



**CITY COMMISSION
MEETING
November 3, 2014**



PRE-MEETING AGENDA

**ADRIAN CITY COMMISSION
AGENDA
PRE-MEETING STUDY SESSION
MONDAY,
NOVEMBER 3, 2014**

The City Commission will meet for a pre-meeting study session on Monday, November 3, 2014 at 5:30 p.m. at the City Chambers at 159 East Maumee Street, Adrian, Michigan.

1. See Click Fix – Adrian Fix It.
2. MDOT Roundabout – Church/Broad/M-52.
3. Blight Elimination Grant.
4. YMCA Recreation Agreement.
5. Other items as time permits.



COMMISSION AGENDA

**AGENDA
ADRIAN CITY COMMISSION
NOVEMBER 3, 2014
7:00PM**

- I. PRAYER AND PLEDGE OF ALLEGIANCE TO THE FLAG
- II. ROLL CALL
- III. APPROVAL OF THE MINUTES OF THE OCTOBER 20, 2014 REGULAR MEETING OF THE ADRIAN CITY COMMISSION.
- IV. PRESENTATION OF ACCOUNTS
- V. REGULAR AGENDA
 - 1. **R14-135. Finance.** Resolution to approve the FY2014-15 First Quarter Budget Amendments.
 - 2. **R14-136. Utilities.** Resolution to accept the Storm Water, Asset Management, Wastewater (SAW) grant from the MDEQ.
 - 3. **R14-137. Utilities.** Resolution to authorize a contract with Tetra Tech for engineering and oversight services for Storm Water, Asset Management, Wastewater (SAW) grant activities.
 - 4. **R14-138. Community Development.** Resolution approving a Memorandum of Understanding with the Lenawee County Land Bank to enable receipt of blight elimination funds from MSHDA.
 - 5. **R14-139. Engineering.** Resolution to support the collaborative effort with the Michigan Department of Transportation (MDOT) to move forward with the M-52/Church/Broad Street Roundabout Project.
 - 6. **R14-040. City Commission.** Resolution to appoint Kara Lennard to the Planning Commission for a three year term.
 - 7. **R14-041. City Commission.** Resolution to approve the closure of City facilities on Friday, December 26, 2014 and to give all full-time and regular part-time City employees a paid day off.
- VI. PUBLIC COMMENT
- VII. COMMISSIONER COMMENTS



MINUTES

**MINUTES
ADRIAN CITY COMMISSION
OCTOBER 20, 2014
7:00 P.M.**

Official proceedings of the October 20, 2014 regular meeting of the City Commission, Adrian, Michigan.

The regular meeting was opened with a prayer led by Pastor Waters and the Pledge of Allegiance to the Flag.

PRESENT: Mayor Berryman and Commissioners Dudas, Faulhaber, Rising, Gallatin and Berryman Adams. ABSENT: Commissioner Munson

Mayor Berryman in the Chair.
Emily Orta, a Lenawee Christian student was Mayor for the Day.

Commissioner Faulhaber motioned to excuse Commissioner Munson, this was seconded by Commissioner Gallatin, and the motion was adopted by a 6-0 vote.

Commissioner Berryman Adams motioned to approve the minutes from the regular meeting on October 6, 2014, this was seconded by Commissioner Faulhaber, and the minutes were adopted by a 6-0 vote.

PRESENTATION OF ACCOUNTS

Utility Department Receiving Fund Voucher #4025 through #4031	\$81,379.99
General Fund Vouchers #22101 through #22121	\$312,983.31
Clearing Account Vouchers amounting to	<u>\$1,017,380.64</u>
TOTAL EXPENDITURES	<u>\$1,411,743.94</u>

On motion by Commissioner Berryman Adams, seconded by Commissioner Dudas, this resolution was adopted by a 6-0 vote.

Adrian Police Chief Vince Emrick presented a Citation for Citizen Action to individuals that aided in the capture of a robbery suspect at the New China Buffet Restaurant on 10/ 4/ 14.

Mayor Berryman and Chief Trinko recognized the 1st responders that were on duty the day that Emily Orta, who was our Mayor for the Day, collapsed on the field at Lenawee Christian School.

COMMUNICATIONS

C-1. FINANCE. – September Revenue and Expenditure Report.

CONSENT AGENDA

CR14-087

RE: CITY COMMISSION– Resolution to Appoint Mark Baker to the Downtown Development Authority Board

WHEREAS, Mark Baker has expressed a willingness to serve a term on the DDA Board; and

WHEREAS, the Adrian City Commission has given careful consideration to the appointment of the above-named individual.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does, hereby, approve the appointment of Mark Baker to the DDA Board for a four year term.

CR14-088

RE: COMMUNITY DEVELOPMENT – Authorize purchase of XAO-100-0168-02 rear lot of 109 E. Maumee, Adrian Michigan

WHEREAS, the City of Adrian desires to continue the revitalization of downtown Adrian; and

WHEREAS, it has been established that the two-story addition to 109 E. Maumee – XAO-100-0168-02 – is blighted, a hazard to citizens, and is damaging neighboring buildings; and

WHEREAS, the City of Adrian has obtained approval and a grant from the Michigan Economic Development Corporation to demolish the two-story addition to 109 E. Maumee ; and

WHEREAS, the owner of the property, the Lenawee County Land Bank, in support of the project has authorized the sale of XAO-100-0168-02 to the City of Adrian to facilitate the Blight Elimination project at 109 E. Maumee for \$1 dollar; and

WHEREAS, the City of Adrian must be the owner of record of the property in order to receive grant funds and for the work to proceed.

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby authorizes the purchase of XAO-100-0168-02 from the Lenawee County Land Bank.

CR14-089

RE: COMMUNITY DEVELOPMENT – Award bid for asbestos remediation at 109 E. Maumee Blight Elimination project.

WHEREAS, in the City of Adrian’s 2013-2015 Strategic Plan, a high priority goal is to “create and nurture a vibrant place to attract residents and jobs”; and

WHEREAS action strategies in the Strategic Plan call for special attention to development of downtown, and to “strengthen urban corridors”; and

WHEREAS, attractive downtowns are key components in the development of "Place" and are likely to yield increases in residency rates and related economic vitality; and

WHEREAS, the rear, two-story addition to 109 E. Maumee is blighted, posing a hazard to citizens and damaging contiguous buildings; and

WHEREAS, The Michigan Economic Development Corporation (MEDC) has a Blight Elimination program that provides a 75% to 25% match to private investment; and

WHEREAS, the City of Adrian has applied for a Blight Elimination Grant for the rear, two-story addition to 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee Street; and

WHEREAS, the MEDC has approved the grant and authorized the Release of Funds so that the project may begin; and

WHEREAS, the City of Adrian Downtown Development Authority has allocated funding for the local match; and

WHEREAS, the City of Adrian published bid specifications for asbestos remediation in the two-story addition to 109 E. Maumee; and

WHEREAS city staff reviewed the responses to the RFP and evaluated them utilizing the Criteria for Selection that is part of the Finance Department's RFP process; and

WHEREAS, Global Green Service Group of Dearborn Heights, Michigan is the lowest bidder and has the capacity to complete the project; and

WHEREAS, the Finance Director indicates that sufficient grant funds are available to cover the cost of this project.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission hereby authorizes Global Green Service Group to perform asbestos remediation in an amount not to exceed \$24,000 for the Blight Elimination project at 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee, and directs staff to prepare and execute a contract to engage Global Green Service Group.

CR14-090

RE: COMMUNITY DEVELOPMENT – Award bid for demolition at 109 E. Maumee Blight Elimination project.

WHEREAS, in the City of Adrian's 2013-2015 Strategic Plan, a high priority goal is to "create and nurture a vibrant place to attract residents and jobs"; and

WHEREAS action strategies in the Strategic Plan call for special attention to development of downtown, and to "strengthen urban corridors"; and

WHEREAS, attractive downtowns are key components in the development of "Place" and are likely to yield increases in residency rates and related economic vitality; and

WHEREAS, the rear, two-story addition to 109 E. Maumee is blighted, posing a hazard to citizens and damaging contiguous buildings; and

WHEREAS, The Michigan Economic Development Corporation (MEDC) has a Blight Elimination program that provides a 75% to 25% match to private investment; and

WHEREAS, the City of Adrian has applied for a Blight Elimination Grant for the rear, two-story addition to 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee Street; and

WHEREAS, the MEDC has approved the grant and authorized the Release of Funds so that the project may begin; and

WHEREAS, the City of Adrian Downtown Development Authority has allocated funding for the local match; and

WHEREAS, the City of Adrian published bid specifications for demolition of the two-story addition to 109 E. Maumee; and

WHEREAS city staff reviewed the responses to the RFP and evaluated them utilizing the Criteria for Selection that is part of the Finance Department's RFP process; and

WHEREAS, Blue Star, Inc., of Warren, Michigan was the sole bidder and has the capacity to complete the project; and

WHEREAS, the Finance Director indicates that sufficient grant funds are available to cover the cost of this project.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission hereby authorizes Blue Star, Inc. to perform demolition and removal at a cost not to exceed \$58,840.00 for the Blight Elimination project at 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee, and directs staff to prepare and execute a contract to engage Blue Star, Inc., Warren Michigan.

CR14-091

RE: COMMUNITY DEVELOPMENT – Award bid for Enclosure at 109 E. Maumee Blight Elimination project.

WHEREAS, in the City of Adrian's 2013-2015 Strategic Plan, a high priority goal is to "create and nurture a vibrant place to attract residents and jobs"; and

WHEREAS action strategies in the Strategic Plan call for special attention to development of downtown, and to "strengthen urban corridors"; and

WHEREAS, attractive downtowns are key components in the development of "Place" and are likely to yield increases in residency rates and related economic vitality; and

WHEREAS, the rear, two-story addition to 109 E. Maumee is blighted, posing a hazard to citizens and damaging contiguous buildings; and

WHEREAS, The Michigan Economic Development Corporation (MEDC) has a Blight Elimination program that provides a 75% to 25% match to private investment; and

WHEREAS, the City of Adrian has applied for a Blight Elimination Grant for the rear, two-story addition to 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee Street; and

WHEREAS, the MEDC has approved the grant and authorized the Release of Funds so that the project may begin; and

WHEREAS, the City of Adrian Downtown Development Authority has allocated funding for the local match; and

WHEREAS, the City of Adrian published bid specifications for enclosure of 109 E. Maumee after demolition of the addition has been completed; and

WHEREAS city staff reviewed the responses to the RFP and evaluated them utilizing the Criteria for Selection that is part of the Finance Department's RFP process; and

WHEREAS, Sphere Project Management, LLC of Adrian Michigan is the lowest bidder and has the capacity to complete the project; and

WHEREAS, the Finance Director indicates that sufficient grant funds are available to cover the cost of this project.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission hereby authorizes Sphere Project Management, LLC to perform Enclosure work following the demolition for an amount not to exceed \$68,450.00 for the Blight Elimination project at 109 E. Maumee, XAO-100-0168-02, rear lot of 109 E. Maumee, and directs staff to prepare and execute a contract to engage Sphere Project Management, LLC., Adrian Michigan.

On motion by Commissioner Rising, seconded By Commissioner Dudas, Consent Agenda Resolutions CR14-087 thru CR14-091 were adopted by a 6-0 vote.

