



Regular City Council Meeting
7:00 p.m., Monday, March 1, 2021
Virtual Meeting: Zoom
Meeting ID: 839 2004 1563
Passcode: 338170

REGULAR MEETING AGENDA

- 1. Roll Call**
- 2. Approval of Agenda**
- 3. Public Comment**
- 4. Presentation: Oakland County Water Resource Commissioner's Office**
- 5. Board and Commission Interviews**
 - a. DDA: Claire Perko (7:45 p.m.)**
 - b. DDA: Linda Deskins (8 p.m.)**
- 6. Adoption of addendum of Council Rule – Remote Meetings**
- 7. Consideration to approve State Trunkline Maintenance Contract**
- 8. Move to adopt a policy relative to the review and granting of poverty exemptions by the City of Farmington Board of Review**
- 9. Other Business**
- 10. Public Comment**
- 11. Council Comment**
- 12. Adjournment**

The City will follow its normal procedures for accommodation of persons with disabilities. Those individuals needing accommodations for effective participation in this meeting should contact the City Clerk (248) 474-5500, ext. 2218 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

Evergreen-Farmington Farmington

Meeting Agenda

March 1, 2021 7:00 p.m. – 8:00 p.m.

Desired outcomes:

- To touch base with the customers we service and meet new elected officials.
- Share what our organization does and issues we are addressing.
- Walk through the Evergreen-Farmington Corrective Action Plan and next steps.

1. Welcome

Trisha Bruzek

2. Water Resources Commissioner's Office Overview

Anne Vaara

3. Evergreen-Farmington Sanitary Drain Corrective Action Plan Overview

Tim Prince and Carrie Cox

4. Wrap-up and Closing

Trisha Bruzek

Oakland County Water Resources Commissioner

Evergreen-Farmington Sanitary Drain Overview

March 1, 2021



Regional Leader for Water Quality Issues

- **Provide critical service** for the health and welfare of Southeast Michigan residents
- **Ensure regulatory compliance of systems by conducting** routine and emergency water quality sampling
- **Address important issues related to continued support and project implementation** for ongoing health and safety issues such as:
 - Lead service line replacement
 - PFAS investigation and remediation
 - Local dams' safety and maintenance
 - Basement backups and sanitary sewer overflows



System Operations



- Operate and maintain 16 local water systems serving 270,000 people
- Responsible for approximately 1,300 miles of water main and 7 water treatment plants



- Jurisdiction over 450 separate stormwater drainage systems serving Oakland County and the region
- Includes more than 70 miles of storm drains and 36 control structures impacting the levels of 63 lakes



- Jurisdiction over 5 regional sewer systems serving 1.5 million people
- Includes 4 retention treatment facilities, 18 pump stations, and more than 450 miles of sewer



- Operate and maintain 23 local sewer systems serving nearly 300,000 people
- Responsible for approximately 1,160 miles of sewer, 175 pump stations, and 3 water resource recovery facilities

Regional Footprint and Responsibilities

- Expansion of the Oakland-Macomb Interceptor Drain Drainage District to include a pump station and pipe extending through the City of Detroit
- Operation and maintenance of the City of Pontiac's water and sanitary sewer systems
- Clinton River Water Resource Recovery Facility
- Numerous additional community water and sanitary sewer systems



Future Expansion of Responsibilities Expected



- North Oakland Sewer Project
- Maintenance of local stormwater systems
- Additional operation and maintenance of community water and sanitary sewer systems



Significant Technological Advances

- Biosolids project at Clinton River Water Resource Recovery Facility
- Advanced asset management software
- Production of Exceptional Quality Class A Biosolids to be beneficially reused
- Reduction in volume of biosolids by 20% and disposal costs by 50%

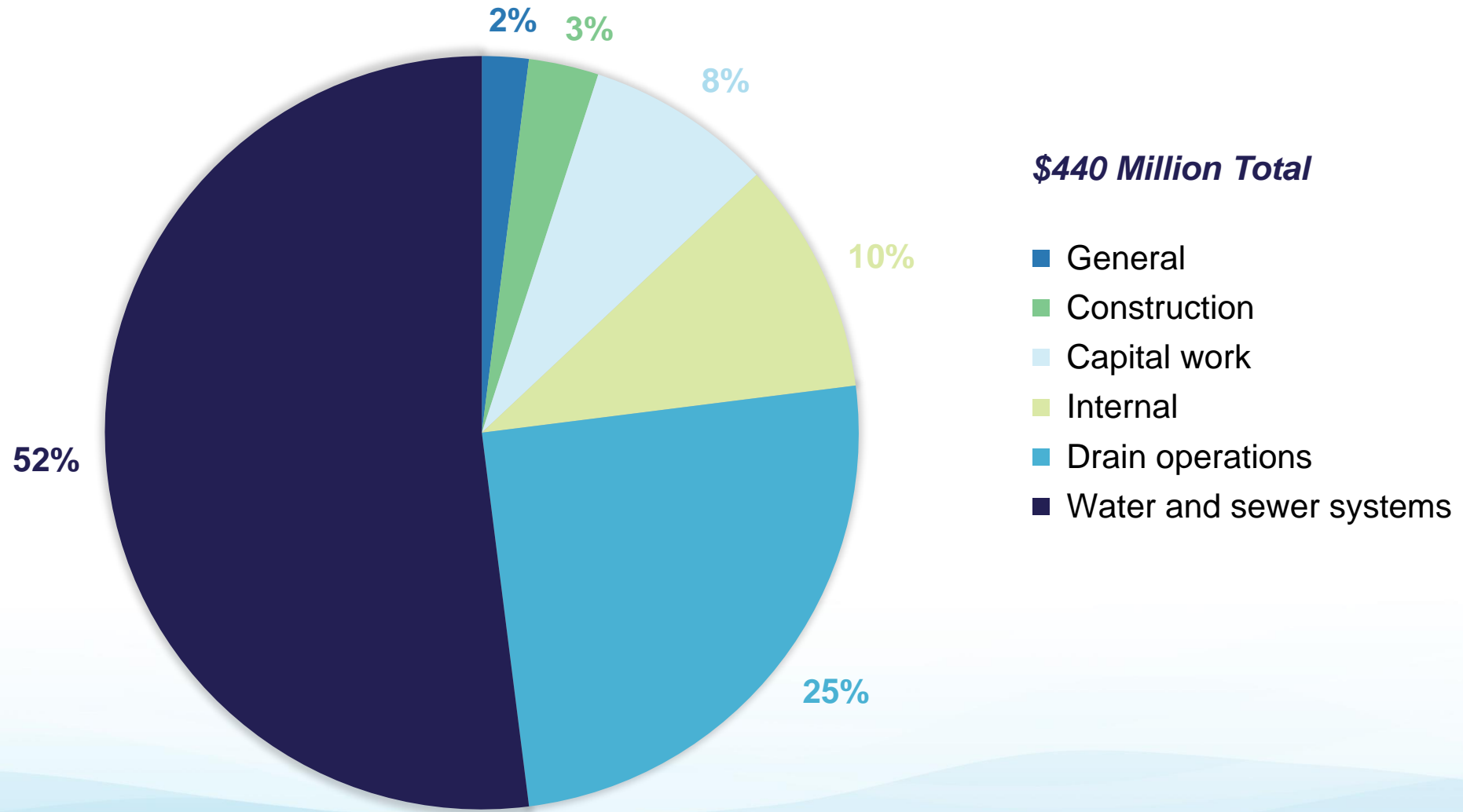


Increased Capital Replacement



- Investment of \$45 million a year in new water and sewer infrastructure
- The need for future investment for replacement of infrastructure is expected to double in the next five years

2020 Expenditures



Five Outcomes We Pursue

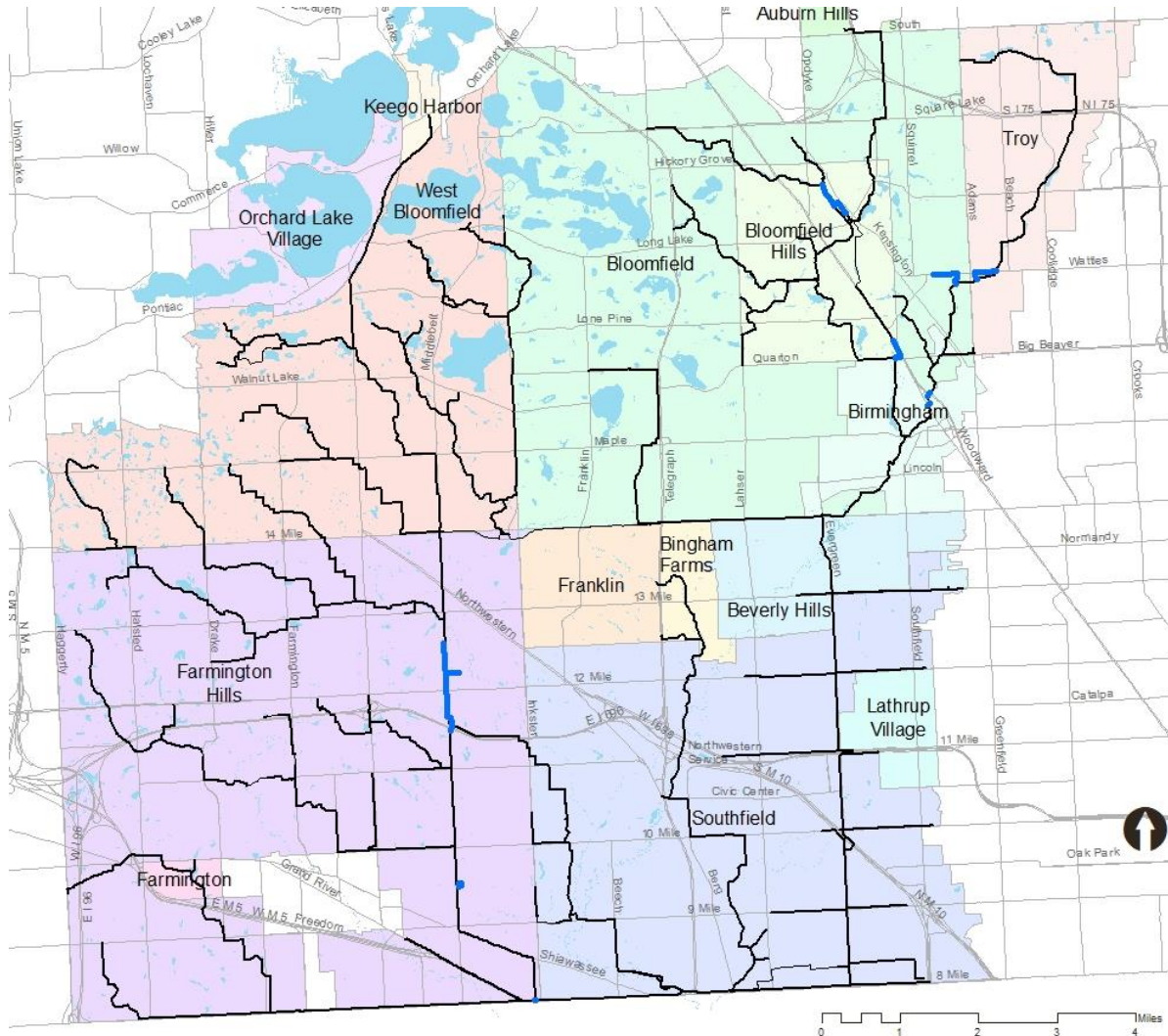


Evergreen-Farmington Sanitary Drain

Corrective Action Plan Overview



Customer Communities



- City of Auburn Hills
- Village of Bingham Farms
- City of Bloomfield Hills
- Village of Beverly Hills
- City of Birmingham
- Bloomfield Township
- City of Farmington
- City of Farmington Hills
- Village of Franklin
- City of Keego Harbor
- City of Lathrup Village
- City of Orchard Lake Village
- City of Southfield
- City of Troy
- West Bloomfield Township

Historical Milestones (1960s to 1980s)

Early 1960s: Original construction was completed

1960s and 1970s:

- Significant system growth
- Sources of non sanitary flow impacting capacity of system

1980s:

- Wet weather capacity issues identified throughout the system
- Wet weather sanitary sewer overflows occur

1988: Michigan Department of Environmental Quality Abatement Orders

1989: Intermunicipal Contract



Historical Milestones (1990s to 2020)



1990s:

- Abatement Order construction projects completed
- Sanitary sewer overflows continue to occur

2004: MDEQ Administrative Consent Order

2004 to 2018:

- Short-Term Corrective Action Plan projects completed
- Long-Term Corrective Action Plan Phase 1 completed

2019: EGLE 4th Amended Administrative Consent Order

- Provision to increase outlet capacity
- Modified Corrective Action Plan schedule

Looking to the Future

2021:

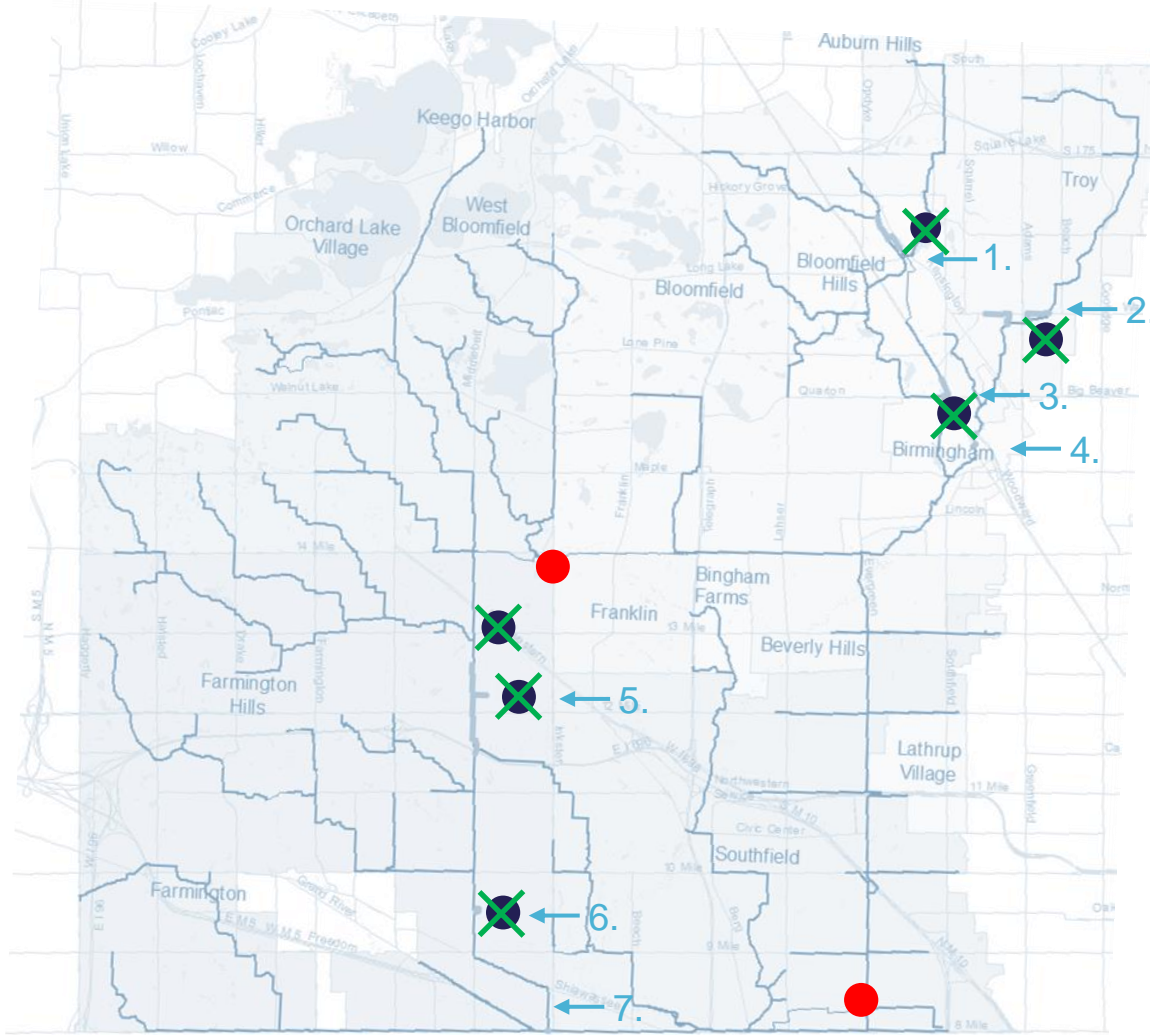
- Refinement of Corrective Action Plan
- Community approvals of new Intermunicipal Service Agreement
- First bond sale for Corrective Action Plan outlet capacity

