four courses;
south 63° 41' 34" east, 240.09 feet;
thence; south 49° 17' 58" east, 52.46 feet;
thence; south 60° 32' 19" east, 249.20 feet;
thence; south 78° 54' 52" east, 179.64 feet to a point on the westerly line of the River Raising Turning Basin;
thence; along a line common with the westerly line of the River Raisin Turning Basin south 06° 56' 40" east, 783.65 feet;
thence; south 45° 03' 53" west, 212.45 feet to a point on the northerly right-of-way line of East Front Street;
thence; 529.63 feet on a 5662.65 foot radius curve to the left said curve having a chord bearing and distance of south 52° 20' 14" east, 526.51 feet to the Point-of-Beginning.

Supported by: Councilwoman Gartz
Ayes: 5 Nays: 0
RESOLUTION DECLARED ADOPTED

I, Elizabeth A. Dickey, City Clerk/Treasurer of the City of Monroe, County of Monroe, State of Michigan, do hereby certify that the foregoing is an exact copy of a Resolution adopted by the City Council of said City, at a regular meeting thereof held on the 22nd day of July, 1996.




Elizabeth A. Dickey, CMFA
City Clerk-Treasurer



CITY COUNCIL AGENDA FACT SHEET

RELATING TO: WEST FRONT STREET RECONSTRUCTION FUNDING CONTRACT WITH MDOT

DISCUSSION: The City of Monroe annually receives a share of Federal dollars specifically dedicated for use on our busiest roadways, known as Federal-Aid routes. The Michigan Department of Transportation (MDOT) is the administering agency for these funds, and as such, an agreement is necessary between the City of Monroe and MDOT to enable them to be used for this project. For the state fiscal year that runs from October 1, 2010 through September 30, 2011, the City had approximately \$405,000 in Federal obligational authority, and must provide at least a 20% local match. The first \$244,000 of our 2011 funds was allocated to the resurfacing of East Elm Avenue, and this was matched with local funds from the Major Street Fund as well. The second project had been identified as a "resurfacing" of West Front Street between Harrison Street and South Monroe Street, but due to the Elm Avenue project bidding under budget, the remaining Federal balance of \$161,000 in our 2011 funds will instead allow for the full reconstruction of the pavement and base. While these 2011 funds will not actually be spent until 2012, we were allowed to "obligate" them prior to September 30, 2011, and thus the City is able to claim all of our entitlement funding for the year, as is typically the case.

As this section has been susceptible to frost heaving of the brick base, it is felt that full reconstruction is the best long-term solution for stability of this section. We will attempt to salvage as many of the brick pavers as possible, as we may attempt to use them for replacement of some of the brick street pavers in Loranger Square as a future project. Since the curbs are in good shape, all work will be within the roadway area only, so only minimal disruption to the sidewalk areas will be expected. This project was designed deliberately to be coordinated with the renovations to the City-owned parking areas to the north being funded by the Downtown Development Authority (DDA), as both projects should be underway sometime between April and July 2012. With the bid opening for that project scheduled for October 31, and this project scheduled for November 4, we will likely see cost savings as well should bidders decide to pursue both projects.

In order to utilize any Federal Funds, the City of Monroe must enter into a funding agreement with MDOT. Page 8 of the attached agreement details the cost participation based on the construction estimate, and the present cost estimate is \$233,200 in total. Attached to this fact sheet is a resolution delineating the terms of the agreement, and the actual agreement itself. The language of the agreement is standard for MDOT Local Agency Program projects, and is essentially unchanged from those approved in previous years. The dollar share for each entity is based on the project cost estimate. As is standard for Federally-funded projects, the City must pay at least a 20% local share for the remaining work items, as well as all costs for design and construction engineering and any overruns. Based on the above, the expected City share is \$72,200 in construction costs. \$11,000 was funded in Fiscal Year 11-12 for design engineering costs, and of this amount, \$7,561 is still available for use in construction inspection. The total City funding budgeted for construction costs is \$32,000, which is based on the original belief that this project would be a resurfacing project only. As such, to complete the funding package for this now-larger reconstruction project, we are requesting to transfer \$27,000 from the Elm Avenue Resurfacing project, and \$20,000 from the Major Street Fund Balance, for a total contract budget of \$79,000. This includes sufficient funding for the base City share of \$72,200 plus a contingency of approximately 9%. In addition, since the Engineering costs are expected to exceed the \$7,561 remaining in that allocation, we are requesting an additional \$5,000 be transferred from the Major Street Fund Balance for that activity as well. We plan to manage and inspect this project with City staff.

IT IS RECOMMENDED that the attached resolution be approved, and that the local share of the costs be appropriated as detailed in the financial information below.

CITY MANAGER RECOMMENDATION:

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

APPROVAL DEADLINE: As soon as possible

REASON FOR DEADLINE: MDOT award of the contract cannot occur until after the City approves the funding contract.

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, traveling public at large

FINANCES

COST AND REVENUE PROJECTIONS:	Cost of Total Project	\$256,000*
	Cost of This Project Approval	\$245,000**
	Related Annual Operating Cost	\$ N/A
	Increased Revenue Expected/Year	\$ N/A

*Includes \$161,000 in Federal Funds, \$11,000 already allocated for engineering costs in FY 11-12, \$72,200 in base line construction costs – local share, \$6,800 contingencies, and \$5,000 in additional construction engineering costs.

**Includes \$161,000 in Federal Funds, \$79,000 in City's share of base construction costs plus contingencies per the funding agreement, and an additional \$5,000 in engineering costs.