REGULAR AGENDA

ORDINANCES

Ord. 14-010. Second Reading and Adoption of an Ordinance to amend Section 30.40 (A) of Article III – Signs, Regarding Electronic Message Signs.

On motion by Commissioner Faulhaber, seconded by Commissioner Gallatin, this ordinance was adopted by a 6-0 vote. **Effective date: November 4, 2014**

RESOLUTIONS

R14-132

RE: POLICE DEPARTMENT – Authorization to Purchase Two (2) Patrol Vehicles

WHEREAS, two police patrol vehicles were involved in separate, unrelated collisions on October 6, 2014 and the City's insurance carrier has examined them and determined them to be beyond repair; and

WHEREAS, these vehicles represent one quarter of the patrol fleet and must be replaced as soon as possible to avoid interruption of police service. Further, that the process which utilizes the State of Michigan Cooperative Purchasing Program is not available and vehicles ordered would not arrive until May or June 2015; and

WHEREAS, the front wheel drive platform of our current patrol vehicles has shown to have maintenance issues, and fleet studies have shown that the Chevrolet Tahoe PPV has a longer lifespan, fewer maintenance issues, and the lowest total cost of ownership; and

WHEREAS, a search through General Motors has revealed there are no remaining Tahoe PPVs in the state of Michigan; and

WHEREAS, other police agencies within Lenawee county have used and recommend Classic Chevrolet of Sugar Land, Texas as a competitive dealer for patrol vehicles, and their quoted price closely matches the Michigan State bid price from the last two years (2012- \$27,200, 2013- 31,254, Quote- \$30,880.56); and

WHEREAS. Classic Chevrolet is able to provide two (2) 2015 Tahoe PPVs at the above listed price and deliver them to Michigan for an additional \$500.00 each; and

WHEREAS, the Chief of Police, Superintendent of the DPW, and the Director of Parks and Engineering Services recommend the purchase of these vehicles to reduce overall service cost and maintenance issues; and

WHEREAS, the Finance Director indicates that there are sufficient funds available for this purpose in the Motor Vehicle Pool Retained Earnings account (662-000.00-390.000); and

WHEREAS, due to the unavailability of the competitive bid process conducted by the State of Michigan, the Police Chief and City Administrator recommend that the City's bid process be waved as provided by Chapter Twelve of the Adrian City Charter, that the bid of \$62,761.12 be accepted and that the City purchase two (2) Chevrolet Tahoe PPV, police pursuit vehicles from Classic Chevrolet, Sugar Land, TX. and, further, that appropriate budget amendments be made.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission by this resolution hereby authorizes the purchase of two (2) Chevrolet Tahoe PPV, police pursuit vehicles from Classic Chevrolet, Sugar Land, TX at a cost not to exceed \$62,761.12.

BE IT FURTHER RESOLVED that the FY2014-15 budget be amended as follows:

REVENUE:

662-000.00-695.000 Other (Insurance Proceeds) \$20,000

662-000.00-697.000 Prior Years Revenue \$42,762

EXPENDITURE:

662-301.62-977.000 CAPITAL-POLICE \$62,762

BE IT FURTHER RESOLVED that, due to the unavailability of the competitive bid process conducted by the State of Michigan, the City's bid process be waved as provided by Chapter Twelve of the Adrian City Charter.

On motion by Commissioner Dudas, seconded by Commissioner Berryman Adams, this resolution is adopted by a 6-0 vote.

R14-133

RE: ENGINEERING- CONTRACT P -1-2014 CONTRACT MODIFICATION

WHEREAS, the Adrian City Commission, by resolution authorized Part A of Contract P-1-2014 (Part A) Paving Haan St. from Beecher to the dead end to Slusarski Excavating of Adrian, MI in the amount of \$25,416.20; and

WHEREAS, the original estimated bid quantities and the actual as-built quantities differ. The actual as-built quantities resulted in a net increase of \$2,726.81 which is an increase of 10.73% of the contract price; and

WHEREAS, it is requested that authorization of Part A of this contract be modified to allow for payment of the work that Slusarski Excavating has completed in the amount of \$2,726.81; and

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby approves the contract modification in the amount of \$2,726.81 for the purpose of a contract modification due to quantity adjustment.

BE IT FURTHER RESOLVED that the FY2014-15 budget be amended as follows to properly fund this contract modification:

Revenue:		
203-000.00-697.000 Prior Years Revenue		\$2,726.81
Expenditure:		
203-451.58-801.203 Contract Services-Haan Street		\$2,726.81

On motion by Commissioner Gallatin, seconded by Commissioner Berryman Adams, this resolution was adopted by a 6-0 vote.

R14-134

RE: ENGINEERING- CONTINUATION OF CONSTRUCTION OVERSIGHT

WHEREAS, the City of Adrian Engineering Department solicited a sole source price for continuation of construction engineering oversight services for the Division Street reconstruction project from Tetra Tech not to exceed \$45,000.00; and

WHEREAS, the City Engineering Department has been awarded 2014 funds through the MDOT Small Urban Grant program, which requires a local match of which, the entire \$45,000 can be used; and

WHEREAS, professional engineering standards and requirements of the MDOT are very rigorous and do dictate that all documentation meet the requirements of MDOT and FHWA throughout construction; and

WHEREAS, staff from the Engineering and Utilities Departments maintained a level of construction oversight to reduce the cost of the use of Tetra Tech and this contract, the Department however Engineering Department nor the Utilities cannot staff this position any longer due to workload; and

WHEREAS, Tetra Tech is under already contract with the City of Adrian construction oversight for this project, their familiarity with the plans and specifications is vast; and

WHEREAS, the Parks & Engineering Services Director, Utilities Director, and City Administrator recommend acceptance of the sole source price not to exceed \$45,000.00 from Tetra Tech, Ann Arbor, MI to support the City with continuation of construction oversight functions and engagement in the City's Standard Professional services Contract; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the following Funds:

202-451.09-801.203	Division Street Project	\$15,750.00
496-552.00-975.149	Utilities	\$29,250.00

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the waiving of bids and acceptance of the sole source price from Tetra Tech, Ann Arbor, MI for continuation of the City's Standard Professional services Contract at a cost not to exceed an additional \$45,000.00 to support the City with construction oversight functions to meet requirements set forth by the Michigan Department of Transportation (MDOT).

On motion by Commissioner Faulhaber, seconded by Commissioner Rising, this resolution was adopted by a 6-0 vote.

M I S C E L L A N E O U S

1. Adrian Fire Department Report.
2. D.A.R.T. Passenger Ridership Report.
3. Departmental Report.

P U B L I C C O M M E N T

Robin Hinman – Habitat for Humanity – thanked those that attended the breakfast for Neighborhood Revitalization and also that they will begin surveying the 1st week in November.

C O M M I S S I O N E R C O M M E N T S

1. Commissioner Gallatin stated that he feels that the Commission needs to bite the bullet and hire an engineer, citing resolution R14-134 as an example of the need.
2. Administrator Horn stated that there would have been a cost oversight agreement needed whether we had an engineer or not.

3. Commissioner Berryman Adams thanked Emily Orta for being here with us.
4. Commissioner Rising expressed his approval of having Mark Baker on the Downtown Development Authority Board; he is looking forward to working with him.
5. Mayor Berryman thanked the Orta family and also Mark Baker for taking the job as the new DDA member.

The next regular meeting of the Adrian City Commission will be held on Monday, November 3, 2014 at 7:00 p.m. in the City Chambers Building, 159 E. Maumee St, Adrian, MI 49221.

Jim Berryman
Mayor

Pat Baker
City Clerk



CHECK REGISTER

November 3, 2014

I have examined the attached vouchers and recommend approval of them for payment.



Shane Horn
City Administrator

SAH:mld

RESOLVED, that disbursements be and they are hereby authorized for warrants directed to be drawn on the City Treasurer for the following:

Utility Department Vouchers	
Vouchers #4032 through 4039.....	\$171,699.51
General Fund	
Vouchers #22122 through #22138	\$351,388.24
Clearing Account Vouchers	
amounting to.....	<u>\$414,392.67</u>
TOTAL EXPENDITURES	<u>\$937,480.42</u>

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____
by a _____ vote.

November 3, 2014

UTILITIES FUND
CHECK REGISTER

CHECK#	AMOUNT	PAYEE	DESCRIPTION
4032	\$ 408,663.00	City of Adrian - Clearing	10/20/14 AP Check Register
4033	\$ 60,678.10	City of Adrian	Due to/from September 2014
4034	\$ 60,525.92	City of Adrian - Payroll	Payroll w/e 10/24/14
4035	\$ 85.61	Frontier Communications	October 2014 Telephone
4036	\$ 50,205.12	Consumers Energy	October 2014 Electric
4037	\$ 174.08	Citizens Gas	September 2014 Heating
4038	\$ 20.00	Citizens Gas	September 2014 Heating
4039	\$ 10.68	Terry Brown	Refund of BCBS Premium Overpay
	\$ 580,362.51		
	\$ (408,663.00)	Less: Check 4032	
	\$ 171,699.51	TOTAL	

November 3, 2014

November 3, 2014

GENERAL FUND
CHECK REGISTER

CHECK#	AMOUNT	PAYEE	DESCRIPTION
22122		City of Adrian - Utilities	EFT State of Michigan October 2014
22123	\$ 245,194.13	City of Adrian - Clearing	10/20/14 AP Check Register
22124	\$ 17,692.50	City of Adrian	Due To/From September 2014
22125	\$ 336.91	City of Adrian - Utilities	September 2014 Water
22126	\$ 284.90	Lenawee Fuels	Oakwood Fuel delivery
22127	\$ 28,873.09	Avery Oil and Propane	10/09/14 Fuel Delivery
22128	\$ 188,157.49	City of Adrian - Payroll	Payroll w/e 10/24/14
22129	\$ 13,254.52	Firest Federal Bank	Soc Sec w/e 10/24/14
22130	\$ 434.73	City of Adrian - Spec Assess	C&G 372 XA0-210-7022-00
22131	\$ 592.86	Citizens Gas	September 2014 Heating
22132	\$ 16,519.48	Consumers Energy	October 2014 Electric
22133	\$ 569.45	Frontier Communications	October 2014 Telephone
22134	\$ 625.27	Lenawee Fuels	Oakwood Fuel delivery
22135		City of Adrian - Utilities	EFT State of Michigan October 2014
22136	\$ 24.00	Lisa Gillin	Refund trash 717 N. Broad St.
22137	\$ 7,434.85	Nola's Transportation	Payroll w/e 10/31/14
22138	\$ 76,588.19	Blue Cross Blue Shield	November 2014 Premiums
	\$ 596,582.37		
	\$ (245,194.13)	Less : Check 22123	
	\$ 351,388.24		