2022 to 2023:

- Second bond sale for Corrective Action Plan improvement projects
- Construction of Corrective Action Plan improvement projects

2024: Administrative Consent Orders Expire



Long-Term Corrective Action Plan - Phase 1



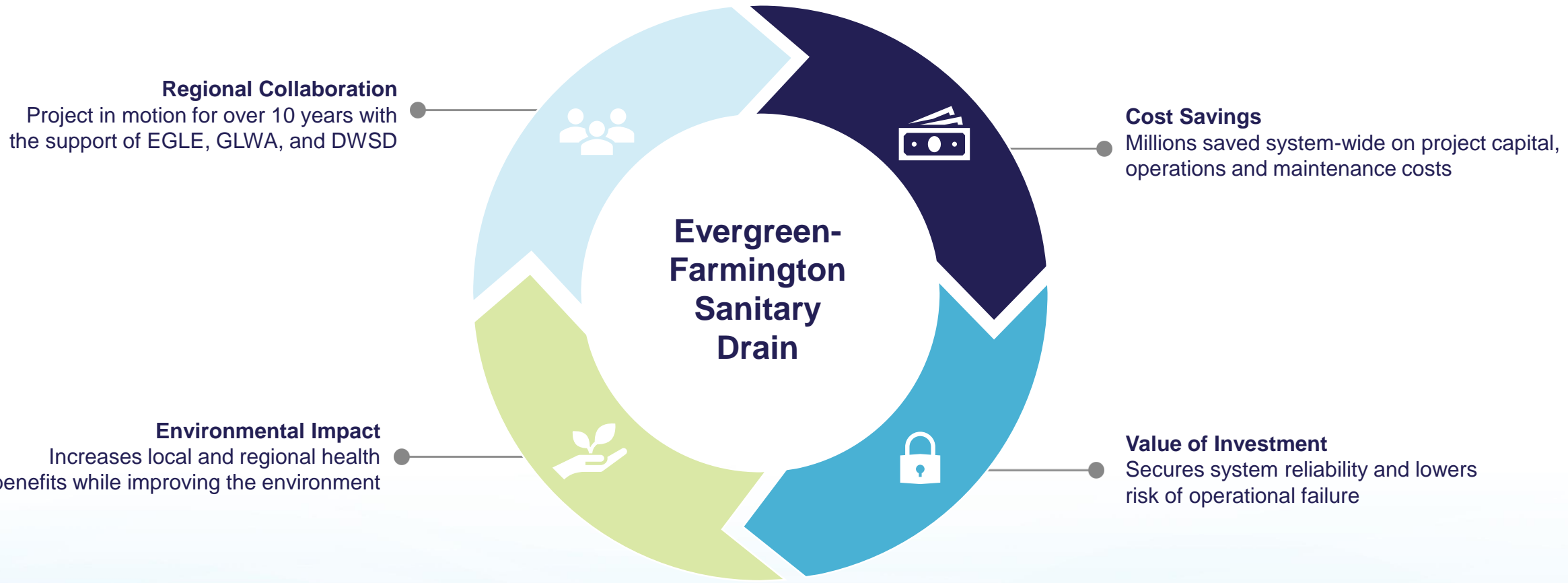
\$63 Million Invested in System

Projects Recently Constructed

1. Stonycroft Relief and Amy Pump Station upgrades
2. Wattles Road Storage
3. Quarton Road Storage
4. North Evergreen Interceptor Hydraulic Improvements
5. Middlebelt Tunnel with Utlely Connection
6. Eldon Street Grade Protection Station
7. Farmington Interceptor Partial Bulkhead Removal

-  Sanitary sewer overflows addressed
-  Sanitary sewer overflows remaining

Corrective Action Plan Development



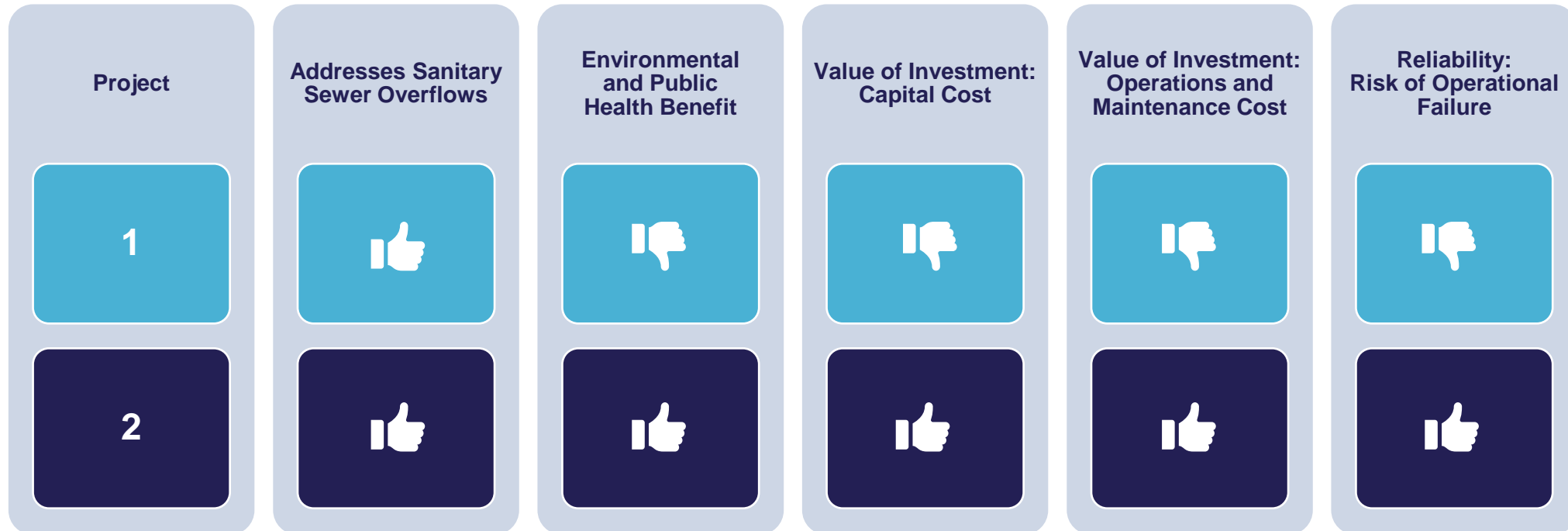
Corrective Action Plan – Project Selection Scorecard

1) Add System Storage

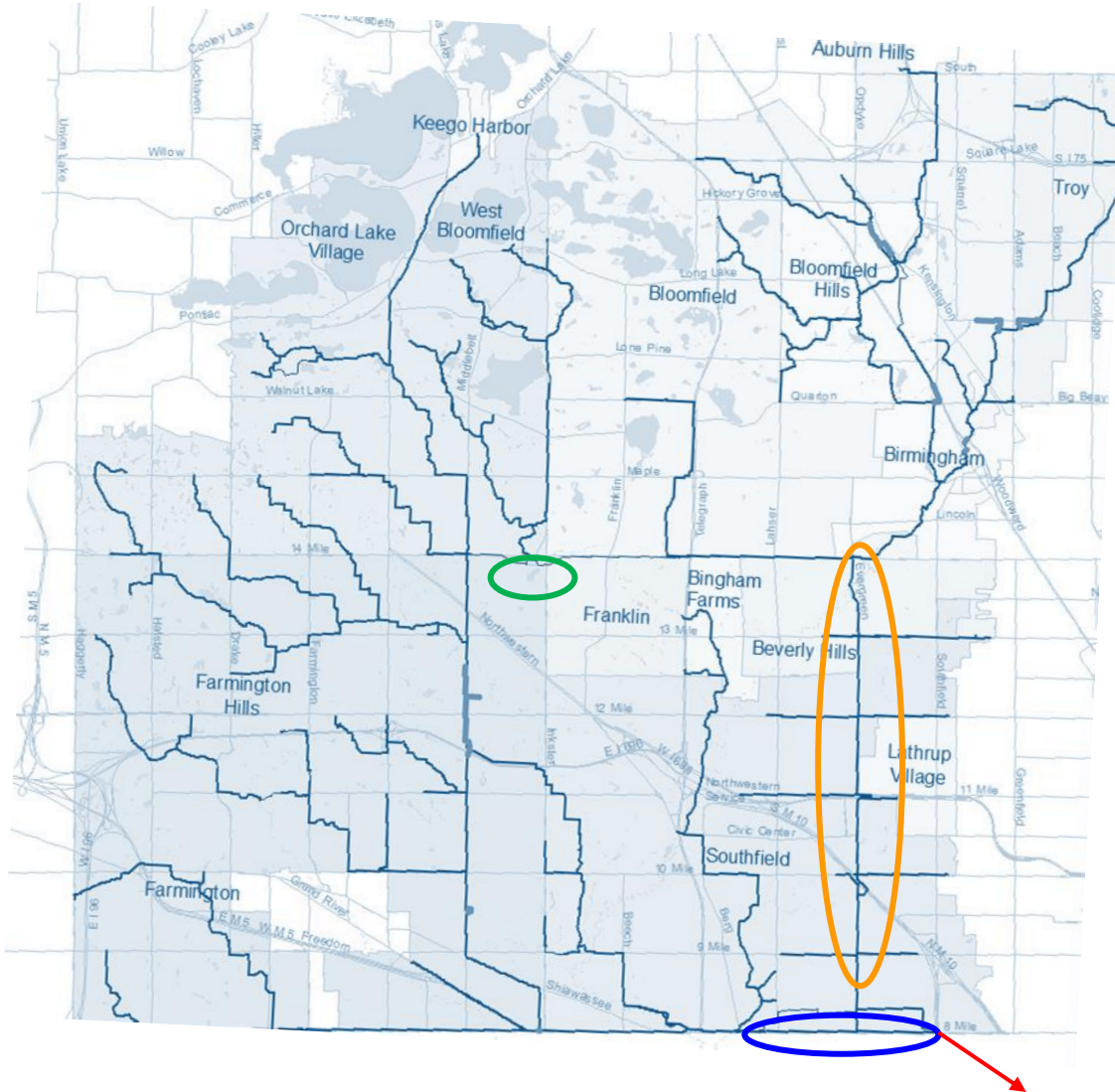
- Stores wet weather flow during large storm. After the storm, the flow is slowly released back into the system.





2) Additional Outlet Capacity

- System improvement projects to transport wet weather flow through the system during the storm.



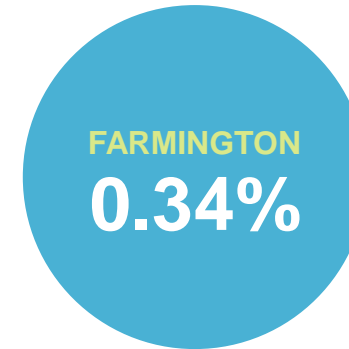
Outlet Capacity Improvement Projects



-  Modify Walnut Lake Pump Station #1
-  Evergreen Interceptor
-  8 Mile Road
-  Purchase additional GLWA outlet capacity

Cost Allocation

Community	Project Cost Allocation (%) ^{1, 2, 3}
City of Auburn Hills	0.46%
Village of Bingham Farms	0.69%
City of Bloomfield Hills	1.44%
Village of Beverly Hills	5.75%
City of Birmingham	0.11%
Bloomfield Township	9.54%
City of Farmington	0.34%
City of Farmington Hills	28.29%
Village of Franklin	0.21%
City of Keego Harbor	0.32%
City of Lathrup Village	3.06%
City of Orchard Lake Village	0.37%
City of Southfield	38.17%
City of Troy	3.15%
West Bloomfield Township	8.10%



Allocations based on a method that was agreed upon by each community and was developed as a group.

Estimated Project Cost – City of Farmington

Project Description	Total Project Cost	Cost Allocation	Payment Options	Estimated Community Cost
Purchase Outlet Capacity From GLWA (First Bond Sale - Fall 2021)	\$33M	0.34%	One-Time Lump Sum*	\$112,200
			Annual Bond Payments*	\$7,200
System Improvement Projects (Second Bond Sale - June 2022)	\$35M	0.34%	One-Time Lump Sum*	\$119,000
			Annual Bond Payments*	\$7,600

**One-Time Lump Sum or Annual Bond Payments*

Service Agreement

- Provides authority for regional operations
- Replaces 1989 intermunicipal agreement
- Requires approval of all customer communities
- Establishes new community capacities
- Includes apportionment assessments (project cost allocation percentages)
- Includes preliminary improvement plan and cost estimates
- Current rate methodology will not change
- Timeline
 - Community engagement: February to April 2021
 - Community approval: April to June 2021

Questions/Comments?