SOURCE OF FUNDS:	<u>City</u>	<u>Account Number</u>	<u>Amount</u>
	West Front Street	202-60.451-818.020 12M01	\$32,000
	Transfer from Elm Ave. Project		\$27,000
	Major Street Fund Balance Transfer		\$25,000
	<u>Other Funds</u>		
	Federal Urban Area Funds		\$161,000

Budget Approval: _____

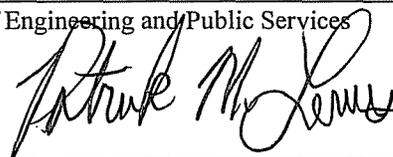
FACT SHEET PREPARED BY: Patrick M. Lewis, P.E., Director of Engineering and Public Services

DATE: 10/11/11

REVIEWED BY:

DATE:

COUNCIL MEETING DATE: October 17, 2011



RESOLUTION

WHEREAS, West Front Street between Harrison Street and South Monroe Street (M-125) is under the jurisdiction of the City of Monroe; and

WHEREAS, this roadway surface and roadway base is in poor condition, such that the City of Monroe has developed plans and specifications for the removal of the existing pavement and base, and replacement with a 3" stone subbase, 6" concrete base, and 3" asphalt surface, along with other associated work; and

WHEREAS, this roadway is eligible for the use of Federal Funds as it has been classified as an Urban Minor Arterial in the National Functional Classification System; and

WHEREAS, Federal Funding in the amount of \$161,000 is available to the City of Monroe for use on this project; and

WHEREAS, the City of Monroe and the Michigan Department of Transportation 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, BE IT RESOLVED, that the Monroe City Council hereby approves Contract Number 11-5615 with the Michigan Department of Transportation; and

BE IT FURTHER RESOLVED that the Mayor and City Clerk-Treasurer be authorized to sign the contract on behalf of the City of Monroe.

STP

DA

Control Section	STUL 58071
Job Number	114227
Project	STP 1158(032)
Federal Item No.	HH 7597
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	11-5615

PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of _____, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF MONROE, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in the City of Monroe, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated September 29, 2011, attached hereto and made a part hereof:

Reconstruction work along West Front Street from First Street to Monroe Street; including cold milling, subbase, and hot mix asphalt paving work; and all together with necessary related work.

WITNESSETH:

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

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

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

SURFACE TRANSPORTATION PROGRAM

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

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

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

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

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

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

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

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

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

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

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

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$161,000, or (2) an amount such that 81.85 percent, the

normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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

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

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

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 a) it is a person under 1995 PA 71 and is not aware of and has no reason to believe that the property is a facility as defined in MSA 13A.20101(1)(l); b) the REQUESTING PARTY further certifies that it has completed the tasks required by MCL 324.20126 (3)(h); MSA 13A.20126(3)(h); c) it conducted a visual inspection of property within the existing right of way on which construction is to be performed to determine if any hazardous substances were present; and at sites on which historically were located businesses that involved hazardous substances, it performed a reasonable investigation to determine whether hazardous substances exist. This reasonable investigation should include, at a minimum, contact with local, state and federal environmental agencies to determine if the site has been identified as, or potentially as, a site containing hazardous substances; d) it did not cause or contribute to the release or threat of release of any hazardous substance found within the PROJECT limits.

The REQUESTING PARTY also certifies that, in addition to reporting the presence of any hazardous substances to the Department of Environmental Quality, it has advised the DEPARTMENT of the presence of any and all hazardous substances which the REQUESTING

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

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

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

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

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

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

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

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402; MSA 3.996(102). Exclusive jurisdiction of such highway for the purposes of MCL 691.1402; MSA 3.996(102) rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

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

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

16. 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.

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

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

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

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

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

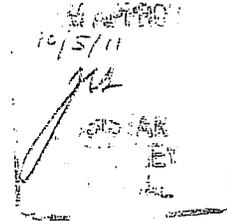
CITY OF MONROE

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



APPROVED BY:

[Handwritten Signature]
Administrator
Real Estate

[Handwritten Date]
Date

September 29, 2011

EXHIBIT I

CONTROL SECTION	STUL 58071
JOB NUMBER	114227
PROJECT	STP 1158(032)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$233,200
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$233,200
Less Federal Funds*	<u>\$161,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 72,200

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

DOT

TYPE B
BUREAU OF HIGHWAYS
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

SECTION I

COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
 - 1. Engineering
 - a. FAPG (6012.1): Preliminary Engineering
 - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
 - c. FAPG (23 CFR 635A): Contract Procedures
 - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
 - 2. Construction
 - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
 - b. FAPG (23 CFR 140B): Construction Engineering Costs
 - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
 - d. FAPG (23 CFR 635A): Contract Procedures
 - e. FAPG (23 CFR 635B): Force Account Construction
 - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
 - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
 - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
3. Modification Or Construction Of Railroad Facilities
- a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
 - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
- 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
 - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
 - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

SECTION II

PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by 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 REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

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

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

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

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

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

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

SECTION III
ACCOUNTING AND BILLING

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

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

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

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

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

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

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

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

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

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, 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 \$500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of 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.

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

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

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

B. Payment of Contracted and DEPARTMENT Costs:

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

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

C. General Conditions:

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

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

SECTION IV

MAINTENANCE AND OPERATION

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

1. All Projects:

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

2. Projects Financed in Part with Federal Monies:

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

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

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

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

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

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

SECTION V

SPECIAL PROGRAM AND PROJECT CONDITIONS

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

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX B
TITLE VI ASSURANCE

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

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
 - a. Withholding payments to the contractor until the contractor complies; and/or
 - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

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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.