November 3, 2014

Claimant	Amount Claimed	Amount Owed	Amount Rejected
OPEN			
1. CITY OF ADRIAN	4,380.52		
2. ADRIAN FABRICARE CENTER INC.	698.00		
3. ADRIAN MECHANICAL SERVICES CO	1,092.14		
4. ADRIAN NAPA	97.55		
5. AIRGAS CARBONIC	844.32		
6. ALL METALS INC.	172.01		
7. DENISE ALVERSON	20.00		
8. APOLLO FIRE EQUIPMENT CO.	390.68		
9. APPLE MAT RENTAL	134.30		
10. APPLIED SPECIALTIES INC	4,059.00		
11. ARCHBOLD EQUIPMENT CO	541.59		
12. AUTO ZONE COMMERCIAL	13.00		
13. BAKER & TAYLOR BOOKS	1,477.35		
14. BANK OF NEW YORK MELLON	115,644.10		
15. BATTERY WHOLESALE	79.99		
16. GREG BELL CHEVROLET CADILLAC INC	189.51		
17. BILL'S SERVICE, INC.	179.61		
18. DAVID BIRDSSELL	100.15		
19. MARK BISHOP	20.00		
20. ROBERT BISHOP	248.43		
21. BLACK SWAMP EQUIPMENT	76.50		
22. BREAKIN' AWAY CAFE	142.00		
23. TODD BROWN	20.00		
24. BUCK & KNOBBY EQUIP CO INC	344.64		
25. CARMEUSE LIME INC	10,323.45		
26. CENGAGE LEARNING	144.41		
27. CHERRY LAKE PUBLISHING	134.04		
28. COMCAST	4.28		
29. CUTLER DICKERSON CO	178.19		
30. THE DAILY TELEGRAM	39.75		
31. JERRY DAVIS	20.00		
32. MICHELLE DEWEY	20.00		
33. JACK DOHENY SUPPLIES INC	722.15		
34. E & B SALVAGE LLC	56.96		
35. STEVE EBERLE	20.00		
36. ENGLEWOOD ELECTRICAL SUPPLY	166.73		
37. ETNA SUPPLY COMPANY	5,394.00		
38. EXTEND YOUR REACH	812.08		
39. FAMILY FARM AND HOME	1,399.98		
40. FAMILY SERVICE & CHILDREN'S AID	713.70		
41. FASTENAL COMPANY	289.24		
42. FEDERAL EXPRESS	23.85		
43. FEDERAL SAFETY COMPLIANCE INC.	298.50		
44. FOSTER SWIFT COLLINS & SMITH	38.00		
45. GEAR UP INC	177.00		
46. GENESEE DISTRICT LIBRARY	32.00		
47. GENPOWER PRODUCTS INC.	3,075.00		
48. MARK GIGAX	20.00		
49. GILBARCO INC	153.00		
50. GOVERNMENTAL BUSINESS SYSTEMS INC	177.11		

User: SHOLTZ

EXP CHECK RUN DATES 01/01/2014 - 11/03/2014

DB: Adrian

BOTH JOURNALIZED AND UNJOURNALIZED

Claimant	OPEN		
	Amount Claimed	Amount Owed	Amount Rejected
51. GRAPHICS UNLIMITED	100.00		
52. GREAT LAKES HISTORICAL SOCIETY	75.00		
53. GS MATERIALS LLC	3,849.04		
54. HACH COMPANY	41.94		
55. SHANE HORN	20.00		
56. HUBBARD'S AUTO CENTER INC	535.14		
57. AARON HUNT	2,015.67		
58. I.T. RIGHT	1,282.50		
59. ICMA RETIREMENT CORPORATION	164.01		
60. IMAGINE VIDEO PRODUCTION	54.00		
61. INTERSTATE ALL BATTERY CENTER	151.60		
62. J T OVERHEAD DOORS	2,068.00		
63. JES KEY GRAPHICS	34.80		
64. JONES & HENRY ENGINEERS, LTD.	20,771.94		
65. JONES CHEMICALS, INC.	3,095.34		
66. JAMES KARLE	20.00		
67. KARLE NURSERY & LANDSCAPING LLC	300.00		
68. ERIC KELLY	20.00		
69. KIMBALL MIDWEST	656.57		
70. KUSZ, SHERYL	63.80		
71. LANSING SANITARY SUPPLY INC	150.96		
72. LEGEND DATA SYSTEMS	143.70		
73. THE LIBRARY NETWORK	275.00		
74. DOUG LOLLEY	90.00		
75. MICHAEL MARVIN	20.00		
76. MASSON'S ELECTRIC, INC	237.75		
77. MCGOWAN ELECTRIC SUPPLY INC	104.23		
78. MCMASTER- CARR SUPPLY CO.	231.79		
79. MCMUNN BROTHERS	8,155.00		
80. MICHIGAN METER TECHNOLOGY GROUP INC	4,093.96		
81. MICHIGAN PIPE & VALVE INC	355.01		
82. STATE OF MICHIGAN	2,231.97		
83. MICROMARKETING LLC	385.81		
84. MIDWEST COLLABORATIVE FOR	75.00		
85. MIDWEST TAPE	219.56		
86. MT BUSINESS TECHNOLOGIES, INC	60.07		
87. MUNICIPAL WEB SERVICES	200.00		
88. NEOPOST USA INC.	134.32		
89. NOLA'S TRANSPORTATION	5,680.39		
90. OOPGO, INC	1,800.00		
91. MIKE OSBORN	20.00		
92. OVERDRIVE, INC	1,746.59		
93. DAVID PATE	20.00		
94. LAW OFFICES OF PATRICK MCDONALD, PC	575.00		
95. PEERLESS SUPPLY INC	343.80		
96. PLATINUM PLUS	3,135.32		
97. PREIN & NEWHOF ENGINEERS	272.00		
98. GLENN PRESTON	20.00		
99. PVS TECHNOLOGIES INC	4,901.90		
100. QUALITY BOOKS INC	40.43		

EXP CHECK RUN DATES 01/01/2014 - 11/03/2014
 BOTH JOURNALIZED AND UNJOURNALIZED

Claimant	Amount Claimed	Amount Owed	Amount Rejected
101. QUILL CORPORATION	399.31		
102. REPUBLIC SERVICES, INC.	66.78		
103. TIM RITCHIE	20.00		
104. GARY RIVERA	50.00		
105. RODRIGUEZ JR., REFUGIO	142.95		
106. ROPES & RIGGING TREE SERVICE, LLC	10,358.88		
107. ROSE, GENEVIEVE	150.00		
108. ROSEMOUNT	3,734.50		
109. WILLIAM SADLER	20.00		
110. SCHAEGLER ENTERPRISES	23,840.00		
111. CHARLES SCHMENK	80.00		
112. SCHUG CONCRETE CONSTRUCTION INC	536.38		
113. SILER, DAVID	30.00		
114. SLUSARSKI EXCAVATING & PAVING INC	2,726.81		
115. SOUTHEAST MICH ASSOCIATION	40.00		
116. SPOK, INC.	34.67		
117. STAPLES CREDIT PLAN	122.37		
118. STEVENSON LUMBER, INC.	425.32		
119. STITCH WIZARD EMBROIDERY INC	507.25		
120. STORMTREE	38,100.00		
121. SUPERIOR UNIFORM SALES INC.	596.99		
122. SW CONTROLS	1,126.00		
123. SYNAGRO CENTRAL	81,525.52		
124. THOMSON WEST	816.95		
125. TIME EMERGENCY EQUIPMENT INC	1,444.67		
126. T-MOBILE	29.99		
127. TRACTOR SUPPLY COMPANY	137.90		
128. TRI-STATE MEDICAL SUPPLY	30.00		
129. UNUM LIFE INSURANCE COMPANY	2,237.53		
130. USA BLUEBOOK	35.47		
131. VALLEJO, TIMOTHY	31.78		
132. VAN BRUNT TRANSPORT INC	16,305.49		
133. VERIZON WIRELESS	62.98		
134. DENNIS VESCELIUS	20.00		
135. VWR INTERNATIONAL INC	125.72		
136. WHITCHER PLUMBING & HEATING	176.95		
137. RYAN WHITE	20.00		
138. YOUNGBLOOD AUTOMATION	1,845.79		
TOTAL ALL CLAIMS	414,392.67		



REGULAR AGENDA

MEMO



DATE: October 20, 2014

TO: Shane Horn, City Administrator
Jim Berryman, Mayor
City Commission

FROM: Cindy L. Prue, Finance Director

Re: FY2014-15 First Quarter Recommended Budget Amendments

Public Act 621 of 1978, the Uniform Budgeting and Accounting Act for Local Units of Government, provides for adjustments to the Adopted Budget. The Financial Forecast has identified several variances between current projections and estimated Revenues and Appropriations included in the Adopted and Amended FY2014-15 Budget and recommend the attached adjustments.

The recommended budget amendments comply with the Uniform Budgeting and Accounting Act requirements as that no appropriations may be submitted to the City Commission that would allow total expenditures, including an accrued deficit, to exceed total estimated revenues, including an available surplus.

The summary is as follows:

General Fund (101):

Revenues – This quarter amendments are to reflect the change in budgeting for the library department and the newly imposed 1-mill for support of the library. After conversations with both the library attorney, Anne Seurnyck of Foster Swift, and our auditor, Gary Owen, all revenues and expenditures are being moved to their own fund. This will provide a clear picture of all expenses and revenues associated with our library. This will create a new expense line item in the General Fund budget that will show exactly how many general fund dollars are being used to support the library. This information will be very useful if in the future the commission and public decide to use additional millage to fully fund this department.

Local Street Fund (203):

Expenditures – The adjustments in this fund are to reflect the funding needed to reconstruct Haan Street.

Library Millage Fund (206):

The changes in both the revenues and expenditures are to move the library budget from the general fund to its own fund as explained above.

State Revenue Sharing Update:

For fiscal year 2014-15 the legislature did away with the EVIP program as we knew it. They established a simplified version called the City, Village and Township Revenue Sharing (CVTRS) program. Under this new program the city is still required to meet the Accountability and Transparency requirements, but the Consolidation of Service Plan and the Unfunded Accrued Liability Plan requirements have been eliminated. Below are the anticipated payments for this fiscal year compared with what has actually been received.

<u>Payment Date</u>	FY2014-15		<u>Variance Amount</u>
	<u>Estimated</u>	<u>Actual</u>	
August 2014	\$270,096	\$270,096	\$ 0
October 2014	\$264,411		
December 2014	\$293,247		
February 2015	\$271,674		
April 2015	\$235,640		
June 2015	\$270,887		

CVT Program:

<u>Payment Date</u>			<u>Variance Amount</u>
	<u>Estimated</u>	<u>Actual</u>	
August 2014	\$ 78,662	\$ 78,662	\$ 0
October 2014	\$ 78,662		
December 2014	\$ 78,662		
February 2015	\$ 78,662		
April 2015	\$ 78,662		
June 2015	\$ 78,662		

If you have any questions, please feel free to contact me at (517) 264-4842 or at cprue@adrianmi.gov.