Farmington City Council Staff Report	Council Meeting Date: March 1, 2021	Item Number 5
Submitted by: Melissa Andrade, Assistant to the City Manager		
Agenda Topic: Board and Commission Interviews: Interview two candidates who have applied from the vacancies on the Farmington Downtown Development Board of Directors		
Proposed Motion: Move to appoint Claire Perko and Linda Deskins to the Farmington Downtown Development Authority; both to 4-year terms ending Feb. 28, 2025.		
Background: The terms of both Sean Murphy and Agnes (Micki) Skrzycki ended on Feb. 28, 2021, leaving two vacancies on the board. Terms are four years. The Farmington City Council established the DDA in 1986. The enabling ordinance establishing the DDA states that its purpose is to prevent deterioration of business, to encourage historical preservation, to authorize the creation and implementation of development plans, to promote economic growth, and to utilize tax increment financing within the district as authorized by statute. The DDA meets regularly on the first Wednesday of each month at 6 p.m. The DDA Board composition requires that a majority of its members must own property or have a business within the DDA District. In addition, the DDA Board must also have a resident located within the district or in close proximity. Both applicants are applying for a resident seat. Both applicants have volunteered hundreds of hours toward our Main Street mission and are extremely well-qualified to jump in on projects they've already begun. Claire Perko: Claire joined the DDA Design Committee in 2018. Pre-COVID, she walked to 7:30AM meetings at city hall (uphill both ways) from her home in the historic district. She is a landscape architect and urban designer. Claire is responsible for the window designs you've seen in vacant space, she has worked on grants, supplying pro bono graphics and schematic planning. She has walked with DDA staff to recommend plantscape prioritization and maintenance best practice. Claire joined DDA staff and personally planted dozens of grasses in thousands of pounds of topsoil to stage expanded patio space for downtown restaurants during this past pandemic season. Linda Deskins: Linda joined our volunteer corps in 2019. She brings tremendous organizational experience to the DDA as a retired human resources executive. In her first Harvest Moon season, Linda immediately helped pull together the many facets of volunteers to inject support to the DDA staff effort. Volunteer management is Linda's passion. She and her husband Carl are crucial members of our DDA street team when we canvas downtown businesses with materials for events, ranging from Small Business Saturdays to Ladies Night Out. Linda has volunteered to co-manage the Ladies Night Out events with DDA staff, greeting the public and working many hours at these events, behind the scenes and on the street. She has big plans for our volunteer engagement.		
Materials: Application		



APPLICATION FOR CITY OF FARMINGTON
BOARDS, COMMISSIONS AND COMMITTEES

Thank you for your interest in serving the City of Farmington as an appointed public representative.
Applications will be maintained on file for future consideration

Date: 2-24-2020

Name: Perko Claire [REDACTED]
Last First Middle

Home Address: [REDACTED] Farmington 48336
Number & Street City Zip

Home Telephone: [REDACTED] Voting Precinct: 1

Email: [REDACTED]

Employer: Self Employed Part time

Business Address: 33309 Shiawassee Rd Farmington 48336
Number & Street City Zip

Business Telephone: [REDACTED]

Have you been a resident of Farmington for the past 12 months? Yes

Please state your reasons for volunteering to serve our community as an appointed public representative..
I am interested in serving the community because I like to be a part of giving back to the place that I live. I want to volunteer in this capacity to lend my professional knowledge to guiding the development of Farmington. Farmington is in a good place today, but proper leadership, planning, and investment can help it continue to grow into a more dynamic place to live, work, and visit, and I can help.

PLEASE CIRCLE YOUR PREFERENCE(S)

- A. Commission on Aging
- B. Arts Commission
- C. Beautification Committee*
- D. Board of Review
- E. Charter Review Committee
- F. Commission on Children, Youth & Families
- G. Construction Board of Appeals
- H. Downtown Development Authority
- I. Emergency Preparedness Committee
- J. Friends of the Governor Warner Mansion
- K. Grand River Corridor Improvement Authority
- L. Historical Commission
- M. Library Board of Directors
- N. Parking Advisory Committee
- O. Planning Commission
- P. Zoning Board of Appeals

*City of Farmington residency not required

EDUCATION ACHIEVEMENT

Michigan State University	B.S. Landscape Arch.	2005
Name of College/University	Degree	Year Attained
Georgia Institute of Technology	M.S. Urban Design	2011
Name of College/University	Degree	Year Attained
Midland High School		2000
Name of Institution/High School	Diploma/Certificate	Year Attained

(Degree or advance education is not required for appointment consideration)

EMPLOYMENT/PROFESSIONAL EXPERIENCE

Please describe your professional qualifications and/or employment experience.

I have been a registered Landscape Architect since 2009 and have been practicing Landscape Architecture in Michigan, Indiana, and Georgia for a combined 15 years. I have a Masters in Urban Design from Georgia Tech that has informed my design of communities through best planning practices and designing spaces for use by multiple generations. I understand Planning Commission process from the development side through many hearings when developing plans for residential development. I am able to offer the perspective of the designer in evaluating plans to determine what is keeping with our codes and what is best for our community as a whole.

COMMUNITY/PUBLIC SERVICE EXPERIENCE

Please describe you previous experience with community-based organizations or other volunteer activities.

I have been on the design committee for the City of Farmington since the Fall of 2018, assisting with design activities in Downtown Farmington and have been working with the Library on developing a book walk.

Prior to moving to Farmington, I volunteered with the Refugee community in Clarkston, GA, supporting a group recent arrivals to the United States in their transition to a new location and navigating a new culture. I have also been a volunteer for a nature center in Gainesville, GA for many years, teaching programs, building trail, and developing a fundraising trail race program supporting environmental programs and outreach.

SPECIAL SKILLS AND ABILITIES

Please describe any special skills, abilities, talents, etc., that you are willing to share.

- Extensive Landscape Architecture and Urban Design education, licensure, and practical experience
- Understanding the design and development process from the developer side
- Ability to understand and fairly apply city codes and ordinances
- Sensitive to diverse resident and user group needs (age, mobility, accessibility, pedestrian and cyclist, etc.)



Applicant signature

Please attach any additional pages or documents and return completed application to:

City of Farmington
c/o City Manager's Office
23600 Liberty Street
Farmington, Michigan 48335
(248) 474-5500 extension 2221

PLEASE CIRCLE YOUR PREFERENCE(S)

- A. Commission on Aging
- B. Arts Commission
- C. Beautification Committee*
- D. Board of Review
- E. Charter Review Committee
- F. Commission on Children, Youth & Families
- G. Construction Board of Appeals
- H. Downtown Development Authority
- I. Emergency Preparedness Committee
- J. Friends of the Governor Warner Mansion
- K. Grand River Corridor Improvement Authority
- L. Historical Commission
- M. Library Board of Directors
- N. Parking Advisory Committee
- O. Planning Commission
- P. Zoning Board of Appeals

*City of Farmington residency not required

EDUCATION ACHIEVEMENT

Central Michigan University	MSA	1990
Name of College/University	Degree	Year Attained
Madonna University	BA	1981
Name of College/University	Degree	Year Attained
Clarenceville High School		1976
Name of Institution/High School	Diploma/Certificate	Year Attained

(Degree or advance education is not required for appointment consideration)

EMPLOYMENT/PROFESSIONAL EXPERIENCE

Please describe your professional qualifications and/or employment experience.

COMMUNITY/PUBLIC SERVICE EXPERIENCE

Please describe you previous experience with community-based organizations or other volunteer activities.

SPECIAL SKILLS AND ABILITIES

Please describe any special skills, abilities, talents, etc., that you are willing to share.

Linda K Deskins

Applicant signature

Please attach any additional pages or documents and return completed application to:

City of Farmington
c/o City Manager's Office
23600 Liberty Street
Farmington, Michigan 48335
(248) 474-5500 extension 2221

Application for City of Farmington
Boards, Commissions and Committees
Linda Deskins – Feb 9, 2021

Reasons for Volunteering and Community involvement

My husband and I have been Farmington residents since 1981. We are strong supporters of Downtown Farmington and its merchants and are well known by many of the storeowners and employees.

I retired in 2018 following a long career with General Motors as a Human Resources Leader. Upon retirement, I decided to focus my energy toward supporting Farmington by actively leading activities that promote community involvement and by volunteering for the DDA. In 2020 the activities included:

Greater Farmington Holiday Home Tour – I led the formation of a robust and active planning committee made up of residents, Governor Warner Mansion board members and local officials from the Farmington and Farmington Hills Historical Commissions. I received a commitment from (5) homeowners to open their beautiful homes for touring on December 4, 2020 in support of the Governor Warner Mansion. Unfortunately the Covid-19 pandemic caused the cancellation of the tour for 2020, but the groundwork has been laid for 2021.

Farmington Downtown Development Authority (DDA) Volunteer - I am an active volunteer with the DDA. I have been asked to lead the Volunteer Management effort and to participate on the DDA Organization Sub-Committee. In 2020 I volunteered at several DDA events including Ladies Night Out, Heart the Art, Grand Raven Festival and the Holiday decorating of Riley Park.

Farmington Grand Raven Festival - I was a core member of the planning committee for this inaugural event.

It would be my honor and pleasure to hold a DDA board position. I would bring the benefit of my extensive corporate experience, strong organizational, planning and communication skills and an enthusiastic and loyal spirit.

LINDA K DESKINS
lkdeskins@gmail.com

EXECUTIVE PROFILE

Human Resources Leader with a history of success in HR domestic and international operations. Known for taking on the 'never been done before' projects and new initiatives, leading to successful implementation of newly created processes and systems for HR and business improvement. Excellent planning skills and project management with the ability to bring key projects to closure on time, within budget, with win-win philosophy. Collaborative style utilized in leading culturally diverse teams, and at all levels of organizations. Strong relationship builder, and respected optimistic coach, experienced supervising and leading others, managing teams, field, and center of expertise and plant experience, in support of business needs with a definite customer/client service focus.

AREAS OF EXPERTISE:

- International Mobility
- Compensation Planning
- Start-Up – HR Implementations
- HR Analytics
- Outsourcing
- Change Management
- Performance Management
- Project Management
- Vendor Management
- Leadership Development
- HR Generalist

PROFESSIONAL EXPERIENCE

GENERAL MOTORS CORPORATION DETROIT, MI

Human Resources HR Manager– Information Technology

2012 - 2018

Key HR leadership responsibilities in support of the major transformation of GM IT organization from a 90/10 outsourced workforce model to an 80/20 insourced workforce model. This included start up activities in 3 new GM locations in Austin, TX, Atlanta, GA and Phoenix, AZ.

- Lead the development and implementation of global workforce analytics tools to drive and monitor the rapid growth of the IT workforce from 1500 GM regular employees to current state of 10,000 in less than 3 years
- Oversee hiring activities and provided generalist guidance on organizational effectiveness, employee relations and conflict resolution
- Manage HR Business Partners in their support of the business
- Implement new policies and processes to support the increased growth of the workforce working in conjunction with GM's Policy, Legal, Talent Acquisition and Finance functions
- Drive a performance management culture including management and employee development activities
- Provide assistance with major insourcing activities including development of strategies and creation of processes to support key hiring activities.
- Oversee Student Recruiting activities resulting in the development of a unique compensation program, a recruiting structure across 40 universities and the successful hiring and onboard of 500 – 600 new college graduates annually in multiple IT U.S. locations
- Provide Executive and Classified compensation planning guidance to business leaders and HR business partners

GENERAL MOTORS CORPORATION DETROIT, MI

Global Policy Manager – International Assignment Services

2002 - 2012

Recognized subject matter expert on expatriate policies both internally and externally

- Oversaw the outsourcing of International Assignments Services to a Global service provider
- Managed 2nd tier vendor services including contract negotiations and development of service level agreements for Global relocation services and US immigration services
- Developed and led implementation of strategic initiatives and new policies
- Benchmarked expatriate policies with similar large multi-national companies. Regular speaker at external conferences.
- Oversaw second tier suppliers using metrics that increased customer service levels.
- Managed expatriate program operations including: policy, process, vendor management, performance metrics, corrective actions, consultant to HR teams, functional leaders, and expatriates
- Managed team of subject experts with responsibility for Global expatriate tax, compensation, policy, international payroll and US immigration services
- Established exception management processes and controls which enhanced vendor performance and increased customer satisfaction metrics.
- Reviewed and approved/denied requests for exceptions to policy on a global basis

GENERAL MOTORS CORPORATION (continued)

Superintendent, Labor Relations – Pontiac Metal Fab Stamping PONTIAC, MI **2000 - 2002**
Key HR leadership in support of plant hourly and salaried workforce

- Oversaw a team of Labor Relation Representatives in the handling of grievance investigations, disciplinary actions, employment activities and contract negotiations
- Lead weekly shop committee meetings with elected union representatives
- Periodically filled in as acting Personnel Director

Divisional HR Manager – Metal Fab Division TROY, MI **1998 - 2000**
Divisional HR leadership support for Metal Fab Division and Divisional headquarter business functions

- Provided HR policy and administrative guidance to Metal Fab plant location Personnel Directors and Salaried Administrators
- Represented Metal Fab division at functional HR leader meetings
- Managed HR generalists in support of Divisional HQ business functions
- Responsible for divisional open door investigation and responses
- Interacted with Plant Managers, HR Executives, functional leaders and HR Salaried Administrators when communicating requirements and implementing corporate and divisional HR initiatives

Plant Personnel Director, Pre-Production Operations WARREN, MI **1994 - 1998**
Plant HR Leadership support for the salaried and hourly workforce.

- Provided HR strategic guidance to Pre-production Operations Executive leadership to include compensation, policy, union agreement interpretation, employee relations investigations, Executive compensation, performance management, change management and talent management
- Managed HR Business Partners and Labor Relations representatives supporting operations
- Participated in local Union contract negotiations
- Provided organizational support for Executive and Classified compensation, performance management, change management and talent management

Additional GM experience includes Union contract negotiations, Salaried Personnel, Corporate and Divisional EEO/AAP, Executive/Salaried Compensation, Student Programs, Talent Acquisition, Employment and Multicultural team collaborations.

EDUCATION

Master of Science, Concentration Human Resources – Central Michigan University
Bachelor of Science, Concentration Business Administration – Madonna University

Farmington City Council Staff Report	Council Meeting Date: March 1, 2021	Reference Number 6	
Submitted by: City Manager/City Clerk			
<u>Description</u> Adoption of Addendum to Council Rules—Remote Meetings/Attendance			
<u>Requested Action</u> Move to adopt the Addendum to Council Rules relating to Temporary Open Meetings Act Procedures			
<p><u>Background</u></p> <p>The Open Meetings Act (OMA), MCL 15.261 <i>et seq.</i>, was recently amended by the adoption of Public Act 228 of 2020, as amended by Public Act 254 of 2020, to permit remote or electronic meetings by public bodies under certain circumstances and subject to certain requirements, and also to require those bodies to allow remote participation by their members under certain circumstances.</p> <p>More specifically, Public Act 228, as amended by Public Act 254 of 2020, establishes three separate time periods during which different rules for electronic meetings/remote attendance are to apply:</p> <ul style="list-style-type: none"> • October 26, 2020 through March 31, 2021: Council may meet electronically for any reason. • April 1, 2021 through December 31, 2021: The Council is generally to meet in person, at a physical place, but the Council must have rules of procedure in place to accommodate electronic meetings or remote attendance for: (1) members absent due to either active military duty or a medical condition, and (2) the existence of a declared statewide or local state of emergency or state of disaster. • January 1, 2022 and thereafter. The Council is to meet in person, at a physical place, but it is to have rules of procedure in place to accommodate members absent due to active military duty only (i.e., no other remote attendance by members allowed). <p>This Addendum is intended to satisfy the City Council’s obligation to have rules of procedure in place for the situations described above.</p> <p>It is unknown at this time whether there will be additional changes to the OMA as March 31 approaches, but these rules need to be in place now.</p>			
Agenda Review			
Department Head	Finance/Treasurer	City Attorney	City Manager

CITY OF FARMINGTON

ADDENDUM TO COUNCIL RULES OF PROCEDURE

TEMPORARY OPEN MEETINGS ACT PROCEDURES

This Addendum is effective from March 1, 2021, until repealed or amended by the City Council.

PURPOSE

The Open Meetings Act (OMA), MCL 15.261 *et seq.*, was recently amended by the adoption of Public Act 228 of 2020, as amended by Public Act 254 of 2020, to permit remote or electronic meetings by public bodies under certain circumstances and subject to certain requirements, and also to require those bodies to allow remote participation by their members under certain circumstances.

More specifically, Public Act 228, as amended by Public Act 254 of 2020, establishes three separate time periods during which different rules for electronic meetings/remote attendance are to apply:

- **October 26, 2020 through March 31, 2021:** Council may meet electronically for any reason.
- **April 1, 2021 through December 31, 2021:** The Council is generally to meet in person, at a physical place, but the Council must have rules of procedure in place to accommodate electronic meetings or remote attendance for: (1) members absent due to either active military duty or a medical condition, and (2) the existence of a declared statewide or local state of emergency or state of disaster.
- **January 1, 2022 and thereafter.** The Council is to meet in person, at a physical place, but it is to have rules of procedure in place to accommodate members absent due to active military duty only (i.e., no other remote attendance by members allowed).

This Addendum is intended to satisfy the City Council's obligation to have rules of procedure in place for the situations described above.

AMENDMENTS

The following reflect changes to the City Council's existing Rules of Procedure because of the OMA amendments:

2. Regular Meetings

Add the following new provisions on Page 2, under "Regular Meetings":

In the event of a natural or man-made *force majeure* the Mayor (or Mayor Pro Tem in the absence of the Mayor), after consultation with the City Manager, may cancel or postpone a scheduled regular meeting.

The City Council may meet and conduct any of its meetings, in whole or in part, by electronic means using telephonic conferencing or video conferencing technology without regard to physical place and physical presence requirements in accordance with Section 3a of the Open Meetings Act, MCL 15.263a until March 31, 2021.

Beginning April 1, 2021 through December 31, 2021, City Council meetings may be held in whole or in part by electronic means using telephonic conferencing or video conferencing technology only when a declared statewide or local state of emergency or state of disaster exists and the personal health or safety of members of the public or public body would be at risk if the meeting were held in person. In addition, any City Council member who is absent because of active military duty or because of a medical condition shall be permitted to participate in any meeting using telephonic conferencing or video conferencing technology. The term "medical condition" means an illness, injury, disability, or other health-related condition, including the quarantine or isolation of a City Council member to minimize the spread of a contagious disease.

Beginning January 1, 2022, members of the City Council may participate by electronic means in City Council meetings only to accommodate their absence due to active military duty.

New Section 1.1 - Electronic Meetings

An electronically-held meeting of the City Council will be conducted in a manner that permits two-way communication so that members of the Council can hear and be heard by one another, and so that public participants can hear members of the City Council and be heard by both the Council and other public participants during the audience comment period. The City may use technology to facilitate typed audience comments submitted by members of the public participating in the electronically-held meeting that shall be read to or shared with members of the City Council and other participants.

As permitted by the OMA, a physical place is not required for an electronically-held meeting. Members of the City Council and members of the public participating electronically in a meeting that occurs in a physical place (e.g., Council chambers) are considered present and in attendance at the meeting for all purposes. For a meeting at which City Council members are physically absent due to military duty or a medical condition and are being accommodated by remote participation, all other City Council members must be physically present at the meeting to be able to participate.

In addition to any other notice required by the OMA, advance notice of an electronically-held meeting shall be posted on a portion of the City's website that is fully accessible to the public. The public notice must be included on either the City's home page or a separate webpage dedicated to public notices for non-regularly scheduled or electronically-held public meetings that is accessible through a prominent and conspicuous link on the City's website home page and that clearly describes its purpose for public notification of non-regularly scheduled or electronically-held public meetings.

Any scheduled meeting of the City Council may be held as an electronic meeting as permitted by the OMA if a notice consistent with this rule is posted at least 18 hours before the meeting begins.

Any notice of the meeting of the City Council held electronically must clearly contain all of the following:

- (a) Why the City Council is meeting electronically;
- (b) How members of the public may participate in the meeting electronically (if a telephone number, internet address or both are required to participate, that information must be provided in the notice);
- (c) How members of the public may contact members of the City Council to provide input or ask questions on any business that will come before the Council at the meeting; and
- (d) How persons with disabilities may participate in the meeting.

If an agenda exists for an electronically-held meeting of the City Council, the City shall, on a portion of its website that is fully accessible to the public, make the agenda of the meeting available to the public at least two (2) hours before the meeting begins. This publication of the meeting agenda does not prohibit subsequent amendment of the agenda at the meeting.

New Section 2.2 – Council Member Attendance by Phone/Video.

A member of the City Council who anticipates his or her absence from a Council meeting due to the circumstances set forth in the OMA and these rules may request accommodation of such absence to permit OMA remote participation in and voting on Council business by two-way telephonic or video conferencing communication. A City Council member who desires to attend a meeting by telephonic or video conferencing shall inform the City Manager, or the designee of the City Manager, at least 24 hours before the meeting so as to permit any necessary technology to be put in place to accommodate participation of the absent member. Notice of the member's participation by telephonic or video conferencing must be noted on a portion of the City's website that is fully accessible to the public by noon on the day of the meeting, along with information about how to contact the member to provide input or ask questions on any business that will come before the Council at the meeting.

City Council members attending a meeting by telephonic or video conferencing may fully participate in the meeting, including voting and attendance in any closed session of the City Council.

Any member of the City Council attending a meeting remotely must publicly announce at the outset of the meeting (which shall be included in meeting minutes) that the member is in fact attending the meeting remotely. If the member is attending the meeting remotely for a purpose other than for military duty, the member's announcement must identify the member's physical location by stating the city, township, village, or county and the state from which he or she is attending the meeting remotely.

2. Special Meetings

Add the following new paragraph on Page 2, under "Special Meetings":

The rules for electronic meetings and/or remote attendance at regular meetings apply to special meetings. Members of the general public otherwise participating in an electronically-held meeting of the City Council are excluded from participation in a closed session of the City Council that is

held electronically provided that the closed session is convened and held in compliance with the requirements of the Open Meetings Act applicable to closed sessions.

3. Joint Meetings

Add the following new paragraph on Page 2, under "Joint Meetings":

The rules for electronic meetings and/or remote attendance at regular meetings apply to special meetings.

4. Closed Sessions

Add the following new paragraph on Page 2, under "Closed Sessions":

Electronic Meetings/Remote Attendance.

The rules for electronic meetings and/or remote attendance at regular meetings apply to special meetings.

5. Regular Meeting Agenda

Add the following new paragraph on Page 4, under "Regular Meetings Agenda":

Electronic Meetings/Remote Attendance.

The order of business for all meetings of the City Council conducted electronically and held until March 31, 2020, and beginning April 1, 2021 through December 31, 2021 for the City Council meetings held in whole or in part by electronic means using telephonic conferencing or video conferencing technology when a declared statewide or local state of emergency or state of disaster exists, may be altered as determined to be appropriate by the Mayor at the time the agenda is set.

6. Voting and Discussion.

Add the following new paragraph on Page 7, under "Voting and Discussion":

Electronic Meetings/Remote Attendance.

For any meeting held electronically, or where any member is participating by telephone conferencing or video conferencing, all votes taken (except for a vote to adjourn) shall be roll call votes.

7. Citizen Participation

Add the following new paragraph on Page 8, under "Citizen Participation" as follows:

Electronic Meetings/Remote Attendance.

During City Council meetings conducted electronically, members of the public attending the meeting, once recognized by the chair, shall identify themselves for the record and indicate whether they are a City resident. Comments by the public will be limited in the same manner as provided for audience comment for non-electronic meetings to three minutes for each speaker

unless the time is extended by the chair or by vote of the Council. Comments by the public during meetings held electronically will be limited to the Audience Comment portion of the meeting.

DRAFT

8. Applicability to all Other Public Bodies of the City Subject to the OMA

These rules shall also apply to meetings of public bodies of the City conducted under the OMA by all City boards, commissions, and committees subject to the OMA.

DRAFT

**Farmington City Council
Staff Report**

**Council Meeting
Date:** March 1, 2021

**Item
Number
7**

Submitted by: Charles Eudy, Superintendent

Agenda Topic: Consideration to Approve State Trunkline Maintenance Contract

Proposed Motion: Move to approve a five-year State Trunkline maintenance contract with the Michigan Department of Transportation and authorize the City Manager or other City of Farmington Administrators who have access to MDOT required “DocuSign” program to execute the contract on behalf of the City.

Background: The City of Farmington has contracted with the Michigan Department of Transportation for several decades to maintain Grand River Avenue. The contract covers full surface and winter maintenance from the east intersection with M-5 (Farmington Hills) to Gill Road. The City is also responsible for winter maintenance from Gill Road to Halsted. Over the years, the City has done this work for two primary reasons. First, the City is reimbursed 100% of the cost associated with the contract and has never required a subsidy from the Major Street Fund. Second, the City is inclined to be timelier with winter maintenance, especially in the Downtown area, than MDOT or the Road Commission for Oakland County.

MDOT submitted a contract for a five-year renewal. The last five-year contract expired on September 30, 2019. Legislative delays in Lansing and COVID pandemic delayed MDOT from delivering the contract to the City of Farmington before it expired. The contract specifies the scope of work and administrative procedures that the City and MDOT will follow during the term of the contract. It is similar to previous contracts. City Administration is recommending that the City Council renew the attached State Trunkline Maintenance Contract. Contained below are significant aspects of the contract.

Term: Five year (October 1, 2019 through September 30, 2024).

Highway Maintenance Superintendent: City will designate Public Works Superintendent (Section 5, page 4).

Scope of Work and Reimbursement Process: Similar to previous contracts.

Termination of Contract: Either party can terminate the contract upon providing 12 months’ written notice prior to the effective date (Section 28, page 18).

It should be noted that the City will still renew the annual permit with MDOT for miscellaneous operations and approve performance and indemnification resolution.

Materials: MDOT Trunkline Contract

MICHIGAN DEPARTMENT OF TRANSPORTATION
STATE TRUNKLINE MAINTENANCE CONTRACT
CITY OF FARMINGTON

This Contract, made and entered into this date of _____, by and between the Michigan Department of Transportation (MDOT), and the Michigan municipal corporation (Municipality) of the

City of Farmington.

RECITALS:

MDOT is authorized by 1925 PA 17 Section 2, MCL 250.62 to contract with the Municipality for the construction, improvement, or maintenance of state trunkline highways. MDOT, subject to the approval of the State Administrative Board; and

MDOT has so advised the State Transportation Commission and the Appropriations Committees of the Senate and House of Representatives in accordance with 1951 PA 51 Section 11c, MCL 247.661c; and

MDOT has affirmatively found that contracting with this Municipality for the maintenance of state trunkline highways and bridges within its contract area, is in the best public interest.

The parties agree as follows:

Section 1. ORGANIZATION, EQUIPMENT, AND FACILITIES

The Municipality will provide personnel, equipment, materials, and facilities to maintain the state trunkline highways and provide agreed upon services under the terms of this Contract. MDOT will review the Municipality's operation and organizational plan, annually, relative to the work to be completed under this Contract. MDOT will approve the plan if it meets MDOT's goals for the state trunkline system. The Municipality will furnish an organizational chart showing garage locations, all facilities including salt sheds, the names of supervisory personnel, and any other information incidental to the performance of this maintenance contract as required by the Region Engineer.

Section 2. SCOPE OF WORK

- A. The Municipality will perform maintenance work under the direction of the Region Engineer of MDOT or a designee of the Region Engineer, acting under the general direction of the Engineer of Transportation Systems Management Operations of MDOT. Maintenance and other work will be performed under the terms of this Contract and as covered by the Field Activity Budget, subsequent work plans, and Transportation Work Authorizations (TWAs), for each fiscal year, which are incorporated herein by reference. Work performed under this Contract will be performed in accordance with accepted maintenance practices and/or specifications provided by MDOT as identified in a written Letter of Understanding.
1. A written Letter of Understanding shall be drafted by MDOT and signed by both MDOT and the designated representative of the Municipality. The letter shall remain in effect until either replaced or modified by the Region Engineer and approved by the Municipality. The letter will outline the number and type of maintenance activities to be performed under this Contract (A sample Letter of Understanding is attached as Appendix F). The Letter of Understanding shall provide sufficient detail of the work activities to be performed, expectations or outcomes from the performance of this work, and identification of budget line items for budgeting and billing purposes.
 2. The executed Letter of Understanding and all subsequent approved revisions thereto, are incorporated herein by reference as if the same were repeated in full herein.
 3. If the Municipality is unable to perform any of the services outlined in the Letter of Understanding on a twenty-four (24) hour, seven (7) day-a-week basis, the Municipality will immediately notify MDOT. MDOT will work with the Municipality to ensure that the services defined in the Letter of Understanding are performed.
- B. When the Municipality inspects permits on MDOT's behalf or assists MDOT with a permit:
1. MDOT will require all Permit Applicants to "save harmless" the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, and the Municipality, their officials, agents and employees, against any and all claims for damages arising from operations covered by the permit as a condition of all permits issued by MDOT.

2. MDOT will further require Permit Applicants to provide comprehensive general liability insurance, including coverage for contractual liability, completed operations, and/or product liability, X (Explosion), C (Collapse), & U (Underground), and a contractor's protective liability with a blasting endorsement when blasting is involved, or commercial general liability insurance which includes all the above, naming as additional parties insured on all such policies, the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, the Municipality their officials, agents, and employees. The Permit Applicant will provide written proof of the insurance to MDOT. MDOT may waive this requirement for permits issued to governmental entities and public utilities or when specifically waived by the Municipality in writing.