**CITY OF ADRIAN
FY 2014-15 BUDGET
FIRST QUARTER FINANCIAL FORECAST
RECOMMENDED BUDGET AMENDMENTS**

	FY2014-15 ADOPTED BUDGET	FY2014-15 AMENDED BUDGET as of 09/30/2014	FY2014-15 FOURTH QUARTER FINANCIAL FORECAST	BUDGET AMENDMENT	REASON
GENERAL FUND (101)					
REVENUE:					
Dept. 336: FIRE					
101-336.00-639.000 TRANSPORT SERVICES	\$12,000	\$12,000	\$18,369	\$6,369	To adjust to actual
Dept. 738: LIBRARY					
101-738.00-567.000 LIBRARY STATE AID	\$6,213	\$6,213	\$0	(\$6,213)	To move to Library Fund
101-738.00-627.000 PRINTING & COPYING	\$4,500	\$4,500	\$0	(\$4,500)	To move to Library Fund
101-738.00-651.000 NON-RESIDENT FEES	\$2,500	\$2,500	\$0	(\$2,500)	To move to Library Fund
101-738.00-655.000 SALES & CONCESSIONS	\$200	\$200	\$0	(\$200)	To move to Library Fund
101-738.00-657.000 LIBRARY BOOKS FINES	\$6,500	\$6,500	\$0	(\$6,500)	To move to Library Fund
101-738.00-658.000 PENAL FINES	\$82,000	\$82,000	\$0	(\$82,000)	To move to Library Fund
101-738.00-671.000 RENTS	\$2,400	\$2,400	\$0	(\$2,400)	To move to Library Fund
101-738.00-675.073 DONATIONS-PRIVATE	\$6,000	\$6,000	\$0	(\$6,000)	To move to Library Fund
101-738.00-676.101 TRANSFER-GENERAL FUND	\$5,700	\$5,700	\$0	(\$5,700)	To move to Library Fund
101-738.00-676.701 CONTRIBUTION-TRUST FUND	\$9,300	\$9,300	\$0	(\$9,300)	To move to Library Fund
Dept 990: Non-Department					
101-990.00-676.206 TRANSFER IN-LIBRARY MILLAGE	\$362,000	\$362,000	\$0	(\$362,000)	To move to Library Fund
101-990.00-697.000 PRIOR YEARS REVENUE	\$225,000	\$142,464	\$157,795	\$15,331	To adjust for lost in Penal Fines
TOTAL GENERAL FUND REVENUE	\$724,313	\$641,777	\$176,164	(\$465,613)	
EXPENDITURES:					
Dept. 697: PARKS					
101-697.00-911.000 PROPERTY INSURANCE	\$0	\$0	\$1,369	\$1,369	To correct budget
101-697.00-923.000 WATER	\$0	\$0	\$5,000	\$5,000	To correct budget
Dept. 738: LIBRARY					
101-738.00-702.000 WAGES	\$212,024	\$212,024	\$0	(\$212,024)	To move to Library Fund
101-738.00-703.000 WAGES PT	\$68,316	\$68,316	\$0	(\$68,316)	To move to Library Fund
101-738.00-704.000 OVERTIME	\$808	\$808	\$0	(\$808)	To move to Library Fund
101-738.00-710.000 SICK/COMP WAGES	\$2,200	\$2,200	\$0	(\$2,200)	To move to Library Fund
101-738.00-715.000 SOCIAL SECURITY	\$22,000	\$22,000	\$0	(\$22,000)	To move to Library Fund
101-738.00-716.000 HOSP INSURANCE	\$32,385	\$32,385	\$0	(\$32,385)	To move to Library Fund
101-738.00-717.000 LIFE INSURANCE	\$750	\$750	\$0	(\$750)	To move to Library Fund
101-738.00-718.000 RETIREMENT CONTRIB	\$34,125	\$34,125	\$0	(\$34,125)	To move to Library Fund
101-738.00-719.000 UNEMPLOY COMP	\$2,735	\$2,735	\$0	(\$2,735)	To move to Library Fund
101-738.00-728.000 OFFICE SUPPLIES	\$4,500	\$4,500	\$0	(\$4,500)	To move to Library Fund
101-738.00-729.000 PRINTING	\$3,000	\$3,000	\$0	(\$3,000)	To move to Library Fund
101-738.00-730.000 POSTAGE	\$750	\$750	\$0	(\$750)	To move to Library Fund
101-738.00-731.000 SHIPPING	\$250	\$250	\$0	(\$250)	To move to Library Fund
101-738.00-741.000 OPER SUPPLIES	\$10,500	\$14,500	\$0	(\$14,500)	To move to Library Fund
101-738.00-801.000 CONTRACT SERVICES	\$3,500	\$3,500	\$0	(\$3,500)	To move to Library Fund
101-738.00-805.000 MEMBERSHIPS & DUES	\$880	\$1,880	\$0	(\$1,880)	To move to Library Fund
101-738.00-807.000 MEDICAL SERVICES	\$200	\$200	\$0	(\$200)	To move to Library Fund
101-738.00-812.000 CONSULTANT FEES	\$3,000	\$3,800	\$0	(\$3,800)	To move to Library Fund
101-738.00-851.000 TELEPHONE	\$1,200	\$1,200	\$0	(\$1,200)	To move to Library Fund
101-738.00-860.000 TRANSPORTATION	\$500	\$500	\$0	(\$500)	To move to Library Fund
101-738.00-901.000 ADVERTISING	\$300	\$300	\$0	(\$300)	To move to Library Fund
101-738.00-912.000 LIAB INSURANCE	\$1,500	\$1,500	\$0	(\$1,500)	To move to Library Fund
101-738.00-914.000 WORK COMP	\$1,080	\$1,080	\$0	(\$1,080)	To move to Library Fund
101-738.00-932.000 OFFICE EQUIP MAINT	\$5,300	\$5,300	\$0	(\$5,300)	To move to Library Fund
101-738.00-940.000 BLDG SPACE COST ALLOCATION	\$125,524	\$125,524	\$0	(\$125,524)	To move to Library Fund
101-738.00-951.000 TAXES	\$0	\$0	\$0	\$0	To move to Library Fund
101-738.00-952.000 ELECTRONIC RESOURCES	\$23,300	\$23,300	\$0	(\$23,300)	To move to Library Fund
101-738.00-957.000 TRAINING	\$500	\$500	\$0	(\$500)	To move to Library Fund
101-738.00-959.000 BOOKS	\$90,000	\$90,000	\$0	(\$90,000)	To move to Library Fund
101-738.00-969.000 CONTRIB	\$6,000	\$6,000	\$0	(\$6,000)	To move to Library Fund
101-738.00-970.001 DISTRIB-MERIT IT	\$5,150	\$5,150	\$0	(\$5,150)	To move to Library Fund
101-738.00-970.661 DISTRIB-IT	\$156,432	\$156,432	\$0	(\$156,432)	To move to Library Fund

**CITY OF ADRIAN
FY 2014-15 BUDGET
FIRST QUARTER FINANCIAL FORECAST
RECOMMENDED BUDGET AMENDMENTS**

	<u>FY2014-15 ADOPTED BUDGET</u>	<u>FY2014-15 AMENDED BUDGET as of 09/30/2014</u>	<u>FY2014-15 FOURTH QUARTER FINANCIAL FORECAST</u>	<u>BUDGET AMENDMENT</u>	<u>REASON</u>
Dept. 965: TRANSFERS OUT					
101-965.00-969.206 TRANSFER OUT-LIBRARY	\$0	\$0	\$353,896	\$353,896	To move to Library Fund
TOTAL GENERAL FUND EXPENDITURES	\$818,709	\$824,509	\$358,896	(\$465,613)	
LOCAL STREET FUND (203)					
203-000.00-697.000 PRIOR YEARS REVENUE	\$50,000	\$93,558	\$166,748	\$73,190	Adjust for Haan Street
TOTAL REVENUES	\$50,000	\$93,558	\$166,748	\$73,190	
EXPENDITURES:					
203-451.58-702.203 WAGES-HAAN STREET	\$0	\$0	\$4,800	\$4,800	Adjust street schedule
203-451.58-702.209 WAGES ENGINEERING-HAAN ST	\$0	\$0	\$625	\$625	Adjust street schedule
203-451.58-708.203 OVERHEAD-HAAN STREET	\$0	\$0	\$2,260	\$2,260	Adjust street schedule
203-451.58-708.209 OVERHEAD-ENG-HAAN STREET	\$0	\$0	\$300	\$300	Adjust street schedule
203-451.58-776.203 SUPPLIES-HAAN STREET	\$0	\$0	\$20,000	\$20,000	Adjust street schedule
203-451.58-801.203 CONT SERV-HAAN STREET	\$0	\$0	\$53,500	\$53,500	Adjust street schedule
203-451.58-943.203 VEH RENT-HAAN STREET	\$0	\$0	\$12,100	\$12,100	Adjust street schedule
203-990.00-990.000 CONTINGENCY	\$20,395	\$20,395	\$0	(\$20,395)	To correct budget
TOTAL EXPENDITURES	\$20,395	\$20,395	\$93,585	\$73,190	
LIBRARY MILLAGE (206)					
REVENUES:					
206-000.00-408.000 LIBRARY MILLAGE	\$0	\$0	\$362,000	\$362,000	To move library budget
206-000.00-567.000 LIBRARY STATE AID	\$0	\$0	\$6,213	\$6,213	To move library budget
206-000.00-627.000 PRINTING & COPYING	\$0	\$0	\$4,500	\$4,500	To move library budget
206-000.00-651.000 NON-RESIDENT FEE	\$0	\$0	\$2,500	\$2,500	To move library budget
206-000.00-655.000 SALES & CONCESSIONS	\$0	\$0	\$200	\$200	To move library budget
206-000.00-657.000 BOOK FINES	\$0	\$0	\$6,500	\$6,500	To move library budget
206-000.00-658.000 PENAL FINES	\$0	\$0	\$64,500	\$64,500	To move library budget
206-000.00-664.000 INVESTMENT EARNINGS	\$0	\$0	\$800	\$800	To move library budget
206-000.00-671.000 RENTS	\$0	\$0	\$2,400	\$2,400	To move library budget
206-000.00-675.073 DONATIONS-PRIVATE	\$0	\$0	\$6,000	\$6,000	To move library budget
206-000.00-676.101 TRANSFER-GF	\$0	\$0	\$5,700	\$5,700	To move library budget
206-000.00-676.701 TRANSFER-TRUST FUND	\$0	\$0	\$9,300	\$9,300	To move library budget
206-000.00-676.101 CONTRIB-GENERAL FUND	\$0	\$0	\$353,896	\$353,896	To move library budget
TOTAL REVENUES	\$0	\$0	\$824,509	\$824,509	
EXPENDITURES:					
206-738.00-702.000 WAGES	\$0	\$0	\$212,024	\$212,024	To move library budget
206-738.00-703.000 WAGES PT	\$0	\$0	\$68,316	\$68,316	To move library budget
206-738.00-704.000 OVERTIME	\$0	\$0	\$808	\$808	To move library budget
206-738.00-710.000 SICK/COMP WAGES	\$0	\$0	\$2,200	\$2,200	To move library budget
206-738.00-715.000 SOCIAL SECURITY	\$0	\$0	\$22,000	\$22,000	To move library budget
206-738.00-716.000 HOSP INSURANCE	\$0	\$0	\$32,385	\$32,385	To move library budget
206-738.00-717.000 LIFE INSURANCE	\$0	\$0	\$750	\$750	To move library budget
206-738.00-718.000 RETIREMENT CONTRIB	\$0	\$0	\$34,125	\$34,125	To move library budget
206-738.00-719.000 UNEMPLOY COMP	\$0	\$0	\$2,735	\$2,735	To move library budget
206-738.00-728.000 OFFICE SUPPLIES	\$0	\$0	\$4,500	\$4,500	To move library budget
206-738.00-729.000 PRINTING	\$0	\$0	\$3,000	\$3,000	To move library budget
206-738.00-730.000 POSTAGE	\$0	\$0	\$750	\$750	To move library budget
206-738.00-731.000 SHIPPING	\$0	\$0	\$250	\$250	To move library budget
206-738.00-741.000 OPERATING SUPPLIES	\$0	\$0	\$14,500	\$14,500	To move library budget
206-738.00-801.000 CONTRACT SERVICES	\$0	\$0	\$3,500	\$3,500	To move library budget
206-738.00-805.000 MEMBERSHIPS & DUES	\$0	\$0	\$1,880	\$1,880	To move library budget
206-738.00-807.000 MEDICAL SERVICES	\$0	\$0	\$200	\$200	To move library budget
206-738.00-812.000 CONSULTANT FEES	\$0	\$0	\$3,800	\$3,800	To move library budget
206-738.00-851.000 TELEPHONE	\$0	\$0	\$1,200	\$1,200	To move library budget
206-738.00-860.000 TRANSPORTATION	\$0	\$0	\$500	\$500	To move library budget