3. The amounts of such insurance will be no less than:

Comprehensive General Liability:

Bodily Injury	--	\$500,000 each occurrence
	--	\$500,000 each aggregate
Property Damage	--	\$250,000 each occurrence
	--	\$250,000 each aggregate

Commercial General Liability Insurance:

\$500,000 each occurrence and aggregate

- C. TWAs may be issued by the Region Engineer for special maintenance work (work not covered by the Line Item Budget) and non-maintenance work. This work may be performed by the Municipality or a subcontractor as set forth in Section 9 of this Contract. TWAs will be performed in accordance with MDOT's accepted maintenance practices and specifications as specified on the TWA. The Municipality will provide the necessary supervision or inspection to assure that the work is performed in accordance with the TWA.

The Municipality and MDOT may agree to include additional maintenance items to be covered under this Contract. Such items may include, but are not limited to, maintenance of traffic control devices (signals), freeway lighting and intelligent traffic system (ITS). All such work will be listed in the Letter of Understanding, included in the line item budget and defined in a supplemental scope which will become an attachment to this Contract.

The Municipality shall be responsible for providing all traffic control necessary to complete the work as outlined in this Contract unless otherwise agreed to by MDOT.

The Municipality and MDOT may enter into separate agreements for the shared payment of installation, maintenance, and energy costs for traffic control devices.

- D. The Region Engineer is authorized to issue written orders, as necessary, for the performance of maintenance work under the provisions of this Contract.

Section 3. INTEGRATION OF STATE AND MUNICIPAL WORK

The Municipality will furnish qualified personnel and adequate equipment and may furnish materials, as set forth in this Contract, as needed to perform maintenance on state trunkline highways, consistent with MDOT's established core level of service for winter and non-winter maintenance activities, an approved annual budget, work plan, and work schedule. Personnel and equipment may be used on the local road system and state trunkline highways as conditions warrant.

Section 4. HIGHWAY MAINTENANCE CONTRACT ADMINISTRATOR

The Municipality hereby designates _____ as Contract Administrator on state trunkline highways, who will be responsible for budget and the administration of the Contract. In the event the Municipality desires to replace the Contract Administrator, the Municipality will notify MDOT within (30) days of the change in writing.

Section 5. SUPERVISION

The Municipality hereby designates, where applicable, the following:

Maintenance Superintendent (Streets): _____

Signal/Electrical Superintendent: _____

Storm Sewer Superintendent: _____

Other (Specify): _____

who will supervise all work covered by this Contract. In the event the Municipality desires to replace the designated contacts, the Municipality will notify MDOT within (30) days of the change in writing.

Section 6. WAGE SCHEDULE

Wages paid by the Municipality for work on state trunkline highways will be the same as on street work for the Municipality.

Premium Pay and Overtime Pay (specify under what conditions and percentage of regular rate paid if not specified in the attached labor agreement).

Pay for "show-up time" (Specify under what conditions and number of hours, if a minimum number is used and is not specified in the attached labor agreement).

No "stand by at home" pay will be included in charges for work on state trunkline highways.

MDOT will reimburse the Municipality for Direct Labor Overhead costs on all labor costs properly chargeable to MDOT, including but not limited to, vacation, sick leave, holiday pay, workers' compensation, retirement, social security, group life insurance, hospitalization, longevity, unemployment insurance, and military leave, hereinafter referred to as "EMPLOYEE BENEFITS," in accordance with Section 16.

Section 7. MATERIALS TO BE ACQUIRED AND SPECIFICATIONS

Material necessary for the performance under this Contract, may, at the option of the Municipality, be purchased by the Municipality unless otherwise directed by the Region Engineer. The Municipality will advertise and receive competitive bids when such purchases exceed Ten Thousand Dollars (\$10,000.00) or if required by federal or state law.

The Municipality will retain documentation that such bids were taken. Failure to retain documentation that such bids were taken may result in denial of reimbursement of the costs of such materials.

The following materials: bituminous pre-mixed materials, bituminous materials, aggregates (except ice control sand), bulk salt and traffic control devices used on state trunkline highways by the Municipality will conform to current or supplemental specifications of MDOT, unless otherwise approved in advance by the Region Engineer. The Region Engineer may require approval by MDOT'S Construction Field Services Division or by a laboratory approved by the Construction Field Services Division. Copies of approvals will be placed on file in the offices of the Municipality and the Region Engineer. If MDOT-owned materials are stored jointly with Municipality-owned materials, proper and adequate inventory records must be maintained by the Municipality, clearly indicating the portion that is MDOT-owned.

Section 8. PRICE SCHEDULE OF MATERIALS AND SERVICES

Materials produced and/or supplied by the Municipality including aggregates and bituminous materials, may be furnished at a firm unit price subject to approval of source and price by the Region Engineer. Firm unit prices are not subject to unit price adjustment by review.

The Municipality may change, add, or delete firm unit prices when requested in writing and approved by the Region Engineer at least sixty (60) days prior to the effective date of the change, addition, or deletion.

FIRM UNIT PRICES

<u>ITEM KIND</u>	<u>ITEM LOCATION</u>	<u>PRICE UNIT</u>	<u>PRICE INCLUDES*</u>	<u>PER UNIT</u>

Insert above, the following applicable number(s):

*Firm Unit Price Includes:

<u>Item Kind</u>	<u>Item Locations</u>
1. Processing/or Mixing Costs	1. Pit Site
2. Stockpiling/or Hauling to Stockpile Costs	2. Yard
3. Royalty Costs	3. Other (Describe)
4. Municipal Supplied Salt or Calcium Chloride (when used in a winter salt/sand mixture)	
5. Winter Sand	
6. Bituminous Costs	
7. Other (Describe)	

MDOT may review all records necessary to confirm the accuracy of the material quantities for all materials on the Firm Unit Price List shown above for which the Municipality requests reimbursement.

Items purchased from a vendor source or vendor stockpile for direct use on the state trunkline highways, are not eligible for firm unit price consideration and should be billed at vendor pricing.

Reimbursement for all materials supplied by the Municipality which are not included in the firm unit price schedule will be reimbursed in accordance with Section 16(D). MDOT may review all records for materials purchased from a vendor source or vendor stockpile for direct use on state trunkline highways.

Section 9. SUBCONTRACTS

The Municipality may subcontract any portion of the work to be performed under this Contract. Bid/price solicitation and subcontracts will be in conformance with the Municipality's contracting process, and applicable state laws, except as modified herein. All subcontracted work will require the Municipality to submit a Quotation Request for Services or Equipment (Form 426) along with relevant bid and contract documents and bid or quote tabulation.

All subcontracted work will be performed in accordance with the established Scope of Work outlined on Form 426 and any specifications developed by the Municipality and/or MDOT for said subcontracted work. The scope of work and specifications (if any) must be approved by the Region Engineer. The Municipality will provide the necessary supervision or inspection to assure the subcontracted work is performed in accordance with the scope of work and specifications. At no time will the Municipality pay for subcontracted work until the work has been inspected and approved for compliance with the scope of work and specifications.

Emergency work will be subcontracted based on a verbal approval given by the Region Engineer. The work must be supported by the subsequent submission of Form 426 upon completion of work. State Administrative Board approval is required within thirty (30) days of completion of emergency work for contracts of \$250,000 or greater.

It is the intent of the parties to extend the terms of the Contract if the subcontract work is in progress at the conclusion of the Contract term. This provision shall not apply if this Contract is terminated by the Municipality or MDOT.

Failure to obtain the necessary approvals or to retain the documentation that the bids, prices, or rate quotations were solicited as required under this Section, may result in a denial of the reimbursement of the costs.

For subcontracts involving the items of CLEANING DRAINAGE STRUCTURES, SWEEPING AND FLUSHING or GRASS AND WEED CONTROL, the Municipality will include a cancellation clause that will allow the Municipality to cancel the subcontract if funds are not made available by MDOT.

County and/or Municipality-based advantage programs (CBA Process) or any type of preference program that awards contracts based on criteria other than low bid through the competitive bidding process, will not be used for MDOT-funded projects.

The term of the subcontract will not exceed five (5) years; said term will include any time extensions.

The subcontract solicitation and approval process will be as follows:

- A. **Subcontracts \$24,999 or less:** The Municipality will solicit either a bid price, or rate quotation from three or more qualified sources. Documentation of solicitation from all qualified sources must be retained for at least three (3) years following final payment made for each subcontract. Region Engineer approval of Form 426 is required.

- B. **Subcontracts \$25,000 or greater:** The Municipality will advertise and award by competitive bid. Advertisements must clearly define contract term and location of work. Documentation of the solicitation from all qualified sources must be retained for at least three (3) years following final payment made for each subcontract. Region Engineer approval of Form 426 is required.

State Administrative Board approval is required prior to the execution of contracts that are \$500,000 or greater.

State Administrative Board requirements for Amendments (previously referred to as overruns, extra work and adjustments), are outlined in Appendix E, attached hereto and made a part hereof.

Section 10. NON-DISCRIMINATION

In connection with the performance of maintenance work under this Contract, the Municipality (hereinafter in Appendix C referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix C, attached hereto and made a part hereof. The Municipality further covenants that it will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract.

Section 11. ANTI-KICKBACK

No official or employee of the Municipality or of the State of Michigan will receive remuneration (directly or indirectly) for the purchase of materials, supplies, equipment, or subcontracts in connection with the performance of this Contract.

Section 12. SCOPE OF CONTRACT

It is declared that the work performed under this Contract is a governmental function which the Municipality performs for MDOT. This Contract does not confer jurisdiction upon the Municipality over the state trunkline highways encompassed by this Contract or over any other state trunkline highways. This Contract may not be construed to confer temporary or concurrent jurisdiction upon the Municipality over a state trunkline highway. Nothing inconsistent with the underlying statutory jurisdiction, duties, prerogatives, and obligations of MDOT is herein intended. The parties hereto further declare that this Contract is not made for the benefit of any third party.

Section 13. INSURANCE

- A. The Municipality will furnish MDOT with a certificate of automobile liability insurance, which complies with the No-Fault Automobile Insurance laws of the State of Michigan, MCL 500.3101, *et seq.* The Insurance coverage will include vehicles owned, leased or rented by the Municipality. Such insurance will not be less than Two Hundred and Fifty Thousand Dollars (\$250,000.00) for bodily

injury or death of any one person. Coverage for public liability, property damage, and combined single limit will also comply with the No-Fault Automobile Insurance laws of the State of Michigan. The Municipality will provide thirty (30) days notice to MDOT prior to cancellation, termination, or material change of the policy. The certificate of said insurance, on MDOT Form shall be submitted to MDOT on DEPARTMENT Form 428 (Certificate of Insurance for State Highway Maintenance Contract) covering public liability and property damage, indicating thereon the policy number, and the aforesaid thirty (30) days notice provisions and the limits of liability. The Municipality agrees to review its insurance programs with its statewide association in an attempt to obtain cost savings and efficiency for MDOT.

If the Municipality is self-insured, a copy of the Secretary of State's Certificate of Self-insurance will be submitted to MDOT.

- B. In the event the Municipality receives a Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality for its alleged acts or omissions on a state trunkline highway, the Municipality will provide a copy of such notice to the Assistant Attorney General, within fifteen (15) days of receipt of said notice or complaint. The Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality will be sent to:

Assistant Attorney General
Division Chief
Transportation Division
Van Wagoner Building - 4th Floor
425 West Ottawa Street
P.O. BOX 30050
Lansing, Michigan 48909

Thereafter, the Municipality will provide copies of pleadings and other information regarding the claim or lawsuit when requested by an Assistant Attorney General

SECTION 14. WORKERS' DISABILITY COMPENSATION

The Municipality will comply with the Michigan Workers' Disability Compensation Law for all employees performing work under this Contract, MCL 500.3400, *et seq.*

SECTION 15. BUDGET GUARANTEE

Each MDOT fiscal year, a winter and non-winter maintenance budget will be prepared separately. These budgets will be established by the Region Engineer within guidelines established by MDOT. Prior to the development of an annual budget by the Region Engineer, the Municipality and MDOT will meet and develop a proposed work plan including a schedule for routine maintenance and the associated cost of the work plan for the coming year. This proposed work plan will be broken down by month and form the basis of the non-winter maintenance budget for the Municipality for the next fiscal year. The non-winter budget will be balanced over all twelve months of the fiscal year. The budget will be adjusted each month to address budget overruns and under-runs to ensure that total Municipality budget is not exceeded. MDOT will work with the Municipality to reach agreement on the components of this annual work plan, taking into consideration the features and conditions of the state trunkline system within the Municipality's contract area, as well as the size of the Municipality's staff that is available for state trunkline Highway maintenance. MDOT and the Municipality will identify maintenance activities that can be performed in the winter months when not performing winter maintenance.

The Municipality will work with MDOT to develop an annual priority plan for scheduling work over the term of this Contract consistent with MDOT'S road preservation objectives.

MDOT will establish the winter maintenance budget based on a five (5)-year average of winter expenditures which includes the costs for labor, fringe benefits, equipment, MDOT Salt Stores, Municipality supplied road salt, winter sand, other de-icing chemicals and overhead.

The Region Engineer and the Municipality will review the non-winter maintenance budget together at least every other month. This review will cover work planned and conducted, work planned and not conducted, and the current status of the non-winter maintenance budget. Any adjustments to the proposed work plan to curtail or expand operations to meet budget limitations will be covered in this budget review. During winter operations, the winter budget will be reviewed monthly by the Region Engineer and the Municipality.

MDOT and the Municipality will meet between March 1 and May 15 of each budget year to discuss a supplemental summer program. The supplemental summer program will be funded by the remainder of the winter budget. During this meeting, participants will estimate the remainder of the winter budget, review the status of current and future bills for winter maintenance and propose a supplemental summer. The proposed work activities will be prioritized to support MDOT'S preservation strategy as indicated in Appendix G.

SECTION 16: REIMBURSEMENT SCHEDULE REQUEST FOR REIMBURSEMENT

MDOT will reimburse the Municipality for the following costs incurred in the performance of routine maintenance, non-maintenance, and all other work covered by this Contract, except as set forth in Sections 18, 19, 20, and 21. To be eligible for reimbursement under this Section, costs must be submitted to MDOT prior to the start of the review for each respective year of the Contract period.

- A. MDOT will reimburse the Municipality for the cost of all labor employed in the performance of this Contract. The reimbursement will include the expense of permit inspections, field and office engineering, and reviewing expenses in connection with force account work by subcontractors.
- B. MDOT'S share of the cost of EMPLOYEE BENEFITS as referred to in Section 6 as a percentage of payroll. The percentage shall be developed using MDOT Form 455M (Report of Employee Benefit Costs for the Municipality) and shall conform with the general accounts of the Municipality on the Municipality's previous fiscal years' experience. These charges are subject to review in accordance with Section 25.
- C. MDOT'S share of the actual cost of Municipality owned or purchased energy.
- D. MDOT will reimburse the Municipality for the cost of purchased bulk (measured by volume or weight) materials and Non-Bulk (measured by area or count) material used in the performance of this Contract. The Municipality shall deduct all discounts or rebates in excess of two percent (2%), to establish the reimbursed cost.
- E. MDOT will reimburse the Municipality for the cost of handling materials furnished by the Municipality and materials furnished by MDOT as follows:
 1. **Bulk Items (measured by volume or weight):**
The direct expenses of handling, such as unloading, processing, stockpiling, heating or loading of materials measured by volume or weight in bulk, bags or drums such as aggregates, bituminous materials and chemicals, on condition that reimbursement of such expenses is not provided elsewhere herein, provided that these costs can be identified within the records of the Municipality. When bulk items paid for by MDOT are co-mingled with the Municipality's materials, MDOT will only reimburse the Municipality for the cost of handling the portion expected to be used on the state trunkline highways. The Municipality will establish a rate of use annually, based on the previous year's use to

identify MDOT's share of handling cost. The Municipality's established rate is subject to adjustment by review.

2. **Non-Bulk Items (measured by area or count):**

A five percent (5%) handling and storage charge may be added to the purchase price of all materials measured by area or count provided such materials are stocked in and distributed from approved storage facilities. When reported by the Municipality, charges for handling and storage in excess of five percent (5%) will be reimbursed to the Municipality upon review, provided that these charges can be identified and supported within the records of the Municipality.

- F. Equipment owned by the Municipality will be reimbursed at the established rental rates found in Schedule C, Report 375 Equipment Rental Rates, issued annually by MDOT. Rented equipment will be reimbursed at actual cost for the equipment rental.
- G. MDOT will reimburse the Municipality for the amounts paid by the Municipality to a subcontractor as set forth in Section 9.
- H. MDOT will reimburse the Municipality for the cost of labor, materials, and equipment rental incurred in connection with engineering, supervision, and inspection of subcontract work.
- I. Overhead in Accordance with Attached Overhead Schedule.

MDOT will reimburse the Municipality for overhead costs at the appropriate percentage rate as indicated in Appendix B. The overhead rate shall be based upon the original annual budget established for the Municipality and shall not change.

The overhead amount payable under Section 16(I) is reimbursement to the Municipality for all costs and expenses arising out of the performance of this Contract not specifically described in other sections of this Contract. This reimbursement includes salary and expenses (including transportation) of the Maintenance Superintendent (except as noted in Section 16(K)), salaries of clerical assistants, including radio communication staff, office expense, storage rentals on Municipality owned property, and the cost of small road tools. Work tools without a power assist and used in a road or a bridge maintenance activity, are considered small road tools. Small road tools do not have an equipment rental rate listed in Schedule C, Report 375, Equipment Rental Rates. Small road tools are reimbursed as an overhead cost.

- J. MDOT will reimburse the Municipality for MDOT'S pro-rata share of the cost to maintain chemical storage facilities as provided for in the chemical storage facility contracts between the Municipality and MDOT.

- J. MDOT will reimburse the Municipality for MDOT'S pro-rata share of the cost to maintain chemical storage facilities as provided for in the chemical storage facility contracts between the Municipality and MDOT.
- K. Requests for reimbursement to be made at least bi-monthly (every other month) on the basis of certified statement of charges prepared and submitted by the Municipality within thirty (30) days from the end of each bi-monthly period on forms furnished by MDOT or using an equivalent approved alternative format. Costs submitted beyond sixty (60) days from the end of each bi-monthly period will include written justification for the delay and will be paid only upon approval of the Region Engineer. Upon written request to the Region Engineer, payment may be made to the Municipality on a monthly basis, after submission to MDOT of certified statements of costs for each monthly payment period. Municipalities with a line item budget contract of \$100,000 or greater **shall** submit request for reimbursement on a **monthly** basis through MDOT'S Local Agency Payment System (LAPS).
- L. The Municipality will be reimbursed as a direct cost for work performed by the Maintenance Superintendent making regular inspections of state trunkline highways in accordance with written instructions from the Region Engineer. This time shall be specifically recorded on daily time sheets and reported as a direct labor charge.

It is further agreed that in smaller municipalities, the Maintenance Superintendent designated above may at times be engaged in tasks other than those of a strictly supervisory nature, such as operator of a truck or other highway equipment. The Municipality may be reimbursed for this time worked on state trunklines, provided that all such time for non-supervisory work is specifically recorded on the daily time sheet and reported on the Maintenance Payroll Report Form 410A. The exact dates on which the Maintenance Superintendent so worked, the number of hours worked, and the number of hours worked under each classification shall be indicated on the Maintenance Payroll Report Form 410A.

SECTION 17: ELECTRONIC FUNDS TRANSFER

Public Act 533 of 2004 requires that payments under this Contract be processed by electronic funds transfer (EFT). The Municipality is required to register to receive payments by EFT at the SIGMA Vendor Self Service (VSS) website (www.michigan.gov/SIGMAVSS).

SECTION 18: SNOW HAULING

MDOT will share in the cost of snow hauling if each snow hauling effort is approved by the Region Engineer. MDOT'S share of snow hauling will be determined based on the ratio of area designated for traffic movement to the total area of the state trunkline highway right-of-way within the agreed upon area of snowhaul. MDOT will subtract the area of parking lanes and sidewalks from the total area of the state trunkline highway right-of-way to determine the area designated for traffic movement. MDOT'S reimbursement for snow hauling from state trunkline highways, based upon this calculation, is paid at the rate of _____ percent (%) of actual charges supported by proper documentation. The frequency (annually, each storm, etc.) will be at the discretion of the Region Engineer. The Municipality should denote snow hauling charges as Activity 149, Other Winter Maintenance, on Trunk Line Maintenance Reports. A prior written authorization for each snow haul event from the Region Engineer shall be required and kept on file for review purposes.

The Municipality agrees that it will prohibit additional snow from being deposited on the highway right-of-way from side streets.

SECTION 19: PAVEMENT MARKING

Compensation for the item of PAVEMENT MARKING will be made on the basis of actual expenditure only, except in no case will the Municipality be compensated for a total expenditure in excess of the amount designated for PAVEMENT MARKING in the Line Item Budget for the appropriate MDOT fiscal year. Compensation for PAVEMENT MARKING is limited to only painting authorized by the Region Engineer. The Municipality shall not include charges for curb painting in the routine maintenance cost for state trunkline maintenance.

SECTION 20: COMPENSATION FOR AESTHETIC WORK ITEMS

Compensation for the items of SWEEPING AND FLUSHING, GRASS AND WEED CONTROL and ROADSIDE CLEAN UP will be made on the basis of actual expenditures only, except that in no case will the Municipality be compensated for a total expenditure in excess of the budget amount designated each of these three work activities on the Summary of the Field Activity Budget for the appropriate MDOT fiscal year.

The number of work operations for each of these three activities will be agreed upon between the Municipality and Region Engineer; and reflected in each line activity budget amount.

SECTION 21: TREES AND SHRUBS

Except for emergency work, the Municipality must request MDOT'S written approval to remove dead trees and/or trim trees prior to the start of work. MDOT will pay all costs to remove dead trees. MDOT and Municipality shall equally share costs when state and local forces combine efforts to trim trees within the trunkline right-of-way as approved by the Region Engineer.

SECTION 22: EQUIPMENT LIST

The Municipality will furnish MDOT a list of the equipment it uses during performance under this Contract, on MDOT form 471 (Equipment Specifications and Rentals.) This form shall be furnished to MDOT no later than February 28 of each year.

SECTION 23: RECORDS TO BE KEPT

The Municipality will:

- A. Establish and maintain accurate records, in accordance with generally accepted accounting principals, of all expenses incurred for which payment is sought or made under this Contract, said records to be hereinafter referred to as the "RECORDS." Separate accounts will be established and maintained for all costs incurred under the state trunkline maintenance contract. The Municipality will retain the following RECORDS, and others, in accordance with generally accepted accounting principles:
 - 1. Retain daily timecards or electronic timekeeping files for employees and equipment indicating the distribution of time to route sections and work items. Daily timecards must be signed by the employee, the immediate supervisor and by the timekeeper when the timekeeper is employed. If the Municipality uses crew-day cards, it will retain crew-day cards backed by a time record for the pay period signed as above, in lieu of daily individual timecards detailing the time distribution. If the Municipality uses electronic timekeeping, it will retain data files detailing time distribution and assigned supervisor approval.
 - 2. Retain properly signed material requisitions (daily distribution slips) which indicate type of material, quantity, units of measure, the date of distribution and the distribution to route sections and work items.

3. Retain additional cost records to support and develop unit cost charges and percentages as applied to invoice costs. No such cost records are necessary in support of the overhead percentage or the five percent (5%) handling charge.
- B. The Municipality will maintain the RECORDS for at least three (3) years from the date of MDOT'S receipt of the statement of charges for the quarter ending September 30 of each year of this Contract period. In the event of a dispute with regard to the allowable expenses or any other issue under this Contract, the Municipality will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals for that decision has expired.

Representatives of MDOT may inspect, copy or review the RECORDS at any mutually acceptable time. However, the Municipality cannot unreasonably delay the timely performance of the review.

SECTION 24: COST CERTIFICATION, REIMBURSEMENT AND ADJUSTMENT

The Municipality hereby certifies that, to the best of the Municipality's knowledge, the costs reported to MDOT under this Contract will represent only those items which are properly chargeable in accordance with the Contract. The Municipality also hereby certifies that it has read the Contract terms and is aware of the applicable laws, regulations, and terms of this Contract that apply to the reporting of costs incurred under the terms of this Contract.

SECTION 25: CONTRACT REVIEW AND RESPONSE

The Municipality's records will be subject to review/audit within the statute of limitations, and the review/audit period will coincide with the Municipality's fiscal year, unless the Contract is terminated or not renewed. The term "review/audit" hereafter will be referred to as "review".

Charges by the Municipality for maintenance of state trunkline highways and authorized non-maintenance work performed under this Contract will not be adjusted (increased or decreased) by review after twenty-four (24) months subsequent to the date of MDOT'S receipt of certified statement of charges for the quarter ending September 30 of each year of this Contract period. This limitation will not apply in case of fraud or misrepresentation of material fact or if mutually agreed to in writing.

The firm unit prices for aggregates and bituminous materials that are processed and furnished by the Municipality will not be subject to adjustment.

If any adjustments are to be made, the Municipality will be notified of the tentative exceptions and adjustments within the above twenty-four (24) month period. The twenty-four (24) month period is intended only as a limitation of time for making adjustments and does not limit the time for payment of such amounts. In the event that a review performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, MDOT will promptly submit to the Municipality a Notice of Review Results and a copy of the Review Report, which may supplement or modify any tentative findings communicated to the Municipality at the completion of a review.

Within sixty (60) days after the date of the Notice of Review Results, the Municipality will:

1. Respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the Review Report;
2. Clearly explain the nature and basis for any disagreement as to a disallowed item of expense; and
3. Include a written explanation as to any questioned item of expense. Hereinafter, the "RESPONSE" will be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned item of expense. Where the documentation is voluminous, the Municipality may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Contract.
4. The Municipality agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to make a final decision to either allow or disallow any items of questioned cost.

MDOT will review submitted RESPONSE and attached documentation from the Municipality. MDOT will reply in writing acknowledging receipt of the Municipality RESPONSE. The submitted RESPONSE and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. See Section 26, "Dispute Resolution Process".

SECTION 26: DISPUTE RESOLUTION PROCESS

A. Contract Disputes

For review disputes refer to Section 26 (B) below, all other disputes between the parties shall be resolved under the terms of this section. It is the intent that each party may communicate concerns relative to the contract and resolve any issues as they arise. After a contract issue has been resolved, a summary of the agreed upon resolution shall be jointly drafted and distributed. Some issues may require ongoing communication to resolve and may become an item for negotiation during the next review and renegotiation of the contract.

If the parties are unable to resolve any dispute, the parties must meet with the Engineer of Operations, Operations Field Services Division or designee. The following are steps to resolve the dispute without the need for formal legal proceedings:

- 1) The representative of the Municipality and MDOT must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with the dispute. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any legal proceeding.
- 2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.
- 3) The specific format for the discussions shall be left to the discretion of the designated Municipality and MDOT representatives but may include the preparation of agreed upon statement of fact or written statements of position.
- 4) Statements made by the Municipality or MDOT during Dispute Resolution may not be introduced as evidence by either party in any judicial action related to or under this Contract.
- 5) In cases where disputes have not been resolved, any remaining issues will be referred to the MDOT Appeal Panel which consists of four Bureau Directors, three of which will constitute a quorum.
- 6) Every effort will be made to complete this process within 90 calendar days by both parties.

B. Review Disputes

For Review Disputes the submitted RESPONSE and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. The Appeal Panel consists of four Bureau Directors, three of which will constitute a quorum.

- 1) MDOT will provide the Municipality with an opportunity to appear before the Appeal Panel to explain and support their RESPONSE.
- 2) If, after an Appeal Panel written decision, the Municipality will either accept the decision or file a lawsuit in a court of proper jurisdiction to contest MDOT's decision. The filing of a lawsuit must be initiated by the Municipality within thirty (30) days of the receipt of the Appeal Panel's written decision. MDOT will not withhold or offset the funds in dispute if the Municipality files a lawsuit in a court of proper jurisdiction.
- 3) If the Municipality fails to repay an overpayment or reach an agreement with MDOT on a repayment schedule within the thirty (30) day period, the Municipality agrees that MDOT will deduct all or a portion of an overpayment from any funds due the Municipality by MDOT under the terms of this Contract.
- 4) Every effort will be made to complete this process within 60 calendar days by both parties.

This section shall not be construed to prevent either party from initiating, and a party is authorized to initiate, an action for breach of this Contract or for any other relief allowed by law earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to the other party, or under Injunctive Relief below. In the event that a dispute is not resolved through the Dispute Resolution Process, either party may initiate an action for breach of this Contract, or any other relief allowed by law in a court of proper jurisdiction. Time periods may be extended if mutually agreed upon by both parties.

Injunctive Relief

The only circumstance in which disputes between MDOT and the Municipality shall not be subject to the provisions of this Dispute Resolution Process is when a party makes a good faith determination that it will suffer irreparable harm due to a breach of the terms of the Contract by the other party and that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in Section 28.

SECTION 27: TERM OF CONTRACT

This Contract will be in effect from October 1, 2019 through September 30, 2024.

SECTION 28: BUDGET REDUCTION, TERMINATION OR NON-RENEWAL OF CONTRACT

- A. For convenience and without cause, MDOT may reduce the budget, terminate, or choose not to renew this Contract, if written notice is given to the Municipality at least one (1) year prior to the beginning of the Contract year to which the budget reduction, termination, or expiration applies. One year from the date of such notice shall be deemed the termination date of the Contract.

The Municipality may reduce the budget, terminate, or choose not to renew this Contract if one (1) year's written notice, prior to the effective date of budget reduction, termination, or expiration is given to MDOT. One year from the date of such notice shall be deemed the termination date of the Contract.

- B. Upon termination of this Contract "for cause" or any reason, the Municipality must, for a period of time specified by MDOT (not to exceed 90 calendar days), provide all reasonable transition assistance requested by MDOT, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to MDOT or its designees. This Contract will automatically be extended through the end of the transition period.