CITY OF ADRIAN
 FY 2014-15 BUDGET
 FIRST QUARTER FINANCIAL FORECAST
 RECOMMENDED BUDGET AMENDMENTS

	<u>FY2014-15 ADOPTED BUDGET</u>	<u>FY2014-15 AMENDED BUDGET as of 09/30/2014</u>	<u>FY2014-15 FOURTH QUARTER FINANCIAL FORECAST</u>	<u>BUDGET AMENDMENT</u>	<u>REASON</u>
206-738.00-901.000 ADVERTISING	\$0	\$0	\$300	\$300	To move library budget
206-738.00-912.000 LIABILITY INSURANCE	\$0	\$0	\$1,500	\$1,500	To move library budget
206-738.00-914.000 WORK COMP	\$0	\$0	\$1,080	\$1,080	To move library budget
206-738.00-932.000 OFFICE EQUIP MAINT	\$0	\$0	\$5,300	\$5,300	To move library budget
206-738.00-940.000 BLDG SPACE COST ALLOCATION	\$0	\$0	\$125,524	\$125,524	To move library budget
206-738.00-952.000 ELECTRONIC RESOURCES	\$0	\$0	\$23,300	\$23,300	To move library budget
206-738.00-957.000 TRAINING	\$0	\$0	\$500	\$500	To move library budget
206-738.00-959.000 BOOKS	\$0	\$0	\$90,000	\$90,000	To move library budget
206-738.00-969.000 CONTRIB	\$0	\$0	\$6,000	\$6,000	To move library budget
206-738.00-970.001 DISTRIB - MERIT IT	\$0	\$0	\$5,150	\$5,150	To move library budget
206-738.00-970.661 DISTIRB - IT	\$0	\$0	\$156,432	\$156,432	To move library budget
TOTAL EXPENDITURES	\$0	\$0	\$824,509	\$824,509	

R14-135

November 3, 2014

RE: DEPARTMENT OF FINANCE – FY2014-15 FIRST QUARTER BUDGET AMENDMENTS

RESOLUTION

WHEREAS Public Act 621 of 1978, the Uniform Budgeting and Accounting act for Local Units of Government, provides for adjustments to the Adopted Budget; and

WHEREAS the Financial Forecast, prepared by the City of Adrian’s Finance Department, has identified several variances between current projections and Estimated Revenues and Appropriations included in the Adopted and Amended FY2014-15 Budget, and recommends appropriate budget amendments; and

WHEREAS the recommended budget amendments comply with the Uniform Budgeting and Accounting Act requirement that no appropriations measure may be submitted to the City Commission that would allow total expenditures/expenses, including an accrued deficit, to exceed total estimated revenues, including an available surplus; and

WHEREAS the City Administrator has reviewed the Financial Forecast and proposed budget amendments and recommends their adoption.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission authorizes the Department of Finance to amend the FY2014-15 Budget in accordance with the attached schedule entitled City of Adrian FY2014-15 First Quarter Recommended Budget Amendments.

BE IT FURTHER RESOLVED that the resulting Amended Budget shall comply with the Uniform Budgeting and Accounting Act (Public Act 621 of 1978) for Local Units of Government, which requires that no appropriations measure may be adopted in which total expenditures/expenses, including an accrued deficit, exceed total estimated revenues, including an available surplus.

On motion by Commissioner _____,

Seconded by Commissioner _____, this

Resolution was adopted by a _____ vote.



MEMORANDUM – UTILITIES DEPARTMENT

DATE: October 28, 2014

TO: Shane Horn, City Administrator

FROM: William Sadler, Utilities Director

SUBJECT: SAW Grant Award

In 2012, the Michigan Department of Environmental Quality announced they would likely require the implementation of an Asset Management Plan in all new or renewed NPDES (National Pollutant Discharge Elimination System) permits. The permit for our WWTP expired on October 1, 2014 and we submitted an application for renewal in March 2014. I anticipate the new draft permit proposal will arrive sometime next spring.

Because the MDEQ is adding this additional requirement, they have made funds available to assist eligible applicants. In November 2013 we contracted with Tetra Tech of Ann Arbor to assist us in the application process. We were not chosen in the first round of awards in early 2014. However, I am excited to inform you that in September 2014 we were chosen in the second round of awards. The amount of the SAW Grant is \$929,976 with a 10% match of \$92,998 resulting in a net award of \$836,978.

Accepting this award will allow us to perform many activities including: cleaning/televising of sewers, metering/modeling, review of current rate structure, updating GIS & Asset Management software, etc. Performing these activities will give us a better understanding of the current condition of our equipment and infrastructure and will provide us with a plan for future maintenance and replacement of our critical assets. I highly recommend approval of the attached resolution accepting the SAW Grant award. Please feel free to contact me if you have any questions.

RE: UTILITIES DEPARTMENT –Storm Water, Asset Management, Wastewater (SAW) Grant Acceptance

RESOLUTION

WHEREAS, the Michigan Department of Environmental Quality has announced that renewed NPDES permits will include a section requiring the implementation of an Asset Management Program; and

WHEREAS, the Wastewater Treatment Plant’s NPDES permit expired on October 1, 2014 and an application for a new NPDES permit was submitted prior to the April 1, 2014 deadline; and

WHEREAS, in November 2013, the City Administrator/Utilities Director, solicited and received a proposal from Tetra Tech of Ann Arbor, MI to complete the SAW Grant application on behalf of the City; and

WHEREAS, in September 2014, the Michigan Department of Environmental Quality awarded the City of Adrian a SAW Grant request in the amount of \$836,978; and

WHEREAS, the City Administrator recommends approval of this resolution, acceptance of the SAW Grant from the MDEQ.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, accepts the MDEQ SAW Grant in the amount of \$836,978

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was adopted by a _____ vote.

MEMO



DATE: October 31, 2014
TO: Honorable Mayor and City Commission
FROM: Shane A. Horn, City Administrator
SUBJECT: SAW Grant Project Oversight

The Utilities Department has received a grant award of \$929,926 for the SAW (Stormwater, Asset Management, Wastewater). This grant award will allow us to complete required items that will be included in our new discharge permit for the Wastewater Treatment Plant. Tetra Tech of Ann Arbor has helped us with our grant application and is familiar with the City's sewer collection system. They have submitted a proposal for \$835,000 to provide all engineering services associated with this project. This is an extensive undertaking that will result in a complete Asset Management Plan for our sewer collection system and Wastewater Treatment Plant. Our 10% match of \$92,998 can be paid from our in-kind services such as cleaning and televising sewers and our associated in-house time spent on this project.

The City Charter allows the bid process to be waived when it is determined that no advantage to the City would result in obtaining additional quotes. I, therefore, urge your favorable consideration authorizing Tetra Tech of Ann Arbor, MI, to perform engineering services and oversight of the SAW grant project for a total price of \$835,000 and that the bid process be waived.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Shane A. Horn'.

Shane A. Horn
City Administrator



MEMORANDUM – UTILITIES DEPARTMENT

DATE: October 28, 2014

TO: Shane Horn, City Administrator

FROM: William Sadler, Utilities Director

SUBJECT: SAW Grant Engineering & Oversight

As you are aware, the Wastewater Treatment Plant's NPDES permit expired on October 1, 2014. As required, we submitted a renewal application before the April 1, 2014 deadline. Early in 2013 we were informed that the Michigan Department of Environmental Quality would likely include a section in the renewed NPDES permits requiring the implementation of an Asset Management Plan. The purpose of this plan would be to inventory, assess, and grade all equipment and infrastructure to insure proper maintenance and reliability.

Because the MDEQ is requiring this new permit language, funds have been made available to eligible applicants in the form of a Storm Water, Asset Management, Wastewater (SAW) Grant. In November 2013 we contracted with Tetra Tech of Ann Arbor, MI to submit a SAW Grant application on behalf of the City of Adrian. While we were not successful in the first round of grant awards this past spring, we were notified in September 2014 that we were awarded a SAW grant in the amount of \$929,976. After a 10% match of \$92,998, the net SAW grant award amounts to \$836,978. Once the grant has been accepted, we will be allowed to submit eligible expenses for reimbursement up to the final grant amount. (We are actually allowed to submit expenses incurred back to January 2013).

The application process included providing estimated costs to implement the SAW project(s). At the time of application, we solicited a proposal from Tetra Tech to provide engineering, design, and oversight of the SAW grant activities. Please review the attached proposal from Tetra Tech in the amount of \$835,000 as it breaks down the scope of the project into several categories. These projects and activities would take place over the course of approximately 30 months.

Based on Tetra Tech's prior work on the SAW Grant application and familiarity with the City of Adrian's wastewater plant, collection system, and other pertinent infrastructure, I highly recommend the approval of their proposal and that the bid process be waived. Please feel free to contact me if you have any questions.



October 28, 2014

Mr. Shane Horn
City Manager
City of Adrian
135 E. Maumee Street
Adrian, MI 49221

Re: Stormwater, Asset Management, and Wastewater (SAW) Scope of Services

Dear Mr. Horn:

The City of Adrian is interested in preparing an asset management program for its sanitary sewer and wastewater system. An asset management program will allow a community to understand the condition of its wastewater system and plan for maintenance, capital, and revenue needs. The Michigan Department of Environmental Quality has developed a grant program to assist communities in implementing these plans. This proposal outlines a scope of services for completing such a plan.

SCOPE OF WORK

We have broken our proposal into the collection system and the wastewater treatment plant. Within each of these categories we have outlined our scope of work using the following five categories of asset management outlined in the MDEQ's SAW application:

1. Asset Inventory and Condition Assessment
2. Level of Service
3. Criticality of Assets
4. O&M Strategy/ Revenue Structure
5. Long-Term Funding/Capital Improvement Planning

1. Asset Inventory

We understand the City of Adrian has an existing geographic information system that is complete with infrastructure elements but lacks data on materials and elevations that is needed for a complete asset management plan.

1a. Collection System

Field Survey

We understand that the city has horizontal and vertical coordinates for all sanitary sewer manholes. Therefore, no work to enhance this information is proposed.



Manhole and Pipe Inventory

We will visit each sanitary/combines sewer manhole (approximately 1,800 structures) to measure pipe sizes, obtain pipe materials, invert (measure down from rim) and to determine the manhole construction materials. This data will be entered into the City's GIS or companion software package.

1b. Wastewater Treatment

For the wastewater treatment plant, we will meet with staff to compile a comprehensive list of all assets at the facility. From initial inventories, we understand the City has over 700 assets at the WWTP.

Condition Assessment

1c. Collection System

Pipe and Manhole Condition

We will subcontract for the cleaning and televising of approximately 70,000 feet of sewer. This will cover the older and most suspect pipes and represents perhaps 20% of the Adrian sewer system. Inspection results will be recorded using Pipeline Assessment Certification Protocol (PACP) procedures. In accordance with the SAW grant rules, no sewers newer than 20 years will be inspected.

Sewers will be rated using PACP guidelines. A condition of each manhole will also be determined using Manhole Assessment and Certification Protocol (MACP) methodology.

Pump Station Evaluation

Each of Adrian's five pump stations will be visited and the condition visually inspected. Pump stations will be assigned condition codes using, "Asset Management Plan Workbook for Water Utilities," as listed on the MDEQ asset management web page.

1d. Wastewater Treatment

From the inventory list prepared above, Tetra Tech will prepare a condition evaluation of the WWTP assets. Tetra Tech will review operation records and ages of equipment to derive our evaluation of the remaining useful life of each asset. Wastewater assets will be assigned condition codes using, "Asset Management Plan Workbook for Water Utilities," as listed on the MDEQ asset management web page.

1e. Software

Tetra Tech will meet with the City to review asset management plan (AMP) software compatible with the City's GIS. These software packages allow the O&M data to be recorded and used to generate work orders. This meeting will review the pros and cons of the various packages (such as Cityworks, Cartegraph and Lucity) and determine if there is value to purchase this software. We have included an allowance of \$110,000 in our proposal to purchase this software. Additionally, we have time budgeted to populate this software and train the City in its use.



1f. Metering/Modeling

Flows in the City of Adrian respond strongly to rainfall and a modeling tool is invaluable to assist the City in understanding the capacity constraints and planning for improvements. While the City has a present model, it is neither linked to a comprehensive sewer network nor has it been recently calibrated.

This project would be initiated with a flow monitoring program to assess wet weather flows. Our proposal includes providing up to ten meters for a 4-month monitoring program. We will also provide two recording rain gauges during this time. Tetra Tech will install and service the meters twice per month during the monitoring program.

Using this data, Tetra Tech will prepare a calibrated model of the sanitary sewer system. The model will replicate conditions for the MDEQ's 25-year, 24-hour design storm for sanitary sewer systems and identify any capacity deficiencies that may need to be addressed. Alternatives to control the wet weather will also be developed.

The results of this analysis will be summarized in a report.

2. Level of Service

Level of service involves setting goals for the utility. A meeting will be held to review goals within the City staff. Additionally, input will be sought from the public regarding their expectations and needs for the utility. For this reason, Tetra Tech will lead a public engagement program to educate sewer users on wastewater and sewer policy and solicit comments regarding the wastewater system and developing asset management plan. We propose to attend one public meeting and prepare handouts and webpages for the City's use.

Tetra Tech will assist in enhancing the City's sewer use ordinance. In particular, we will research means to strengthen the City's existing authority to control fats, oils, and grease contributed to the sewer system. The City is also concerned with industrial contributions and their impact on the WWTP. The industrial pretreatment ordinance will be updated by performing headworks loading calculations and determining the allowable local limits.

3. Criticality of Assets

3a. Condition Rating

We will develop a condition rating for each asset based on the asset data collected, visual inspections, and information provided by Adrian staff.

3b. Probability and Consequence of Failure Ratings

The condition rating, combined with other factors such as performance, reliability and parts availability, will be used to determine a probability of failure. Additionally, a consequence of failure rating will be determined for each asset. The probability of failure rating will be combined with the consequence of failure rating to determine a business risk exposure rating. Asset redundancy will also be reviewed and applied to the criticality rating if applicable.

We will work with City staff to select a software tool to use to assist with these calculations. This may either be public domain software such as CUPPS or commercially licensed software purchased from the grant's software allowance.



3c. Prioritization

The business risk exposure rating will be used along with the probability/consequence of failure ratings will be used to develop a priority list for all assets.

4. O&M Strategy/Revenue Structure

4a. O&M Strategies

Tetra Tech will provide a review and recommendation regarding Adrian's operation and maintenance strategy for the collection system, pump stations and wastewater assets. The review will entail:

- Existing practices
- Record keeping
- Revisions to the current practices (frequency or new practice) based on condition and criticality of the assets

4b. Revenue Structure

Tetra Tech will prepare a rate analysis for the wastewater utility. Preliminary capital improvement costs will be entered into the rate model to evaluate potential rate impacts. A final rate study report and tables will be prepared and delivered to the City.

5. Long-Term Funding/Capital Improvement Planning/Project Management/Report

5a. Capital Improvement Plan

A cost opinion and targeted completion date will be developed for each needed improvement. Present worth calculations may be performed for improvements of differing service lives. Ratings and schedules for improvements will be reworked based on rate impacts. We will review the Woolpert IO tool with City staff as one method to develop this plan.

5b. Asset Management Plan Report

An asset management report will be compiled for the completed report. Tetra Tech will prepare ten draft copies of these reports and present to the City for review. We will attend a meeting to review the report and receive comments. Tetra Tech will receive all City comments and transmit the completed plan to the MDEQ. Tetra Tech will respond to any MDEQ comments and prepare the final plan. Ten copies of the final asset management plan will be prepared and delivered to the City. Tetra Tech will attend one meeting with the Adrian City Commission to present the completed plan.

5c. Project Management

Throughout the project, Tetra Tech will attend a monthly meeting with the City to review our progress. Written monthly reports will be submitted.

SCHEDULE

We anticipate the work outlined in this proposal will take approximately thirty months to complete. A firm schedule will be prepared and reviewed with the City upon project initiation.

ASSUMPTIONS

- City staff will gather necessary utility financial data for the rate study
- Excavation to locate buried manholes will not be conducted



COMPENSATION

Compensation will be based on our standard hourly rates plus reimbursable expenses multiplied by 1.1. Our standard terms and conditions are attached and considered part of this proposal. This fee is valid if the proposal is accepted within 120 days of the date of this proposal.

Our fee can be derived from the following tasks:

<u>TASK</u>	<u>FEE</u>
Inventory	\$144,000
Condition Assessment	\$60,000
Metering/Modeling	\$175,000
AM/GIS Software	\$110,000
Cleaning & Televising	\$154,000
Level of Service	\$32,000
Rate Structure Development	\$20,000
Other	
Criticality of Assets	\$25,000
Long-Term Funding/CIP/Final Report/Proj. Mng.	\$115,000
TOTAL	\$835,000

EXECUTION

Should you agree with the terms of this proposal, please sign in the space provided to indicate your acceptance. Tetra Tech appreciates this opportunity to provide this proposal to the City of Adrian and continue our long history of service.

Sincerely;

Brian M. Rubel, P.E.
Vice President

PROPOSAL ACCEPTED BY _____

TITLE _____ **DATE** _____



Tetra Tech of Michigan, PC

Engineering Services Standard Terms & Conditions

Services Consultant will perform services for the Project as set forth in the provisions for Scope of Work/Fee/Schedule in the proposal and in accordance with these Terms & Conditions. Consultant has developed the Project scope of service, schedule, and compensation based on available information and various assumptions. The Client acknowledges that adjustments to the schedule and compensation may be necessary based on the actual circumstances encountered by Consultant in performing their services. Consultant is authorized to proceed with services upon receipt of an executed Agreement.

Compensation In consideration of the services performed by Consultant, the Client shall pay Consultant in the manner set forth above. The parties acknowledge that terms of compensation are based on an orderly and continuous progress of the Project. Compensation shall be equitably adjusted for delays or extensions of time beyond the control of Consultant. Where total project compensation has been separately identified for various tasks, Consultant may adjust the amounts allocated between tasks as the work progresses so long as the total compensation amount for the project is not exceeded.

Fee Definitions The following fee types shall apply to methods of payment:

Salary Cost is defined as the individual's base salary plus customary and statutory benefits. Statutory benefits shall be as prescribed by law and customary benefits shall be as established by Consultant employment policy.

Cost Plus is defined as the individual's base salary plus actual overhead plus professional fee. Overhead shall include customary and statutory benefits, administrative expense, and non-project operating costs.

Lump Sum is defined as a fixed price amount for the scope of services described.

Standard Rates is defined as individual time multiplied by standard billing rates for that individual.

Subcontracted Services are defined as Project-related services provided by other parties to Consultant.

Reimbursable Expenses are defined as actual expenses incurred in connection with the Project.

Payment Terms Consultant shall submit invoices at least once per month for services performed and Client shall pay the full invoice amount within 30 days of the invoice date. Invoices will be considered correct if not questioned in writing within 10 days of the invoice date. Client payment to Consultant is not contingent on arrangement of project financing or receipt of funds from a third party. In the event the Client disputes the invoice or any portion thereof, the undisputed portion shall be paid to Consultant based on terms of this Agreement. Invoices not in dispute and unpaid after 30 days shall accrue interest at the rate of one and one-half percent per month (or the maximum percentage allowed by law, whichever is the lesser). Invoice payment delayed beyond 60 days shall give Consultant the right to stop work until payments are current. Non-payment beyond 70 days shall be just cause for termination by Consultant.

Additional Services The Client and Consultant acknowledge that additional services may be necessary for the Project to address issues that may not be known at Project initiation or that may be required to address circumstances that were not foreseen. In that event, Consultant notify the Client of the need for additional services and the Client shall pay for such additional services in an amount and manner as the parties may subsequently agree.

Site Access The Client shall obtain all necessary approvals for Consultant to access the Project site(s).

Underground Facilities Consultant and/or its authorized subcontractor will conduct research and perform site reconnaissance in an effort to discover the location of existing underground facilities prior to developing boring plans, conducting borings, or undertaking invasive subsurface investigations. Client recognizes that accurate drawings or knowledge of the location of such facilities may not exist, or that research may reveal as-built drawings or other documents that may inaccurately show, or not show, the location of existing underground facilities. In such events, except for the sole negligence, willful misconduct, or practice not conforming to the Standard of Care cited in this Agreement, Client agrees to indemnify and hold Consultant and/or its Subcontractor harmless from any and all property damage, injury, or economic loss arising or allegedly arising from borings or other subsurface penetrations.

Regulated Wastes Client is responsible for the disposal of all regulated wastes generated as a result of services provided under this Agreement. Consultant and Client

mutually agree that Consultant assumes no responsibility for the waste or disposal thereof.

Contractor Selection Consultant may make recommendations concerning award of construction contracts and products. The Client acknowledges that the final selection of construction contractors and products is the Client's sole responsibility.

Ownership of Documents Drawings, specifications, reports, programs, manuals, or other documents, including all documents on electronic media, prepared under this Agreement are instruments of service and are, and shall remain, the property of Consultant. Record documents of service shall be based on the printed copy. Consultant will retain all common law, statutory, and other reserved rights, including the copyright thereto. Consultant will furnish documents electronically; however, the Client releases Consultant from any liability that may result from documents used in this form. Consultant shall not be held liable for reuse of documents or modifications thereof by the Client or its representatives for any purpose other than the original intent of this Agreement, without written authorization of and appropriate compensation to Consultant.

Standard of Care Services provided by Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant makes no warranty or guaranty, either express or implied. Consultant will not be liable for the cost of any omission that adds value to the Project.

Period of Service Consultant shall perform the services for the Project in a timely manner consistent with sound professional practice. Consultant will strive to perform its services according to the Project schedule set forth in the provisions for Scope of Work/Fee/Schedule above. The services of each task shall be considered complete when deliverables for the task have been presented to the Client. Consultant shall be entitled to an extension of time and compensation adjustment for any delay beyond Consultant control.

Insurance and Liability Consultant shall maintain the following insurance and coverage limits during the period of service. The Client will be named as an additional insured on the Commercial General Liability and Automobile Liability insurance policies.

Worker's Compensation – as required by applicable state statute

Commercial General Liability - \$1,000,000 per occurrence for bodily injury, including death and property damage, and \$2,000,000 in the aggregate

Automobile Liability –\$1,000,000 combined single limit for bodily injury and property damage

Professional Liability (E&O) - \$1,000,000 each claim and in the aggregate

The Client shall make arrangements for Builder's Risk, Protective Liability, Pollution Prevention, and other specific insurance coverage warranted for the Project in amounts appropriate to the Project value and risks. Consultant shall be a named insured on those policies where Consultant may be at risk. The Client shall obtain the counsel of others in setting insurance limits for construction contracts.

Indemnification Consultant shall indemnify and hold harmless the Client and its employees from any liability, settlements, loss, or costs (including reasonable attorneys' fees and costs of defense) to the extent caused solely by the negligent act, error, or omission of Consultant in the performance of services under this Agreement. If such damage results in part by the negligence of another party, Consultant shall be liable only to the extent of Consultant's proportional negligence.

Dispute Resolution The Client and Consultant agree that they shall diligently pursue resolution of all disagreements within 45 days of either party's written notice using a mutually acceptable form of mediated dispute resolution prior to exercising their rights under law. Consultant shall continue to perform services for the Project and the Client shall pay for such services during the dispute resolution process unless the Client issues a written notice to suspend work.

Suspension of Work The Client may suspend services performed by Consultant with cause upon fourteen (14) days written notice. Consultant shall submit an invoice for services performed up to the effective date of the work suspension and the Client shall pay Consultant all outstanding invoices within fourteen (14) days. If the work suspension exceeds thirty (30) days from the effective work suspension date, Consultant shall be entitled to renegotiate the Project schedule and the compensation terms for the Project.

Termination The Client or Consultant may terminate services on the Project upon seven (7) days written notice without cause or in the event of substantial failure by the other party to fulfill its obligations of the terms hereunder. Consultant shall submit an invoice for services performed up to the effective date of termination and the Client shall pay Consultant all outstanding invoices within fourteen (14) days. The Client may withhold an amount for services that may be in dispute provided that the Client furnishes a written notice of the basis for their dispute and that the amount withheld represents a reasonable value.

Authorized Representative The Project Manager assigned to the Project by Consultant is authorized to make decisions or commitments related to the project on behalf of Consultant. Only authorized representatives of Consultant are authorized to execute contracts and/or work orders on behalf of Consultant. The Client shall designate a representative with similar authority.

Project Requirements The Client shall confirm the objectives, requirements, constraints, and criteria for the Project at its inception. If the Client has established design standards, they shall be furnished to Consultant at Project inception. Consultant will review the Client design standards and may recommend alternate standards considering the standard of care provision.

Independent Consultant Consultant is and shall be at all times during the term of this Agreement an independent consultant and not an employee or agent of the Client. Consultant shall retain control over the means and methods used in performing Consultant's services and may retain subconsultants to perform certain services as determined by Consultant.

Compliance with Laws Consultant shall perform its services consistent with sound professional practice and endeavor to incorporate laws, regulations, codes, and standards applicable at the time the work is performed. In the event that standards of practice change during the Project, Consultant shall be entitled to additional compensation where additional services are needed to conform to the standard of practice.

Permits and Approvals Consultant will assist the Client in preparing applications and supporting documents for the Client to secure permits and approvals from agencies having jurisdiction over the Project. The Client agrees to pay all application and review fees.

Limitation of Liability In recognition of the relative risks and benefits of the project to both the Client and Consultant, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of Consultant and its subconsultants to the Client and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that the total aggregate liability of Consultant and its subconsultants to all those named shall not exceed \$50,000 or the amount of Consultant's total fee paid by the Client for services under this Agreement, whichever is the greater. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contract or warranty.

Consequential Damages Neither the Client nor Consultant shall be liable to the other for any consequential damages regardless of the nature or fault.

Waiver of Subrogation Consultant shall endeavor to obtain a waiver of subrogation against the Client, if requested in writing by the Client, provided that Consultant will not increase its exposure to risk and Client will pay the cost associated with any premium increase or special fees.

Environmental Matters The Client warrants that they have disclosed all potential hazardous materials that may be encountered on the Project. In the event unknown hazardous materials are encountered, Consultant shall be entitled to additional compensation for appropriate actions to protect the health and safety of its personnel, and for additional services required to comply with applicable laws. The Client shall indemnify Consultant from any claim related to hazardous materials encountered on the Project except for those events caused by negligent acts of Consultant.

Cost Opinions Consultant shall prepare cost opinions for the Project based on historical information that represents the judgment of a qualified professional. The Client and Consultant acknowledge that actual costs may vary from the cost opinions prepared and that Consultant offers no guarantee related to the Project cost.

Contingency Fund The Client acknowledges the potential for changes in the work during construction and the Client agrees to include a contingency fund in the Project budget appropriate to the potential risks and uncertainties associated with the Project. Consultant may offer advice concerning the value of the contingency fund; however, Consultant shall not be liable for additional costs that the Client may incur beyond the contingency fund they select unless such additional cost results from a negligent act, error, or omission related to services performed by Consultant.

Safety Consultant shall be responsible solely for the safety precautions or programs of its employees and no other party.

Information from Other Parties The Client and Consultant acknowledge that Consultant will rely on information furnished by other parties in performing its services under the Project. Consultant shall not be liable for any damages that may be incurred by the Client in the use of third party information.

Force Majeure Consultant shall not be liable for any damages caused by any delay that is beyond Consultant's reasonable control.

Waiver of Rights The failure of either party to enforce any provision of these terms and conditions shall not constitute a waiver of such provision nor diminish the right of either party to the remedies of such provision.

Warranty Consultant warrants that it will deliver services under the Agreement within the standard of care. No other expressed or implied warranty is provided by Consultant.

Severability Any provision of these terms later held to violate any law shall be deemed void and all remaining provisions shall continue in force. In such event, the Client and Consultant will work in good faith to replace an invalid provision with one that is valid with as close to the original meaning as possible.

Survival All provisions of these terms that allocate responsibility or liability between the Client and Consultant shall survive the completion or termination of services for the Project.

Assignments Neither party shall assign its rights, interests, or obligations under the Agreement without the express written consent of the other party.

Governing Law The terms of agreement shall be governed by the laws of the state where the services are performed provided that nothing contained herein shall be interpreted in such a manner as to render it unenforceable under the laws of the state in which the Project resides.

Collection Costs In the event that legal action is necessary to enforce the payment provisions of this Agreement if Client fails to make payment within sixty (60) days of the invoice date, Consultant shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs, and expenses incurred by Consultant in connection therewith and, in addition, the reasonable value of Consultant's time and expenses spent in connection with such collection action, computed at Consultant's prevailing fee schedule and expense policies.

Equal Employment Opportunity Consultant will comply with federal regulations pertaining to Equal Employment Opportunity. Consultant is in compliance with applicable local, state, and federal regulations concerning minority hiring. It is Consultant's policy to ensure that applicants and employees are treated equally without regard to race, creed, sex, color, religion, veteran status, ancestry, citizenship status, national origin, marital status, sexual orientation, or disability. Consultant expressly assures all employees, applicants for employment, and the community of its continuous commitment to equal opportunity and fair employment practices.

Attorney Fees Should there be any suit or action instituted to enforce any right granted in this contract, the substantially prevailing party shall be entitled to recover its costs, disbursements, and reasonable attorney fees from the other party. The party that is awarded a net recovery against the other party shall be deemed the substantially prevailing party unless such other party has previously made a bona fide offer of payment in settlement and the amount of recovery is the same or less than the amount offered in settlement. Reasonable attorney fees may be recovered regardless of the forum in which the dispute is heard, including an appeal.

Third Party Beneficiaries Nothing in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder. The Client agrees to include a provision in all contracts with contractors and other entities involved in this project to carry out the intent of this paragraph.

Captions The captions herein are for convenience only and are not to be construed as part of this Agreement, nor shall the same be construed as defining or limiting in any way the scope or intent of the provisions hereof.

RE: UTILITIES DEPARTMENT – Authorization to Contract with Tetra Tech for Engineering & Oversight Services for Storm Water, Asset Management, Wastewater (SAW) Grant activities

RESOLUTION

WHEREAS, in November 2013, the City Administrator/Utilities Director, solicited and received a proposal from Tetra Tech of Ann Arbor, MI to complete the SAW Grant application on behalf of the City; and

WHEREAS, in September 2014, the Michigan Department of Environmental Quality awarded the City of Adrian a SAW Grant request in the amount of \$836,978; and

WHEREAS, the City Administrator and Utilities Director, solicited and received a proposal from Tetra Tech of Ann Arbor, MI to provide engineering and oversight services for the SAW Grant project activities in the amount of \$835,000; and

WHEREAS, the proposal is broken down into eight tasks: Inventory (\$144,000), Condition Assessment (\$60,000), Metering/Modeling (\$175,000), AM/GIS Software (\$110,000), Cleaning & Televising (\$154,000), Level of Service (\$32,000), Rate Structure Development (\$20,000), and Other (\$140,000); and

WHEREAS, the Utilities Director and City Administrator recommend engagement of Tetra Tech of Ann Arbor, MI., in the City’s Standard Professional Services Contract for the purpose of providing engineering and oversight of the SAW Grant at a cost not to exceed \$835,000, and that, because of the firm’s familiarity with the City’s Sewer Collection System, and this project in particular, the competitive bid process be waived.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the engagement of Tetra Tech, Ann Arbor, MI., in the City’s Standard Professional Services Contract for the purpose of providing engineering and oversight of the SAW Grant project activities at a cost not to exceed \$835,000.

BE IT FURTHER RESOLVED that the FY2014-15 budget be amended as follows to property fund this project:

REVENUE:		
590-000.00-580.000	SAW Grant	\$835,000
EXPENDITURE:		
590-54200-801.010	Contract Services-SAW Grant	\$835,000

BE IT, FURTHER, RESOLVED that, in the best interests of the City, the competitive bid process be waived, in accordance with the City’s Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was adopted by a _____ vote.

**MEMO**

135 E. Maumee, Adrian, MI 49221-2703

DATE: November 3, 2014

TO: Hon. Jim Berryman, Mayor
City Commission
Shane Horn, City Administrator

FROM: Chris Miller
DDA & Economic Development Coordinator

SUBJECT: MOU & MSHDA Blight Elimination program

Ladies and Gentlemen,

About three weeks ago, we were notified that the state had secured funds from the federal government to do residential blight elimination programs in several Michigan cities, including Adrian. This is great news, and we are part of a small number (under 20) of communities in the state who have been identified as eligible for these funds now and in the last couple of years.

We went to Lansing two weeks ago to learn the details of the project, and in today's meeting is a resolution to enter into an agreement with the Lenawee County Land Bank and the Michigan Homeowner Assistance Nonprofit Housing Corporation (an entity created by the Michigan State Housing Development Authority –MSHDA- to receive and manage these funds). The city cannot be the recipient, hence the MOU with the Land Bank.

By authorizing the MOU, you allow us to move forward with a plan to demolish a specific list of properties within the city that is currently being identified by city staff and several community partners. We expect the result to be funds earmarked for blight elimination within several of our neighborhoods that will result in safer, more attractive neighborhoods and improvement in property values.

I urge support for the resolution and would be happy to respond to questions or thoughts about it.

Best Regards,

Chris

Chris Miller
DDA & Economic Development Coordinator

MEMORANDUM OF UNDERSTANDING

City of Adrian

And

Michigan Homeowner Assistance Nonprofit Housing Corporation

Help for the Hardest Hit Blight Program

This Memorandum of Understanding (the "Memorandum") is made this ____ day of _____, 20__ by and between the Michigan Homeowner Assistance Nonprofit Housing Corporation ("MHA"), The Lenawee County Land Bank ("Blight Partner") and the City of Adrian (the "City"):

RECITALS:

WHEREAS, the geographical boundaries of the City contain many parcels of property on which vacant, abandoned and blighted buildings stand; and

WHEREAS, MHA has allocated \$175 million of its Help for Hardest Hit funds for the purpose of blight elimination in 16 cities in Michigan, with the City being one of them; and

WHEREAS, the City is requesting that MHA allocate a certain amount of money to be used within the City for blight elimination; and

WHEREAS, the City is in the process of identifying properties within its boundaries that it believes should be demolished because of their blighted condition; and

WHEREAS, the City will contract with Blight Partner to perform some or all of the demolition; and

WHEREAS, MHA, Blight Partner and the City wish to set forth the terms and conditions under which MHA will use the funds within the City,

NOW THEREFORE, MHA, Blight Partner and City confirm their mutual agreement on the following principles relating to the MHA's Help for the Hardest Hit Program ("H4HH Program") and agree as follows:

1. **Eligible Properties:** The City will identify and prepare a list of blighted properties. The list will be provided to MHA and will become a part of this agreement. MHA and the City will use their best efforts to expend the funds for demolition of the properties. The choice of which properties will be demolished is solely within the discretion of MHA. MHA may authorize Blight Partner to demolish properties in immediately adjacent neighborhoods to the properties if it determines that the activity will promote increased values of the remaining property and promote positive growth. Blight Partner will obtain MHA approval prior to taking any action regarding a specific property. Any of the properties to be demolished must meet MHA's requirements as set forth in its manual regarding the Program. If the City demolishes all eligible properties within the City and has not exhausted the funds, MHA will confer with the City regarding the demolition of other eligible properties. However, MHA, in its sole discretion, may determine to use any remaining funds in another city or for another program.

2. **Point of Contact:** MHA shall provide a list of key contacts to Blight Partner and City, and City and Blight Partner agree to provide a primary and secondary point of Contact to MHA and to each other.
3. **Cooperation:** To the extent possible, the City will cooperate with its contractors (including Blight Partner) and MHA in expediting demolition. Such cooperation may include, but is not limited to, permitting, licensing, assisting with utilities cut-offs, inspections and security.
4. **Reallocation of Funds:** MHA and the City will use their best efforts to expend all the funds by a date agreed upon between the parties. If MHA and the City are unable to expend the funds within that time, MHA may, at its sole discretion, allocate the remaining funds to another city or for another program.

Accepted and agreed to by:

City: _____

By: _____

Print: _____

Its: _____

Date: _____

Address: _____

Blight Partner: _____

By: _____

Print: _____

Its: _____

Date: _____

Address: _____

Michigan Homeowner Assistance Nonprofit Housing Corporation

By: _____

Its: _____

Date: _____

RE: COMMUNITY DEVELOPMENT – Approve Memorandum of Understanding with the Lenawee County Land Bank to enable receipt of Michigan State Housing Development Authority – through the Michigan Homeowner Assistance Nonprofit Housing Corporation - “Help for the Hardest Hit Blight Program” blight elimination funds

RESOLUTION

WHEREAS, the City of Adrian desires to provide an excellent quality of life for its citizens; and

WHEREAS, quality housing options including single-family homes are an important housing option for residents; and

WHEREAS, citizens are interested in attractive and desirable neighborhoods throughout the city; and

WHEREAS, the city has many attractive neighborhoods; and

WHEREAS, because of the recession and other economic challenges, some of the city’s housing stock has fallen on disrepair; and

WHEREAS, some properties are now beyond repair and must be demolished to preserve property values and provide safe and attractive neighbors; and

WHEREAS, the Michigan State Housing Development Authority (MSHDA) has secured federal funds designated for the removal of blight in Michigan neighborhoods; and

WHEREAS, the City of Adrian is one of the designated communities eligible for these funds; and

WHEREAS, the city must engage a third-party partner that will receive these funds, procure, demolish, and hold these properties until future owners are identified; and

WHEREAS, the Lenawee County Land Bank is well-positioned to receive these funds, procure the properties, demolish blighted structures, and hold and convey these properties to future tax-paying owners; now

NOW, THEREFORE, BE IT RESOLVED that the City Commission hereby authorizes the Mayor to sign a Memorandum of Understanding with the Lenawee County Land Bank and the Michigan Homeowner Assistance Nonprofit Housing Corporation to facilitate receipt of funds and the demolition of properties as determined by city staff and in accordance with local ordinances and state law.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was _____ by a _____ vote.

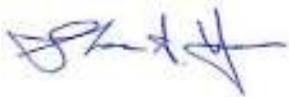
MEMO



DATE: October 31, 2014
TO: Honorable Mayor and City Commission
FROM: Shane A. Horn, City Administrator
SUBJECT: M-52/Church/Broad Street Roundabout Project

We have been working with MDOT on the conceptual layout of a roundabout at the M-52/Church/Broad Street area as an alternative to allow traffic to legally take a left onto Church or State Street from M-52. This is a project that would be fully funded by MDOT except for property acquisition, and they would provide all surveying, design and construction oversight. We see this as a great collaborative project with MDOT and one that will permanently solve an on-going traffic concern in this area. I respectfully recommend your concurrence to continue to move forward with this project.

Respectfully submitted,



Shane A. Horn
City Administrator

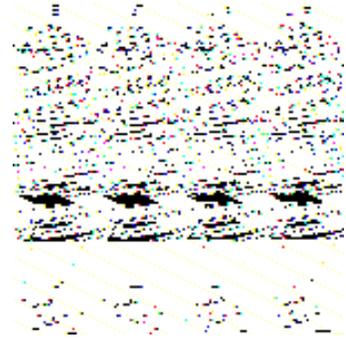
October 29, 2014

MEMORANDUM

TO: Shane Horn, City Administrator

FROM: Todd Brown, Director of Parks & Engineering Services

SUBJECT: MDOT Roundabout Project



The Michigan Department of Transportation (MDOT) is in the early design stage of a project to construct a Roundabout at the intersection of M-52/Church/Broad St.

MDOT has asked the City of Adrian City Commission to consider this project as a collaborative effort by supporting this project by Resolution as well as funding the purchase of property required to obtain Right of Way.

MDOT has obtained funding to perform all survey, design, construction, and construction oversight for said project, excepting that of property acquisition. I strongly recommend approval of this resolution authorizing an agreement to move forward with this project and to obligate monies for purchase of property.

R14-139

RE: ENGINEERING DEPARTMENT– AGREEMENT TO MOVE FORWARD WITH MDOT TO CONSTRUCTION OF THE M-52/ CHURCH/ BROAD ST ROUNDABOUT PROJECT

RESOLUTION

WHEREAS, the Michigan Department of Transportation (MDOT) and the City of Adrian have held a series of meetings since early 2013 to discuss constructing a roundabout as a means to safely control the Church (M-52)/Broad(M-52)/State Street intersection to allow turn movements in all directions; and

WHEREAS, MDOT asks the City of Adrian City Commission to consider this project as a collaborative effort; and

WHEREAS, MDOT shall fund the project in its entirety, including, but not limited to, all survey, design, construction, and construction oversight, excepting easement acquisition for land which may be required for the footprint of said roundabout which shall be the financial obligation of the City; and

WHEREAS, MDOT is currently in the early design stage of this project; and

WHEREAS, the Director of Parks & Engineering and City Administrator recommend approval of this resolution authorizing an agreement to move forward with this project and to obligate monies for purchase of property.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution hereby supports this collaborative effort with the Michigan Department of Transportation (MDOT) to move forward with the M-52/Church/Broad St Roundabout Project.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was adopted
by a _____ vote.

R14-040

November 3, 2014

RE: CITY COMMISSION– Resolution to appoint Kara Lennard to Planning Commission for a three (3) year term

RESOLUTION

WHEREAS, a vacancy exists on the Planning Commission due to the resignation of Chad Johnson; and

WHEREAS, Kara Lennard has expressed a willingness to serve on the Planning Commission; and

WHEREAS, the Adrian City Commission has given careful consideration to the appointment of the above-named individual.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does, hereby, approve the appointment of Kara Lennard to the Planning Commission for a three (3) year term.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____
by a _____ vote.

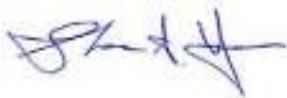
MEMO



DATE: October 31, 2014
TO: Honorable Mayor and City Commission
FROM: Shane A. Horn, City Administrator
SUBJECT: Paid Day Off for December 26, 2014

Last Thanksgiving the City Commission approved a half-day off on the Wednesday prior to Thanksgiving as a small measure to give back to city staff and allow them additional time around Thanksgiving. This was an outstanding gesture and very much appreciated by all city staff. When looking at the Holiday schedule for this year, we noticed that Christmas Day is on a Thursday and we began to explore the possibility of extending a paid day off for Friday December 26, 2014 instead of the half-day on the Wednesday prior to Thanksgiving. All full-time and regular part-time employees would be eligible for this paid day off. Employees required to work on December 26 shall receive a paid day off to be taken at the discretion of their Department Head in accordance with scheduling needs. I respectfully recommend your approval of this resolution; I know city staff will appreciate the extra day to spend with family and friends this Christmas season.

Respectfully submitted,



Shane A. Horn
City Administrator

RE: CITY COMMISSION – Approve the Closure of City Facilities on Friday December 26, 2014 and Give all Full-Time and Regular Part-Time City Employees a Paid Day Off.

RESOLUTION

WHEREAS, the City Commission adopted Resolution R13-237 last year providing all city employees a half-day of paid leave the Wednesday before Thanksgiving; and

WHEREAS, with Christmas falling on a Thursday this year, an option is presented to allow the closure of City facilities and provide a paid day off on Friday December 26, 2014; and

WHEREAS, the City Commission would like to provide all full-time and regular part-time city employees with a paid day off regardless of whether they are scheduled to work on Friday December 26, 2014.

NOW THEREFORE, IT IS HEREBY RESOLVED that the City shall close for regular business on Friday December 26, 2014. All full-time and regular part-time city employees who remain at work on Friday December 26, 2014 shall receive a paid day off to be taken at the discretion of their Department Head, in accordance with scheduling needs.

NOW THEREFORE IT IS FURTHER RESOLVED that all full-time and regular part-time city employees not scheduled to work on Friday December 26, 2014 shall also receive a paid day off to be taken at the discretion of their Department Head, in accordance with scheduling needs.

On motion of Commissioner _____, supported by Commissioner _____, the above Resolution was _____ by a _____ vote.