SECTION 29: STATE OF MICHIGAN ADMINISTRATIVE BOARD RESOLUTION

The provisions of the State Administrative Board Resolution 2017-2, April 25, 2017, as set forth in Appendix D, attached hereto and made a part hereof.

SECTION 30: CONTRACTUAL INTERPRETATION

All capitalized words and phrases used in this agreement have the meaning set forth in Appendix A.

All words and phrases not specifically defined in Appendix A shall be construed and understood according to the ordinary meaning of the words used, but technical words and phrases shall have the meanings set forth in MDOT's publications, manuals, advisories, or guides, as applicable. If no MDOT publication, manual, advisory or guide is applicable, such technical words shall be construed and understood according to the usual and accepted meaning used in the industry or field to which they relate. In case of any discrepancies between the body of this Contract and any appendices attached hereto, the body of this Contract will govern.

SECTION 31: AUTHORIZED SIGNATURE(S)

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

CITY OF FARMINGTON

BY: _____
TITLE:

BY: _____
TITLE:

MICHIGAN DEPARTMENT OF TRANSPORTATION

BY: _____
TITLE: MDOT Director

APPENDIX A

MICHIGAN DEPARTMENT OF TRANSPORTATION

MUNICIPALITY CONTRACT

DEFINITIONS

ANNUAL WORK PLAN: A schedule developed by the Municipality, and a Region Engineer designee, of the routine maintenance work to be performed annually on state trunklines by the Municipality.

BUDGET/FIELD ACTIVITY BUDGET: Both items are defined as the budgeted amount distributed to the Municipality at the beginning of the fiscal year (October 1).

CHEMICAL STORAGE FACILITIES: Bulk salt storage buildings.

COMPONENTS OF AN ANNUAL WORK PLAN: An outline of agreed upon maintenance activities to be performed to meet the needs of the trunkline. The components of this plan shall be a list of prioritized maintenance needs and a general break-down of how the Municipality's budget will be applied to the standard maintenance activity groups to facilitate work on the maintenance needs.

DEPARTMENT: Means the Michigan Department of Transportation.

MDOT APPEAL PANEL: A panel comprised of four Bureau Directors responsible for deciding Contract disputes, three of which will constitute a quorum.

EQUIPMENT SPECIFICATIONS AND RENTALS: An annual list of equipment proposed to be used on the state trunkline system by the Municipality forwarded to the Department with the hourly rates of each piece of equipment.

MICHIGAN STATE TRANSPORTATION COMMISSION: The policy-making body for all state transportation programs. The Commission establishes policy for the Michigan Department of Transportation in relation to transportation programs and facilities and other such works as related to transportation development as provided by law. Responsibilities of the Commission include the development and implementation of comprehensive transportation plans for the entire state, including aeronautics, bus and rail transit, providing professional and technical assistance, and overseeing the administration of state and federal funds allocated for these programs.

OFFICE OF COMMISSION AUDIT (OCA): The Office of Commission Audit reports directly to the Michigan State Transportation Commission. The Office of Commission Audits is

charged with the overall responsibility to supervise and conduct review activities for the Department of Transportation. The auditor submits to the Commission reports of financial and operational audits and investigations performed by staff for acceptance.

REGION ENGINEER: The Department's designated chief engineer (or designee) responsible for the oversight of each MDOT region.

RESPONSE: A written explanation as to any questioned item of expense

SCHEDULE C EQUIPMENT RENTAL RATES: The Department's annual list of statewide hourly equipment rental rates that shall be charged for the use of road equipment.

SMALL HAND TOOLS: Hand tools which do not have power assist (non-powered) used for general road and bridge maintenance such as rakes, shovels, brooms, etc.

STATE ADMINISTRATIVE BOARD: The State Administrative Board consists of the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, and the Superintendent of Public Instruction. The State Administrative Board has general supervisory control over the administrative activities of all state departments and agencies, including but not limited to, the approval of contracts and leases, oversight of the state capitol outlay process, and the settlement of small claims against the state.

STATE TRUNKLINE HIGHWAY: A road, highway, or freeway under the jurisdiction of the Department, and usually designated with an M, US, or I, preceding the route number.

WINTER MAINTENANCE: Maintenance operations centered on the process to remove snow and ice from the trunkline to provide a reasonably clear and safe driving surface under winter conditions. The activity codes that define the budget line items for winter maintenance are:

1410: Winter maintenance

1440: Winter road patrol (*See winter maintenance patrol above*)

1490: Other winter maintenance (*Shall include maintenance items resulting from winter maintenance, but not actual winter maintenance, i.e. sweeping and flushing immediately after winter ends*)

This work includes all material costs required to conduct work under the above activity codes.

APPENDIX B

MICHIGAN DEPARTMENT OF TRANSPORTATION

MUNICIPALITY CONTRACT

OVERHEAD SCHEDULE

Effective October 1, 2019, through September 30, 2024

Original Annual Budget Amount	Percent Allowed for Overhead	Percent Allowed for Small Tools	Total Percent Allowed
Up to \$25,000 _____	11.00 _____	.50 _____	11.50
\$25,001 to \$50,000 _____	10.25 _____	.50 _____	10.75
\$50,001 to \$75,000 _____	9.50 _____	.50 _____	10.00
\$75,001 to \$100,000 _____	8.75 _____	.50 _____	9.25
\$100,001 and over _____	8.00 _____	.50 _____	8.50

APPENDIX C
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

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

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

Revised June 2011

APPENDIX D

STATE ADMINISTRATIVE BOARD
RESOLUTION 2017-2
PROCEDURES APPLICABLE TO MDOT CONTRACTS AND GRANTS
AND
RECISSION OF RESOLUTION 2011-2

WHEREAS, the State Administrative Board ("Board") exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this State, and of all State institutions pursuant to Section 3 of 1921 PA 2, MCL 17.3;

WHEREAS, the Board may adopt rules governing its procedures and providing for the general conduct of its business and affairs pursuant to Section 2, of 1921 PA 2, MCL 17.2;

WHEREAS, exercising its power to adopt rules, the Board adopted Resolution 2011-2 on August 30, 2011, establishing a \$500,000 or more threshold for Board approval of the Michigan Department of Transportation ("MDOT") Professional Engineering Consultant Contracts and Construction Contracts and increasing the threshold for Board approval for Service Contracts to \$250,000 or more for initial contracts and \$125,000 or more for an amendment to a Service Contract;

WHEREAS, the Board has adopted Resolution 2017-1, raising the threshold for Board approval of contracts for materials and services to \$500,000 or more for the initial contract and \$500,000 or more for contract amendments, and rescinding Resolution 2011-1;

WHEREAS, MDOT is a party to a considerable number of contracts, the majority of which are funded via grants administered by federal agencies including the U.S. Department of Transportation's Federal Highway Administration, Federal Transit Administration, Federal Railroad Administration, and Federal Aviation Administration, which oversee MDOT's administration of such contracts and amendments thereto;

WHEREAS, MDOT has implemented internal procedures to assure the proper expenditure of state and federal funds and is subject to financial and performance audits by the Office of Commission Audits pursuant to 1982 PA 438, MCL 247.667a;

WHEREAS, MDOT is a party to a significant number of contracts which by their nature involve substantial consideration and often require amendments

arising out of changes in scope, differing field conditions and design errors and omissions;

WHEREAS, delays in the approval of amendments to contracts can result in postponement of payments to subcontractors and suppliers; work slowdowns and stoppages; delays in the completion of projects; exposure to additional costs; and exposure to litigation arising out of contractor claims; and

WHEREAS, recognizing the Board's duty to promote the efficiency of State Government, the Board resolves as follows:

1. Resolution 2011-2 is rescinded.

2. A contract for professional design, engineering or consulting services requiring MDOT prequalification in connection with the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Professional Engineering Consultant Contract") or a contract for the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Construction Contract") must be approved by the Board prior to execution by MDOT if the amount of the contract is \$500,000 or more. MDOT may obtain approval of the solicitation of a Professional Engineering Consultant Contract or a Construction Contract which, based on the estimate prepared by an engineer employed by the State of Michigan, is estimated to be \$500,000 or more. A contract arising out of such solicitation must be approved by the Board prior to execution by MDOT if the amount of the contract exceeds 110% of the State engineer's estimate.

3. An amendment to a Professional Engineering Consultant Contract or a Construction Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments exceed 10% of the original contract, except that an amendment to a Professional Engineering Consultant Contract or a Construction Contract need not be approved by the Board if: a) approved in accordance with applicable federal law or procedure by a representative of a federal agency contributing funds to the project that is the subject of the contract; or b) approved in accordance with MDOT's internal procedures provided the procedures include approval by at least one MDOT employee who has managerial responsibility and is neither the project manager nor directly involved in the administration of the project.

4. A contract for services not requiring MDOT prequalification ("Service Contract") in the amount of \$500,000 or more must be approved by the Board prior to execution by MDOT. A Service Contract does not include a Professional Engineering Consultant Contract or a Construction Contract.

5. An amendment to a Service Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments total \$500,000 or more. Thereafter, an amendment to a Service Contract must be approved by the Board if the amount of the amendment and the sum of all amendments executed after the most recent Board approval total \$500,000 or more.

6. A contract involving the conveyance of any real property interest under the jurisdiction of MDOT must be approved by the Board prior to execution by MDOT if the fair market value of the interest is \$500,000 or more. Fair market value must be determined in accordance with procedures approved by the State Transportation Commission.

7. MDOT may enter into a contract with a sub-recipient without approval of the Board if: a) the purpose of the contract is to provide federal or state matching funds for a project; b) MDOT has been authorized by an agency administering any federal funds to award them to the sub-recipient; and c) the sub-recipient has agreed to fully reimburse the State in the event the sub-recipient does not use the funds in accordance with the purpose of the funding. A sub-recipient includes, but is not limited to, a local unit of government, a governmental authority, a private non-profit entity, and a railroad or rail service provider.

8. MDOT may enter into a cost participation contract with a local unit of government without approval of the Board if: a) the contract involves the construction or physical improvement of a street, road, highway, bridge or other structure congruous with transportation; b) the construction or improvement is funded by federal, state or local funds; and c) the contract is approved by each entity providing funds or in accordance with applicable law.

9. MDOT may enter into a contract in connection with the award of a grant including state matching funds, to a local unit of government, a governmental authority, a private non-profit entity, a railroad or a rail service provider, without approval of the Board if the contract provides that the recipient will fully reimburse the State in the event grant funds are not used in accordance with the terms of the grant.

10. MDOT may enter into a contract with an airport sponsor without approval of the Board if the contract has been approved by the Michigan Aeronautics Commission.

11. MDOT may enter into a contract or award a grant without approval of the Board in situations where emergency action is required. For all emergency contracts or grants of \$250,000 or more, MDOT must transmit to the Board a

written report setting forth the nature of the emergency and the key terms of the contract or grant within 30 days of executing the contract or awarding the grant.

12. Notwithstanding any provisions of this resolution, the Board may require MDOT to report the status of any project and may require MDOT to obtain Board approval of any contract, grant or any amendment to a contract.

This Resolution is effective April 25, 2017.



APPENDIX E

SUBCONTRACT REQUIREMENTS

**SUMMARY OF STATE ADMINISTRATIVE BOARD
REQUIREMENTS FOR AMENDMENTS
(PREVIOUSLY REFERRED TO AS OVERRUNS,
EXTRA'S AND ADJUSTMENTS)**

Administrative Board Resolution (2017-2, April 25, 2017)

Amendments

Subcontract Requirements:	Amendment Amount	State Administrative Board (SAB) Approval Requirements:
<ul style="list-style-type: none">• Region Engineer approval required prior to start of work.• Form 426 must be signed by the Region Engineer.• Documentation of amendment is required by the Municipality.• Send revised Form 426 to the Operations Field Services Division Contract Administrator for review and approval prior to the start of work.	\$499,999 or less	Not required Note: Emergency contracts \$250,000 or greater require SAB approval.
	\$500,000 or greater	Required prior to the start of work Note: When the sum of the contract and all amendments total \$500,000 or greater, SAB approval is required.

Definition of Term: Amendment includes situations where the original contract quantity or contract cost is exceeded. It also includes situations where quantities or work are added to the original contract as extra's or adjustments.

April 25, 2017



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

GRETCHEN WHITMER
GOVERNOR

PAUL C. AJEGBA
DIRECTOR

APPENDIX F

SAMPLE: Letter of Understanding

Date

Contract Agency Name
Address
Contact Person, Title

**RE: Clarification of State Trunkline Maintenance Contract between Michigan
Department of Transportation (MDOT) and the (insert name of contract agency)**

Dear _____:

This Letter of Understanding is in follow up to our recent meeting held on _____ and will serve as a reference to clarify the Scope of Work set forth in Section 2, of the State Trunkline Maintenance Contract.

The Scope of Work will be limited to (insert type of work activities and frequency of work to be performed) on the state trunkline (indicate routes) in the City of _____. The work activities are to be conducted by the City as a part of the Contract with MDOT.

The Scope of Work shall include traffic control to perform the work.

Request for reimbursement of the Scope of Work activities identified herein shall be in accordance with Section 16 of the Contract.

Subcontracting of any work activities shall be in accordance to Section 9 of the Contract.

Please sign each of the two original letters enclosed. Please keep one copy for your records and return the other copy to my attention.

Sincerely,

Name
Maintenance Engineer
MDOT ____TSC

APPROVED BY:

City of _____ agrees to the terms and conditions stated in this agreement.

Dated this _____ day of _____, 2014

Name, Title

APPROVED BY:

Region Engineer
Michigan Department of Transportation

Date _____

APPENDIX G

Non-Winter Maintenance Activity & Level of Service Priority

For the purposes of defining priority levels, the following guidance is suggested:

"Critical" work activities are those which address conditions in the infrastructure that pose an imminent threat to public health and safety. This would include instances in which defects or damage currently exist and must be repaired to restore the infrastructure to a safe operating condition. Examples may include filling existing potholes, repairing significantly damaged guardrail, grading shoulders with an edge drop in excess of 1 ½ inches or replacing a collapsed culvert.

"High Priority" work activities are those which address serious deficiencies in the condition of the infrastructure which, in the professional judgment of the Region and TSC management, could lead to defects or damage in the near future that would seriously impact public health and safety if they are not addressed now. Examples may include repairing significantly deteriorated pavement joints and cracks or repairing culverts with section loss.

"Routine/Preventive" work activities are those which address the condition of the infrastructure in such a way as to maintain or prevent the condition from deteriorating to serious condition. Examples may include sealing pavement cracks, grading shoulders, cleaning culverts and ditches, and brushing.

Priority Group 1:

Traffic Signal Energy
Facility Utilities
Freeway Lighting Energy
Operation of Pump Houses
Operation of Movable Bridges
Auto Liability Insurance (county contracts)
Supervision (county contracts)
Roadway Inspection (minimum acceptable level- county contracts)
Billable Construction Permits
Equipment Repair and Servicing
Fuel
Critical Surface Maintenance
Critical Guardrail Repair
Critical Sign Replacement
Critical Drainage Repair
Critical Traffic Signal Repair
Critical Freeway Lighting Repair
Critical Response to Traffic Incidents (to assist in traffic control, facility restoration)
Critical Drainage Area Sweeping (to prevent roadway flooding)

Critical Structural Maintenance on Bridges
Critical Pump House Maintenance
Critical Shoulder Maintenance (to address shoulder drops greater than 1 ½")
Critical Impact Attenuator Repair
Clear Vision Area Mowing
Removal of Large Debris and Dead Animals (from the traveled portion of the roadway)
Rest Area and Roadside Park Maintenance

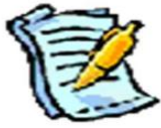
Priority Group 2:

High Priority Surface Maintenance
High Priority Guardrail Repair
High Priority Sign Replacement
High Priority Drainage Repair
High Priority ROW Fence Repair
High Priority Shoulder Maintenance
High Priority Structural Maintenance
Adopt-A-Highway
Youth Corps in designated urban areas
Mowing (First Cycle)
Freeway Slope Mowing in designated urban areas
Litter Pickup in designated urban areas
Graffiti Removal in designated urban areas
Freeway Lighting Maintenance & Repair

Priority Group 3:

Mowing (Additional Cycles)
Brushing
Sweeping, beyond critical drainage areas
Litter Pickup, outside designated urban areas
Graffiti Removal, outside designated urban areas
Routine/Preventive Surface Maintenance
Routine/Preventive Guardrail Repair
Routine/Preventive Sign Replacement
Routine/Preventive Drainage Repair
Routine/Preventive Shoulder Maintenance
Routine/Preventive Structural Maintenance
Routine/Preventive Pump House Maintenance
Routine/Preventive Traffic Signal Maintenance
Youth Corps outside of designate urban areas
Non-motorized path maintenance

2019 Municipality State Trunkline Maintenance Contracts



Process:

- 1) Fill in required contract information (see below). All fields (except date which is left blank) must be filled in electronically.
- 2) Certified resolution/authorization is required to specifically name the official(s) who are authorized to sign the contract. They will be the only individual(s) authorized to digitally sign the contract. Instructions are attached to register for DocuSign.
- 3) Email signed contract, union agreement, resolution and certificate of insurance (428) to your Region Contact person.
- 4) After the contract is finalized, a copy will be emailed to you.

Required information:

- 1) Page 1. The date is left blank. Do **not** fill in date. MDOT will date the contract when it is awarded. This contract is not awarded until it has been signed by all parties.
- 2) Section 4, pg. 4. Fill in Contract Administrator's name.
- 3) Section 5, pg. 4. Fill in designees. If not applicable, enter N/A.
- 4) Section 6, pg. 5. Fill in wage information if there is no union agreement. If there is a union agreement, attach it to the email and insert "see union agreement" under the second paragraph.
- 5) Section 8, pg. 6. Fill out Firm Unit Prices. If section does not apply, enter N/A.
- 6) Section 18, pg. 14. Insert snow hauling percent. If section does not apply, enter N/A.
- 7) Section 31, pg. 22. Authorized signature inserted per resolution.

CERTIFICATE OF INSURANCE FOR STATE HIGHWAY MAINTENANCE CONTRACT

Information required by MDOT to report insurance coverage.

DISTRIBUTION:

Original - Maintenance Div.
Copy - Insured Party
Copy - Insurance Agency
Copy - Insurance Company

TO MICHIGAN DEPARTMENT OF TRANSPORTATION: The subscribing insurance company certifies that the motor vehicle insurance for limits of liability as indicated, herein, has been procured by and furnished in behalf of the named insured.

NAME OF INSURED	ADDRESS
-----------------	---------

TYPE OF INSURANCE

INSURANCE	POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE	COVER-AGE	* LIMITS OF LIABILITY		
					EACH PERSON	EACH ACCIDENT	AGGREGATE
Automobile Liability Insurance with respect to owned, hired and non-owned automobiles.				B. 1.			
				P. D.			

The subscribing company agrees that the policy referred to herein shall not be changed or cancelled until thirty (30) days written notice has been given to the MICHIGAN DEPARTMENT OF TRANSPORTATION, Lansing, Michigan.

INSURANCE COMPANY	ADDRESS
-------------------	---------

AUTHORIZED REPRESENTATIVE SIGNATURE <u>(Do not stamp.)</u>	DATE
--	------

* This limits of liability shall be no less than \$250,000 each person and \$500,000 each accident for Bodily Injury.

Farmington City Council Staff Report	Council Meeting Date: March 1, 2021	Item Number 8
Submitted by: City Manager David Murphy		
Agenda Topic: Poverty Exemption		
Proposed Motion: Move to Adopt A Policy Relative to The Review and Granting Of Poverty Exemptions By The City Of Farmington Board Of Review		
<p><u>Background:</u></p> <p>Public Act 206 of 1893, provides for an exemption from taxation for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges.</p> <p>Public Act 253 of 2020 requires changes to the City’s policy for granting poverty exemptions. Attached is a redlined copy of the City’s current policy. Significant changes include:</p> <ul style="list-style-type: none"> • The requirement to use the State issued application forms • The elimination of an asset-based test • The elimination of the ability to limit the number of years a person can receive a reduction • The elimination of the ability of the Board to deviate from the established guidelines for significant and compelling reasons <p>The resolution has been reviewed by the City Attorney’s Office</p>		
<p><u>Materials:</u></p> <p>Poverty Exemption Resolution – Redlined Version Poverty Exemption Resolution – Clean Version</p>		

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

RESOLUTION NO. XX-XX-XXX

**A RESOLUTION OF THE FARMINGTON CITY COUNCIL ADOPTING A POLICY
RELATIVE TO THE REVIEW AND GRANTING OF POVERTY EXEMPTIONS BY
THE CITY OF FARMINGTON BOARD OF REVIEW.**

At the meeting of the City Council of the City of Farmington, Oakland County, Michigan, held on the [REDACTED]th day of March, 2021, at the City Hall, 23600 Liberty Street, Farmington, Michigan 48335.

The following resolution was offered by Councilmember [REDACTED] and seconded by Councilmember [REDACTED]:

WHEREAS, pursuant to Public Act 206 of 1893, as amended, specifically MCL 211.7u, the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption from taxation; and,

WHEREAS, P.A. 390 ~~OF~~ of 1994, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being sections 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit determine and make available to the public the policy and guidelines used by the Board of Review in granting reductions in property assessments due to limited income and assets, referred to as "poverty exemptions."

WHEREAS, Public Act 253 of 2020, amends MCL 211.-7u, regarding the requirements for exemption from property taxes to be granted by the board of review for qualified persons s claiming the exemption; and,

THEREFORE, BE IT RESOLVED that to be eligible for a poverty exemption in the City of Farmington,

An applicant must own and occupy as a principal residence the property for which the exemption is requested. have an ownership interest in the property for which the exemption is requested and must have physically occupied that property as the applicant's principal residence for at least three (3) years prior to the date of the application. An applicant who is receiving medical care outside the primary residence for an extended period of time can be granted an exemption as long as there is the intent and possibility that the applicant will return to the subject residence.

The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption (HPRE) currently in effect.

The applicant or applicants must complete and timely file an application requesting a poverty exemption on a form prescribed by the [State Tax Commission](#)City. The application with all supporting [and required](#) documentation must be filed after January 1 but ~~must be received by the City~~ not later than the day prior to the last day of the Board of Review. ~~five (5) days prior to the Board of Review session at which the property owner is requesting consideration.~~

The applicant must include with the application a copy of all of the previous year's income tax returns that the applicant was required to file (Federal Income Tax Return, Michigan Income Tax Return and the Michigan Property Tax Credit Form, etc.)~~and copies of year-end financial/investment statements if any interest income is reported on the application or on the applicant's income tax filings.~~ Copies of the previous year's income tax returns must be supplied for all persons living in the subject residence. All new applicants and other applicants, when requested by the Board, must provide copies of all income tax filings for the three previous years.

The applicant must supply a copy of a current driver's license or other form of identification.

BE IT FURTHER RESOLVED that the applicant's total household income, ~~after being adjusted for out-of-pocket medical expenses which are demonstrated to exceed 10% of the total household income,~~ cannot exceed two times the most current Federal Poverty Guidelines from the prior tax year poverty income figure, as reported by household size, in the "Federal Poverty Guidelines" updated annually in the Federal Register by the U.S. Department of Health and Human Services as established by the State Tax Commission-to be updated annually. ~~(Income requirement)~~

BE IT FURTHER RESOLVED that ~~the value of the applicant's total assets plus the assets of all individuals living in the household, excluding the property for which the exemption is requested and one automobile, but including all savings, stocks and bonds and retirement accounts, cannot exceed two times the poverty income figure, as reported by household size, in the "Federal Poverty Guidelines" (referenced in the previous section) or \$60,000, whichever is less. A~~an ownership interest in any real estate other than the applicant's principal residence automatically disqualifies the applicant from consideration for a hardship exemption under normal circumstances. ~~(Asset requirement)~~

BE IT FURTHER RESOLVED that ~~a poverty exemptionary reduction in the State Equalized Value of a property is~~ granted for one year only and must be applied for and reviewed annually based on the applicant's current

situation. ~~Individuals under the age of 65 can receive a reduction in SEV due to hardship for only two consecutive years unless the hardship is the result of a physical or mental disability.~~

BE IT FURTHER RESOLVED that the applicant(s) and all those living in the applicant's household who are submitting tax returns and related financial documents must sign a Waiver of Confidentiality prior to the Board discussing the request for a poverty exemption~~hardship reduction~~ in which the applicant(s) and others consent to the examination and discussion of the applicant's application and all supporting documentation by the Board of Review members in a public meeting format.

~~BE IT FURTHER RESOLVED that the State Equalized Value (SEV) on the property for which consideration is requested will not be reduced to an amount which is less than the amount which will generate property taxes equal to 3 ½% of the applicant's total household income plus the amount of the anticipated Michigan Income Tax household property tax credit.~~

BE IT FURTHER RESOLVED that meeting income level guidelines does not guarantee 100% exemption. At their discretion, the Board may grant a 100%, 50% or 25% reduction in taxable value for the tax year in which the exemption is granted and will endeavor to ensure that taxable value reduction will not result in property taxes which are less than 3 ½% of the applicant's total household income plus the amount of anticipated Michigan Income Tax homestead property tax credit.

~~BE IT FURTHER RESOLVED that in reviewing the application and all supporting documentation, the Board of Review will consider income, assets, potential earning capacity, medical conditions, and any other unique circumstances of the applicant. The Board may deviate from the established policy and guidelines only for "substantial and compelling reasons."~~

BE IT FURTHER RESOLVED that to conform with the provisions of P.A. 390 of 1994, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

ROLL CALL

Ayes:
Nays:
Absent:

STATE OF MICHIGAN
COUNTY OF OAKLAND
CITY OF FARMINGTON
RESOLUTION NO. XX-XX-XXX

**A RESOLUTION OF THE FARMINGTON CITY COUNCIL ADOPTING A POLICY
RELATIVE TO THE REVIEW AND GRANTING OF POVERTY EXEMPTIONS BY
THE CITY OF FARMINGTON BOARD OF REVIEW.**

At the meeting of the City Council of the City of Farmington, Oakland County, Michigan, held on the ___th day of March, 2021, at the City Hall, 23600 Liberty Street, Farmington, Michigan 48335.

The following resolution was offered by Councilmember _____ and seconded by Councilmember _____:

WHEREAS, pursuant to Public Act 206 of 1893, as amended, specifically MCL 211.7u, the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption from taxation; and,

WHEREAS, P.A. 390 of 1994, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being sections 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit determine and make available to the public the policy and guidelines used by the Board of Review in granting reductions in property assessments due to limited income and assets, referred to as "poverty exemptions."

WHEREAS, Public Act 253 of 2020, amends MCL 211.7u, regarding the requirements for exemption from property taxes to be granted by the board of review for qualified persons claiming the exemption; and,

THEREFORE, BE IT RESOLVED that to be eligible for a poverty exemption in the City of Farmington,

An applicant must own and occupy as a principal residence the property for which the exemption is requested. have an ownership interest in the property for which the exemption is requested and must have physically occupied that property as the applicant's principal residence for at least three (3) years prior to the date of the application. An applicant who is receiving medical care outside the primary residence for an extended period of time can be granted an exemption as long as there is the intent and possibility that the applicant will return to the subject residence.

The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption (PRE) currently in effect.

The applicant or applicants must complete and timely file an application requesting a poverty exemption on a form prescribed by the State Tax Commission. The application with all supporting and required documentation must be filed after January 1 but not later than the day prior to the last day of the Board of Review.

The applicant must include with the application a copy of all of the previous year's income tax returns that the applicant was required to file (Federal Income Tax Return, Michigan Income Tax Return and the Michigan Property Tax Credit Form, etc.) Copies of the previous year's income tax returns must be supplied for all persons living in the subject residence. All new applicants and other applicants, when requested by the Board, must provide copies of all income tax filings for the three previous years.

The applicant must supply a copy of a current driver's license or other form of identification.

BE IT FURTHER RESOLVED that the applicant's total household income cannot exceed two times the most current Federal Poverty Guidelines from the prior tax year poverty income figure, as reported by household size, in the "Federal Poverty Guidelines" updated annually in the Federal Register by the U.S. Department of Health and Human Services as established by the State Tax Commission-to be updated annually.

BE IT FURTHER RESOLVED that an ownership interest in any real estate other than the applicant's principal residence automatically disqualifies the applicant from consideration for a hardship exemption under normal circumstances.

BE IT FURTHER RESOLVED that a poverty exemption is granted for one year only and must be applied for and reviewed annually based on the applicant's current situation.

BE IT FURTHER RESOLVED that the applicant(s) and all those living in the applicant's household who are submitting tax returns and related financial documents must sign a Waiver of Confidentiality prior to the Board discussing the request for a poverty exemption in which the applicant(s) and others consent to the examination and discussion of the applicant's application and all supporting documentation by the Board of Review members in a public meeting format.

BE IT FURTHER RESOLVED that meeting income level guidelines does not guarantee 100% exemption. At their discretion, the Board may grant a 100%, 50% or 25% reduction in taxable value for the tax year in which the exemption

is granted and will endeavor to ensure that taxable value reduction will not result in property taxes which are less than 3 ½% of the applicant's total household income plus the amount of anticipated Michigan Income Tax homestead property tax credit.

BE IT FURTHER RESOLVED that to conform with the provisions of P.A. 390 of 1994, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

ROLL CALL

Ayes:

Nays:

Absent: