

# **City of Flint, Michigan**

*Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
www.cityofflint.com*



## **Meeting Agenda - Final**

**Wednesday, October 17, 2018**

**5:00 PM**

***Agenda Amended to Add Resolution No. 180544***

**Committee Room**

## **FINANCE COMMITTEE**

***Eric Mays, Chairperson, Ward 1***

***Maurice D. Davis, Ward 2  
Kate Fields, Ward 4  
Herbert J. Winfrey, Ward 6  
Allan Griggs, Ward 8***

***Santino J. Guerra, Ward 3  
Jerri Winfrey-Carter, Ward 5  
Monica Galloway, Ward 7  
Eva L. Worthing, Ward 9***

***Inez M. Brown, City Clerk***

## ROLL CALL

## SPECIAL ORDERS

**180420** Special Order/Master Fee Schedule

A Special Order as requested by Councilperson Mays concerning the recently amended (Reso No. 180351 - adopted July 23, 2018) Master Fee Schedule that added fees for micro-cell equipment.

**180421** Special Order/Flint Police Sergeants Union Retiree Insurance Recipients

A Special Order as requested by Councilperson Mays to discuss Michael Brown's Emergency Order No. 20 regarding Flint Police Sergeants Union Retiree Insurance Recipients.

## RESOLUTIONS

**180517** Budget Amendment/Transfer of Funds/Police Department/Transfer Police Records/Mobile Data Terminals

Resolution resolving that the appropriate city officials, upon City Council's approval, are authorized to do all things necessary to process a budget amendment to allocate \$173,600.00 expense appropriation from the General Fund 101 Balance to General Fund Professional Services Acct. No.101-305.200-801.000 = \$53,600.00, and General Fund Equipment Acct. No. 101-315.100-977.000 = \$120,000.00, as requested by Police. [NOTE: The adjustments are necessary for the purpose of funding emergency purchases to transfer police records from the State Records Management System (SRMS) to the New Worlds Records System (at a cost of \$53,600.00) and to purchase 20 Mobile Data Terminals (MDT's) (at a cost of \$120,000.00) for the (20) new cruisers being purchased through Fleet.]

**180538** McNaughton-McKay (Electric Co.)/Third Avenue Switchgear Upgrade

Resolution resolving that the Department of Purchases & Supplies, upon City Council's approval, is hereby authorized to issue a purchase order to McNaughton-McKay (Electric Co.) for Third Avenue switchgear upgrade, as requested by Utilities/Water Pollution Control, in an amount NOT-TO-EXCEED \$1,083,236.90 [Sewer Fund Acct. No. 590-550.300-977.000.]

**180539** Pre-Qualification of Engineering Firms/Various Water & Sewer Projects

Resolution resolving that the Department of Public Works and Utilities, upon City Council's approval, is hereby authorized to pre-qualify the following engineering firms to provide engineering services for water and sewer projects until June 30, 2021, and to solicit "letters of interest" from the following pre-qualified

engineering firms to determine who will be selected to perform engineering services for each scheduled construction project as they emerge: Fishbeck, Thompson, Carr & Huber, Lansing; Fleis & Vandenbrink Engineering, Inc., Flint; Hubbell, Roth & Clark, Inc., Bloomfield Hills; Rowe Professional Services Co., Flint; Wade Trim, Inc., Flint; Johnson & Anderson, Flint; and Jones & Henry Engineers, Ltd., Toledo, OH.

**180540** Budget Amendment/Transfer of Funds/226 Rubbish Collection Account Fund Balance/Republic Waste Services Contract

Resolution resolving that the appropriate city officials, upon City Council's approval, are authorized to do all things necessary to amend the FY2019 adopted budget by allocating \$272,600.00 from the 226 Fund Balance to Acct. No. 226-528.202-810.000, as requested by Finance. [NOTE: Certain adjustments need to be made for the garbage collection contract with Republic Services to be paid out of the proper account.]

**180541** Budget Amendment/Transfer of Funds/U.S. Department of Health & Human Services (DHHS)/Michigan DHHS/Lead Service Line/Lead Fixture Replacement

Resolution resolving that the appropriate city officials are authorized to do all things necessary to amend the 2018-2019 adopted budget to include revenue and expenditure appropriations for the State of Michigan DHHS Grant No. WLRP-2019 for water infrastructure and distribution improvements, in the amount of \$5,000,000.00, in Grant Fund, under City of Flint Grand Code FHHS-19, to comply with the associated grant agreement(s), and to budget any unspent grant funds in subsequent fiscal years in which they continue to remain available by the grantor, as requested by the Chief Public Health Advisor. [NOTE: \$5,000,000.00 is available from the U.S. Department of Health & Human Services (DHHS) through the Michigan DHHS to provide for lead service line and lead fixture replacement for eligible families. The funds will be utilized in conjunction with the lead line replacement program that is funded through the State of Michigan and Federal Government.]

**180542** Budget Amendment/Transfer of Funds/F&V Operations & Resource Management (FVOP)/Laboratory Services

Resolution resolving that the appropriate City of Flint officials are authorized to do all things necessary to process a budget amendment to Allocate \$333,744.00 from Water Fund Acct. No. 591-545.200-702.000 = \$235,989.00; Acct. No. 591-545.200-709.000 = \$35,444.00; Acct. No. 591-545.200-719.100 = \$24,755.00; and Acct. No. 591-536.100-801.600 = \$37,556.00 TO Water Fund Acct. No. 591-545.200-801.000, as requested by Utilities/DPW/Water Plant. [NOTE: Two City laboratory staff employees resigned last August. As a result, the city contacted the Michigan Department of Environmental Quality (MDEQ) to determine the appropriate qualifications and used its water quality expert to obtain appropriately licensed candidates through F&V Operations, who will provide staff for laboratory services, including operating the City Water Plant lab, collection of data required to prepare State reports and the collection of water samples. Laboratory staff will be

paid \$27,812.00 monthly, for a five-year term, from Water Fund Acct. No. 591-545.200-801.000.

**180544** CO#2/Contract/Tri-County Refuse Service, Inc. dba Republic Services/Waste Collection Services

Resolution resolving that the proper city officials are authorized to enter into change order #2 to the contract with Tri-County Refuse Services, Inc., dba Republic Services (for waste collection services), to extend said contract to June 30, 2021, in an amount NOT-TO-EXCEED \$12,007,254.99, for an aggregate total of \$19,589,319.00; \$2,887,820.82 for FY2019, \$4,559,717.09 for FY2020, and \$4,559,717.09 for FY2021, pending adoption of each year's respective budget [Rubbish Collection Fund Acct. No. 226-528.201-801.000], AND, resolving that the proper city officials are hereby authorized to amend the Special Assessment fee for Rubbish Collection in the Master Fee Schedule for the FY2020 and FY2021 fiscal year budgets as part of the budget adoption process.

## DISCUSSION ITEMS

**180529** Referral/Revenue to Turn On, Turn Off Water Service

A referral as requested by Councilperson Galloway to FIN: How much revenue is generated from shutting off water? Turning on water? Was the water study that was promised ever completed? If so, what were the results? [Referral Action Date: 10/3/2018 @ Finance Committee Meeting.]

**180530** Discussion Item/Poverty Exemption/Water Customers

A discussion item as requested by Councilperson Galloway: She would like a discussion on resuming the poverty exemption for water customers that the Emergency Manager eliminated. [Referral Action Date: 10/3/2018 @ Finance Committee Meeting.]

**180531** Referral/Emergency Manager Orders

A referral as requested by Councilperson Fields to LEGAL: She would like to know what happened to Emergency Manager actions -- orders, resolutions, ordinances, etc. Which are still in effect and which are not? [Referral Action Date: 10/3/2018 @ Finance Committee Meeting.]

**180532** Referral/Zito Construction

A referral as requested by Councilperson Galloway to FIN/DPW: She would like to know if Zito Construction is being assessed liquidated damages, according to their contract. Also, what are the estimated damages? How many houses does Zito need to complete? What else do they need to complete as part of their contract? [Referral Action Date: 10/3/2018 @ Finance Committee Meeting.]

## OLD, OUTSTANDING DISCUSSION ITEMS

**170061** Referral/Copy/Public Relations Contract

Referral by Councilperson Fields to ADMIN/LEGAL, re: She would like a copy of the public relations contract that was entered into with pipe replacement funding. [Referral Action Date: 1/18/2017 @ Finance Committee Meeting.]

**170194** Repair/Copper Service Line/618 W. Alma

Referral by Councilperson Mays to ADM: He would like to know when the city plans to repair a ruptured copper service line at 618 W. Alma. [Referral Action Date: 4/19/2017 @ Finance Committee Meeting.]

**170422** Copies/Bid/Contract/Martin Waymire

Referral by Councilperson Fields to GENERAL MCDANIEL: She would like copies of the bid and the contract for public relations firm Martin Waymire. [Referral Action Date: 6/19/2017 @ Finance Committee Meeting.]

**170424** Discussion Item/Water Assistance Program/Disadvantaged/Elderly Customers

Discussion item as requested by Councilperson Mays: He would like to talk about a water assistance program and/or agencies that can assist disadvantaged and/or elderly water customers. [Referral Action Date: 6/19/2017 @ Finance Committee Meeting.]

**170577** Reimbursements/State of Michigan/City of Flint Departments

Referral from Councilperson Mays to FINANCE DIRECTOR: Regarding State of Michigan reimbursements to all city departments except Finance (see Discussion Item 170390): What has been requested and what has been reimbursed? [Referral Action Date: 11/21/17 @ Finance Committee Meeting.]

**170601** Referral/2016 Tax Reverted Property/5306 North Street

Referral by Councilperson Mays to LEGAL: He would like to know how and when the ownership of 5306 North Street (old Jefferson Elementary School) will be returned to the 2nd Chance Church (5306 North Street was the only tax reverted property whose transfer from Genesee County the City of Flint did not object to in 2016). [Referral Action Date: 12/13/2017 @ Special City Council Meeting.]

**180001** Payments/State of Michigan's \$25 Million Discretionary Fund

Referral and discussion item from Councilperson Mays to FIN: How much money has been taken from the State of Michigan's \$25 million in discretionary funds and what was it used for? [Referral Action Date: 1/3/18 @ Finance Committee Meeting.]

**180002** Referral/Positions/Water Plant/Water Service Center/Wage Study

Referral by Councilperson Fields to HUMAN RESOURCES/WATER SERVICE CENTER/DPW: She would like a list of all unfilled positions at the Water Plant and Water Service Center; she would like the list also to include what certifications are needed for each position, what the compensation packages are, and what the city has done so far to recruit for these positions. She is also asking if a wage study for City of Flint positions has been completed (or started). [Referral Action Date: 1/3/2018 @ Finance Committee Meeting.]

**180015** Referral/List/Water Customers With Estimated Bills

Referral by Councilperson Mays to FIN: He would like a list of water customers who had estimated bills and then were hit with high bills when actual readings were used. He would also like to know if these customers still have "holds" on their accounts and if they are in danger of having their water shut off. [Referral Action Date: 1/3/2018 @ Finance Committee Meeting.]

**180016** Referral/List/FAQs/Water Residential Assistance Program (WRAP)

Referral by Councilperson Fields to FIN: She would like a list of FAQs (frequently asked questions) for the WRAP (Water Residential Assistance Program). [Referral Action Date: 1/3/2018 @ Finance Committee Meeting.]

**180023** Referral/Breakdown/\$100,000.00 For Seven (7) Homes

A referral from Councilperson Guerra to FIN/LAW/PLANNING & DEVELOPMENT: He would like a breakdown of the \$100,000.00 that the city says is needed to secure the seven (7) homes that the city recently assumed ownership of and prepare them for transfer. [Referral Action Date: 1/17/2018 @ Finance Committee Meeting.]

**180025** Referral/Copy/'Transfer of Property'

A referral from Councilperson Mays to LAW: He would like a copy of the Legal Department's interpretation of "Transfer of Property." [Referral Action Date: 1/17/2018 @ Finance Committee Meeting.]

**180055** Referral/Reprogramming/Unspent CDBG Grant Funds/HUD Regulations/Email Exchange

Referral by Councilperson Galloway to PLANNING and DEVELOPMENT, re: She requests copies of the HUD rules/policies that govern the distribution and reprogramming of unspent CDBG grant funds. She also requests a copy of the email exchange between Interim Planning and Development Director Suzanne Wilcox and HUD representatives with regard to \$442,200.00 reprogrammed funds (See Resolution No. 180011, as adopted by the City Council on January 22, 2018). [Referral Action Date: 2/12/2018 @ Special Affairs Committee Meeting.]

- 180073** Discussion Item/Road Restoration/Previous/Ongoing
- Discussion item proposed by Councilperson Fields, re: She would like a discussion item about road restoration, previous and ongoing, for Governmental Operations. [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180074** Referral/Copies/Current & Revised/WIIN Project Plans
- Referral by Councilperson Fields TO FINANCE/DPW, re: She would like copies of the plans, both old and new, for the WIIN grant, and a rationale for the amounts assigned to each. (For example, money allocated to the Water Plant was reduced after the city signed the long-term water deal with the Great Lakes Water Authority). [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180075** Discussion Item/Water System Projects
- A discussion item as proposed by Councilperson Fields, re: She would like to discuss water system projects at the next Finance Committee Meeting. [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180080** Referral/Kellogg Grant/Entire Proposal
- A referral from Councilperson Fields to ADMIN/LAW, re: She would like a copy of the entire Kellogg Grant proposal. [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180084** Referral/Police Department/Number of Lawsuits/Cost of Lawsuits
- A referral from Councilperson Fields to LAW, re: She would like to know how many lawsuits there have been in the last two years involving the Flint Police Department, including the status for each and the total estimated cost. [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180085** Referral/Employment Contract/Whitney Frasier-Jenkins
- A referral from Councilperson Fields to LAW/HUMAN RESOURCES, re: She would like the employment contract for Whitney Frasier-Jenkins and a copy of her work log. [Referral Action Date: 2/21/2018 @ Finance Committee Meeting.]
- 180160** Discussion Item/Itemized Water Fund Revenues & Expenditures
- A discussion item as requested by Councilperson Mays regarding the city's Water Fund. He would like itemized revenues and expenditures. [Referral Action Date: 3/22/2018 @ Finance Committee Meeting.]
- 180161** Referral/Justification/\$60 Service Fee
- A referral as requested by Councilperson Fields to FIN: she would like justification

for the \$60 ready-for-use charge on customers' water/sewer bills. [Referral Action Date: 3/22/2018 @ Finance Committee Meeting.]

**180179** Referral/Genesee County Conservation District

A referral as requested by Councilperson Fields to FIN/DPW: She would like to know how much money the Genesee County Conservation District has left-over from last year's budget. [Referral Action Date: 4/4/2018 @ Finance Committee Meeting.]

**180180** Referral/Community Development Block Grant (CDBG) Money/Salvation Army

A referral as requested by Councilperson Mays to Planning & Development: He would like to know if Community Development Block Grant (CDBG) money can be given to the Salvation Army. [Referral Action Date: 4/4/2018 @ Finance Committee Meeting.]

**180181** Referral/Justification/\$75.00 Turn-On, Turn-Off Fee

A referral as requested by Councilperson Fields to FIN/DPW: She would like justification for charging customers \$75.00 to turn water on and \$75.00 to turn water off. [Referral Action Date: 4/4/2018 @ Finance Committee Meeting.]

**180182** Referral/Justification/Number of Personnel/Water Turn-Ons, Turn-Offs

A referral as requested by Councilperson Fields to FIN/DPW: She would like to know how many people are needed to turn water on/off. [Referral Action Date: 4/4/2018 @ Finance Committee Meeting.]

**180204** Referral/Trial Water Shut-Off/Shut-On Policy

A referral as requested by Councilperson Fields to FIN: She would like to know how the new Trial Collection Policy for shutting water off and turning it back on it working. [Referral Action Date: 4/18/2018 @ Finance Committee Meeting.]

**180206** Referral/Cost/Parliamentarian

A referral as requested by Councilperson Fields to CITY CLERK: She would like to know the cost for the City Council to hire a Parliamentarian. [Referral Action Date: 4/18/2018 @ Finance Committee Meeting.]

**180234** Update/Great Lakes Water Authority Contract

A referral from Councilperson Fields to LEGAL: re, she would like an update on the Great Lakes Water Authority (GLWA) contract, particularly the additional elements within the contract. [Referral Action Date: 5/9/2018 @ Finance Committee Meeting.]

**180272** Referral/Update/Restoration



Referral by Councilperson Worthing to DPW, re: She would like to know the current status of restoration efforts. [Referral Action Date: 6/25/2018 @ City Council Meeting.]

**180294** Referral/LED Street Lights

Referral by Councilpersons Fields and Guerra to ADMIN, re: An action plan and project steps (equipment and labor) concerning the LED street lights. [Referral Action Date: 6/20/2018 @ Finance Committee Meeting.]

**180297** Referral/Breakdown/Chief of Staff Budget

Referral by Councilperson Fields to FINANCE, re: She would like a detailed breakdown of the \$75,000.00 budgeted for the Chief of Staff, including how, who, when and the date it was spent. [Referral Action Date: 6/25/2018 @ Special Affairs Committee Meeting.]

**180298** Referral/Breakdown/Budgets/Mayor & City Administrator

Referral by Councilperson Fields to FINANCE, re: She would like a detailed, itemized breakdown of the budgets for Mayor and City Administrator, particularly for wages and salaries -- who they're for and how much each earns. [Referral Action Date: 6/25/2018 @ Special Affairs Committee Meeting.]

**180300** Referral/Quarterly Budget Amendment Reports

Referral by Councilperson Fields to FINANCE, re: She would like to see quarterly budget amendment reports that are supposed to be supplied to City Council per the newly adopted City Charter. [Referral Action Date: 6/25/2018 @ Special Affairs Committee Meeting.]

**180302** Discussion Item/Budgetary Requirements/Ethics & Accountability Board

Referral by Councilperson Mays to FINANCE, re: He would like to add a discussion about budgetary requirements as they relate to the Ethics and Accountability Board on the Finance Committee Agenda. [Referral Action Date: 6/25/2018 @ City Council Meeting.]

**180353** Referral/List or Map/Streets Contractors are Working On/Fast Start Program

Referral by Councilperson Guerra to CITY ADMINISTRATOR, re: He would like a copy (list or map) of what streets contractors are working on now for the Fast Start Program, plus he would like to see periodic updates on the Finance Committee Meeting agenda. [Referral Action Date: 6/20/2018 @ Finance Committee Meeting.]

**180356** Discussion Item/Investigative Hearing

Councilperson Mays asked that a discussion item about the Investigative Hearing City Council members approved for financial issues related to the Water Crisis be placed on the Finance Committee Agenda. [Referral Action Date: 7/9/2018 @ Finance Committee Meeting.]

- 180365** Attendance Request/Discussion/Filling Budgeted Positions in Water/Sewer
- Referral from Councilperson Mays to HUMAN RESOURCES/DEPARTMENT OF PUBLIC WORKS, re: He would like for Makini Jackson, Director of Human Resources, and Rob Binscik, Director of DPW, to attend the next Finance Committee meeting to discuss unfilled budgeted positions in water and sewer as identified on an organizational chart distributed at the last Finance Committee Meeting. [Referral Action Date: 7/18/2018 @ Finance Committee Meeting.]
- 180369** Referral/Number of Employees Needed/Turning Water On and Off
- Referral from Councilperson Mays to DEPARTMENT OF PUBLIC WORKS/FINANCE, re: He would like a breakdown of personnel needed to turn water on and then to turn water off. [Referral Action Date: 7/18/2018 @ Finance Committee Meeting.]
- 180417** Referral/Budget Amendment/\$100,000,000.00 WIIN Grant
- Referral by Councilperson Fields to FIN, re: She would like to see the budget amendment resolution passed by City Council moving the \$100,000,000.00 in federal WIIN grant dollars from the Grants Fund to the Water Fund. [Referral Action Date: 8/8/2018 @ Finance Committee Meeting.]
- 180418** Referral/Dates/Activities in FastStart
- Referral by Councilperson Galloway to FIN, re: She would like to see dates for each of the activities described on Page 6 of the FastStart presentation given by the Finance Director at the last Finance Committee meeting. [Referral Action Date: 8/8/2018 @ Finance Committee Meeting.]
- 180419** Referral/Payments from Water Fund to Subcontractors
- Referral by Councilperson Fields to LAW, re: She would like to justification for paying a subcontractor (Arco) out of the Water Fund without City Council permission. [Referral Action Date: 8/8/2018 @ Finance Committee Meeting.]
- 180435** Referral/Rizzo/Payments/Invoices/Authorization
- Referral by Councilperson Galloway to FIN, re: She would like documentation for all Rizzo payments, including dates (of invoices and date(s) of payment), account(s) the money was taken from, proof that it was budgeted, and information regarding who authorized (signed) the payment(s). She would also like to know if there are any outstanding invoices. [Referral Action Date: 8/22/2018 @ Finance Committee Meeting.]

- 180436** Referral/Accounts/Invoices Paid/\$2 Million/State of Michigan
- Referral by Councilperson Fields to FIN, re: She would like a detailed accounting (line item with accounts and invoices paid) of the first \$2 million of State of Michigan advance money. [Referral Action Date: 8/22/2018 @ Finance Committee Meeting.]
- 180437** Referral/Accounting/Water Funds/Grant Funds/Budget Amendments
- Referral by Councilperson Fields to FIN, re: She would like a detailed accounting of all 591 and 296 funds (with detailed subsets) and any from other accounts that the city has used to accept Water Funds/Grants, has paid invoices and expenditures from, and all related Budget Amendments made since January 2016 to current that relate to these funds. [Referral Action Date: 8/22/2018 @ Finance Committee Meeting.]
- 180438** Referral/Lead Service Line Replacements/Those Paid/Those Submitted for Reimbursement
- Referral by Councilperson Fields to FIN, re: She would like any lead service line replacements that have been paid and/or submitted for reimbursement by contractors since May 2018 to current. [Referral Action Date: 8/22/2018 @ Finance Committee Meeting.]
- 180442** Discussion Item/Purchase of Front End Loader
- Discussion Item as requested by Councilperson Mays, re: He would like to discuss the possibility of purchasing a front end loader, specifically to assist workers with blight abatement. [Referral Action Date: 8/27/2018 @ City Council Meeting]
- 180472** Referral/Contract Clauses/Great Lakes Water Authority (GLWA)/Collection Rate/Transmission Pipe
- A referral as requested by Councilperson Fields to FIN/LEGAL: She would like the clauses in the Great Lakes Water Authority (GLWA) that speak to the collection rate for water/sewer customers and the transmission pipe. [Referral Action Date: 9/5/2018 @ Finance Committee Meeting.]
- 180473** Referral/Ordinance/Policy/Legally Transferring Money/Enterprise Funds
- A referral as requested by Councilperson Fields to FIN/LEGAL: She would like the ordinance or policy (City or State) or whatever speaks to conditions under which the city can legally transfer money out of Enterprise Funds (water, sewer, millage, etc.) [Referral Action Date: 9/5/2018 @ Finance Committee Meeting.]
- 180474** Referral/Status of 'New' Program Manager/Division of Community & Economic Development (DCED)

A referral as requested by Councilperson Galloway to FIN/LEGAL/HR: Planning & Development Director Suzanne Wilcox has a clause in her contract that allows her to return to her former position (Program Manager for DCED) in the event that her supervisory position doesn't work out. But her former job was recently filled. Councilperson Galloway would like to know what would happen to the "new" Program Manager if Ms. Wilcox decided to return to that position. [Referral Action Date: 9/5/2018 @ Finance Committee Meeting.]

**180508** Referral/Questions/Finance/Contracts/Invoices/Financial Statements/Rizzo

A referral as requested by Councilperson Fields to FIN: She would like answers to questions she posed in a memo to Finance Director Hughey Newsome regarding contracts, invoices and various financial statements, and specific questions about invoices and payments to trash company Rizzo (copy of memo provided). [Referral Action Date: 9/24/2018 @ Finance Committee Meeting.]

**180509** Referral/Line Item Details/Revenues/Expenditures/First \$2 Million/State of Michigan

A referral as requested by Councilperson Fields to FIN: She would like line item details of revenues in and expenditures out on the first \$2 million received from the State of Michigan. She would also like a copy of the invoices paid from this \$2 million. [Referral Action Date: 9/24/2018 @ Finance Committee Meeting.]

**180510** Referral/Federal Procurement Rules/Sub-Contractors

A referral as requested by Councilperson Fields to FIN/LEGAL: She would like a copy of the federal procurement rules as it relates to sub-contractors. [Referral Action Date: 9/24/2018 @ Finance Committee Meeting.]

**180511** Referral/Attendance/Planning & Development Director/Action Plan

A referral as requested by Councilperson Mays to PLANNING & DEVELOPMENT: He would like for Planning & Development Director Suzanne Wilcox to attend the next Finance Committee meeting to discuss Special Order 180448 - the final allocations of the recent Action Plan, as well as any leftover funds. [Referral Action Date: 9/24/2018 @ Finance Committee Meeting.]

**180512** Referral/Attendance/Finance Committee Meeting/Lead Line Replacements, Etc.

A referral as requested by Councilperson Mays to FIN/DPW/LEGAL/MAYOR/ADMIN: He wants to discuss lead line replacements, including hydrovacating, excavation and restoration, with Mayor Weaver, Mr. Gilcreast, and DPW Director Rob Binscik, and representatives from the following: Aecom, Goyette Mechanical and Martha Brown Custom Builders, LLC. He also asks that City Attorney Angela Wheeler weigh in on whether this conversation should take place in open or closed session. [Referral Action Date: 9/24/2018 @ Finance Committee Meeting.]

**NEW BUSINESS**

**ADJOURNMENT**

SUBMISSION NO.: 180517  
PRESENTED: 10-3-18  
ADOPTED: \_\_\_\_\_

RESOLUTION AUTHORIZING APPROPRIATE CITY OF FLINT OFFICIALS TO DO ALL THINGS NECESSARY TO PROCESS A BUDGET AMENDMENT TO TRANSFER \$173,600 EXPENSE APPROPRIATION FROM THE 101-GENERAL FUND FUND BALANCE TO EXPENSE ACCOUNTS 101-305.200-801.000 AND 101-315.100-977.000

BY THE MAYOR:

The Police Department desires to make adjustments to the budgeted line items 101-305.200 and 101-315.100 for the purpose of funding emergency purchases to transfer police records from the State Records Management System (SRMS) to the New Worlds Record System and to purchase 20 Mobile Data Terminals (MDT's) for the new Cruisers being purchased through Fleet.

The police department must start the process of transferring data from SRMS to New Worlds since the process takes approximately six (6) months and the window of opportunity to retrieve this information ends March 31, 2018 at which time this information will no longer be accessible.

The MDT's are to be installed in twenty (20) new cruisers being purchased by the City's Fleet Department.

The cost for the conversion from SRMS to New Worlds is \$53,600.00 and will be charged to line item 101-305.200-801.000 and the \$120,000.00 for the MTD's for the new cruisers will be charged to 101-315.100-977.000.

**IT IS RESOLVED**, That appropriate City officials are authorized to do all things necessary to process a budget amendment to allocate \$173,600.00 expense appropriation from the 101-General Fund Fund Balance to expense account 101-305.200-801.000 in the amount of \$53,600.00 and expense account 101-315.100-977.000 in the amount of \$120,000.00.

**Approved as to Form:**

\_\_\_\_\_  
Angela Wheeler, Chief Legal Officer

**For the City of Flint:**

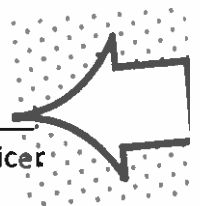
\_\_\_\_\_  
Steve Branch, City Administrator

**Approved as to Finance:**

\_\_\_\_\_  
Hughey Newsome, Chief Financial Officer

**Approved by Council:**

\_\_\_\_\_  
Herbert Winfrey, City Council President



# RESOLUTION STAFF REVIEW

**DATE:** 09/20/2018

**Agenda Item Title:** Budget Amendment of \$173,600.00 from 101-General Fund Fund Balance to Flint Police professional service account 101-305.200-801.000 and equipment account 101-315.100-977.000.

**Prepared By:** Rick Johnson, Police Financial Coordinator

**Background/Summary of Proposed Action:** The Police Department is requesting an Emergency Budget amendment be approved in the amount of \$173,600. This amount consist of two activities:

- 1) \$53,600 to convert police data from the State Records Management System (SRMS) to the New Worlds Record System.
- 2) \$120,000.00 to acquire 20 Mobile Data Terminals that are to be installed in polices 20 new vehicles being acquired through the City's Fleet Division.

The conversion of data is a long process that takes approximately six (6) months. The data on SMRS will only be accessible through March 31, 2018 at which time any information not transferred will be lost.

The MDT's that are to be installed in the cruisers have multiple functions but without them the officers cannot perform their duties, which would make their jobs unsafe.

**Financial Implications:** Amending the Flint Police Budget by \$173,600.00 by moving funds from General Fund-Fund Balance to the Flint Police professional service account, 101-305.200-801.000 in the amount of \$53,600 and equipment account 101-315.100-977.000 in the amount of \$120,000.

**Budgeted Expenditure?** Yes  No  Please explain if no:

Activity took place after the FY-19 budget was approved.

<b>Account No.:</b> 101-305.200-801.000 (Professional Services)	\$120,000.00
101-315.100-977.000 (Equipment)	\$53,600.00
101- (General Fund-Fund Balance)	-\$173,600.00

**Pre-encumbered?** Yes  No  Requisition #: N/A

**Other Implications (i.e., collective bargaining):** None

**Staff Recommendation:** Recommend Approval

**Staff Person:**

  
Timothy Johnson, Chief of Police





180538

(Proposal #19000539)

SUBMISSION NO.: \_\_\_\_\_

PRESENTED: 10-17-18

ADOPTED: \_\_\_\_\_

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO MCNAUGHTON-MCKAY  
FOR THIRD AVENUE SWITCHGEAR UPGRADE**

**RESOLUTION**

The Department of Purchases & Supplies has solicited a bid for Third Avenue switchgear upgrade as requested by Utilities Department/Water Pollution Control Facilities; and

McNaughton-McKay, 1101 E. Fifth Ave., Flint, MI was the sole bidder from four solicitations for said requirements. Funding for said services will come from the following account: 590-550.300-977.000; and

IT IS RESOLVED, that the Department of Purchases and Supplies, upon City Council's approval, is hereby authorized to issue a purchase order to McNaughton-McKay for Third Avenue switchgear upgrade in an amount not to exceed \$1,083,236.90. (Sewer Fund)


APPROVED PURCHASING DEPT.:

  
\_\_\_\_\_  
Hughey Newsome  
for Purchasing Department

APPROVED AS TO FINANCE:

  
\_\_\_\_\_  
Hughey Newsome  
Chief Financial Officer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Angela Wheeler  
Chief Legal Officer

  
\_\_\_\_\_  
Steve Branch, City Administrator

FY 19 - KRN

## RESOLUTION STAFF REVIEW

October 1, 2018

**Agenda Item Title:** WPC Low Voltage Switchgear at East Pump Station

**Prepared By:** John Florshinger, Utilities Maintenance/SCADA Supervisor

**THRU:** Robert Bincsik, DPW Director

**Background/Summary of Proposed Action:**

WPC relies on switchgear to distribute power to all of its electrical equipment, such as Bar Screen Motors, Raw Sewage Pump Motors, HVAC, conveyors, and exhaust fans. Current switchgear is obsolete and are in urgent need of replacement as several failures have occurred. Without adequate and reliable switchgear, plant processes and monitoring would become inoperable resulting in permit violations and fines from the MDEQ.

Due to tariff increases pricing is firm if the switchgear is ordered before November 1, 2018, if order after there is a price increase of \$69,142.88.

**Financial Implications:**

There is adequate funding for this purchase in the FY2019 budget. Use account 590-550-300-977.000 (1,083,236.90) when approving this purchase.

**Budgeted Expenditure?** Yes  No  **Please explain if no:**

**Account No.:** 590-550.300-977.000 - \$1,083,236.90

**Pre-encumbered?** Yes  No  **Requisition: 18001009**

**Other Implications (i.e., collective bargaining):** None.

**Staff Recommendation:** Approve

**Staff Person:**   
(Dept Head or other authorized staff)

180539

(Proposal #19000529)

SUBMISSION NO. \_\_\_\_\_

PRESENTED: 10-17-18

ADOPTED: \_\_\_\_\_

**RESOLUTION OF PRE-QUALIFIED ENGINEERING FIRMS TO PERFORM VARIOUS WATER & SEWER PROJECTS OVER THE NEXT THREE YEARS**

BY THE CITY ADMINISTRATOR

**RESOLUTION**

The Department of Purchases and Supplies has solicited a proposal for professional engineering services as requested by the Department of Public Works, and

The proposal stated the Department of Public Works & Utilities reserves the right to pre-qualify the top ranked responsive bidders as the engineering firms who will be utilized to provide engineering services for major construction projects for a three year period that will end June 30, 2021. The City also reserved the right to solicit "letters of interest" from the pre-qualified engineering firms to determine who will be selected to perform engineering services for each scheduled construction project; and

The Department of Public Works & Utilities is requesting authorization to pre-qualify the following engineering firms to provide engineering services for major construction projects until June 30, 2021, and to solicit "letters of interest" from the prequalified engineering firms to determine who will be selected to perform engineering services for each scheduled construction project as they emerge:

Company's Name	Company's Address
Fishbeck, Thompson, Carr & Huber	5913 Executive Dr., Suite 100, Lansing, MI
Fleis & Vandenbrink Engineering, Inc.	2040 E. Maple Ave., Flint, MI
Hubbell, Roth & Clark, Inc.	555 Hulet Dr., Bloomfield Hills, MI
Rowe Professional Services Co	540 S. Saginaw St., Suite 200, Flint, MI
Wade Trim, Inc	555 S. Saginaw St. Suite 201, Flint, MI
Johnson & Anderson	2387 S. Linden Rd., Flint, MI
Jones & Henry Engineers Limited	3103 Executive Parkway, Toledo, OH

IT IS RESOLVED, that the Department of Public Works & Utilities, upon City Council's approval, is hereby authorized to pre-qualify the following engineering firms to provide engineering services for water and sewer projects until June 30, 2021, and to solicit "letters of interest" from the pre-qualified engineering firms to determine who will be selected to perform engineering services for each scheduled construction project as they emerge.

Company's Name	Company's Address
Fishbeck, Thompson, Carr & Huber	5913 Executive Dr., Suite 100, Lansing, MI
Fleis & Vandenbrink Engineering, Inc.	2040 E. Maple Ave., Flint, MI
Hubbell, Roth & Clark, Inc.	555 Hulet Dr., Bloomfield Hills, MI
Rowe Professional Services Co	540 S. Saginaw St., Suite 200, Flint, MI
Wade Trim, Inc	555 S. Saginaw St. Suite 201, Flint, MI
Johnson & Anderson	2387 S. Linden Rd., Flint, MI
Jones & Henry Engineers Limited	3103 Executive Parkway, Toledo, OH

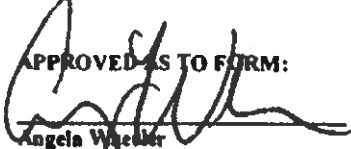
APPROVED PURCHASING DEPT.:

  
\_\_\_\_\_  
Hughey Newsome  
for Purchasing Department

APPROVED AS TO FINANCE:

  
\_\_\_\_\_  
Hughey Newsome  
Chief Financial Officer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Angela Wheeler  
Chief Legal Officer

  
\_\_\_\_\_  
Steve Branch, City Administrator

## RESOLUTION STAFF REVIEW

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**DATE:** October 5, 2018

**Agenda Item Title:** Pre-qualification of engineers

**Prepared By:** Kathryn Neumann for Robert Bincsik

**Background/Summary of Proposed Action:**

The Department of Public Works & Utilities are requesting the authorization to pre-qualify seven engineering firms for projects involving water and sewer. For each project we will provide a scope of service and request quotes from three of the pre-qualified vendors. The final selection will be brought before City Council in the matter of a resolution.

**Financial Implications:** None. As projects emerge, they will be bid out using these pre-qualified firms.

**Budgeted Expenditure?** Yes  No  Please explain if no:

**Account No.:** None

**Pre-encumbered?** Yes  No  Requisition #

**Other Implications (i.e., collective bargaining):** None

**Staff Recommendation:** Recommend Approval

**Staff Person:** Robert Bincsik  
Robert Bincsik, Director of Public Works

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180540

SUBMISSION NO.: \_\_\_\_\_

PRESENTED: 10-17-2018

ADOPTED: \_\_\_\_\_

**RESOLUTION TO AUTHORIZE BUDGET AMENDMENT  
FOR RUBBISH COLLECTION (226) FUND TO PROVIDE FUNDING FOR PROPOSED  
GARBAGE COLLECTION CONTRACT**

**BY THE CITY ADMINISTRATOR:**

The City of Flint's budget is monitored on an ongoing basis by the Finance Department and City department heads; and,

The Finance Department is recommending certain adjustments in the Rubbish Collection (226) Fund budget to allocate funding for the garbage collection contract for Republic Waste Services to be paid out of account 226-528.202-810.000; and,

In accordance with Budget Ordinance # 3856 adopted 1-25-15, budget amendments in excess of \$25,000.00 shall be submitted to the City Council for its approval,

IT IS RESOLVED, that the appropriate City officials are authorized to do all things necessary to amend the FY19 adopted budget by allocating \$272,600.00 from the 226 Fund Balance to account number 226-528.202-810.000.

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Angela Wheeler, Chief Legal Officer

  
\_\_\_\_\_  
Steve Branch, City Administrator

**APPROVED AS TO FINANCE:**

  
\_\_\_\_\_  
Hughey Newsome, Chief Financial Officer

**CITY COUNCIL:**

\_\_\_\_\_  
Herbert Winfrey, Council President

180541

RESOLUTION NO.: \_\_\_\_\_

PRESENTED: 10-17-18

ADOPTED: \_\_\_\_\_

**RESOLUTION TO AMEND BUDGET TO INCLUDE WATER AND DISTRIBUTION IMPROVEMENTS UNDER STATE OF MICHIGAN DHHS GRANT (#WLRP-2019)**

**BY THE MAYOR:**

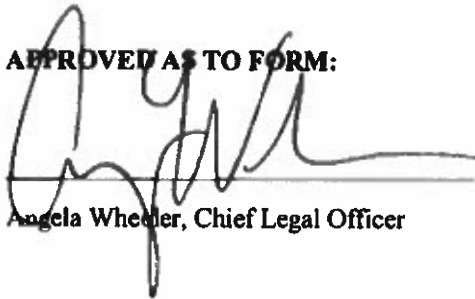
**WHEREAS**, \$5,000,000 is available from the US Department of Health and Human Services (DHHS) through the Michigan DHHS to provide for lead service line and lead fixture replacement for eligible families; and

**WHEREAS**, these grant funds will be utilized in conjunction with the lead line replacement program that is funded with funds from the State of Michigan and the Federal Government; and

**WHEREAS**, in accordance with Budget Ordinance #3856 adopted 1-25-15, budget amendments in excess of \$25,000 shall be submitted to the City Council for its approval,

**NOW THEREFORE BE IT RESOLVED**, that the appropriate City Officials are authorized to do all things necessary to amend the 2018-19 adopted budget to include revenue and expenditure appropriation for State of Michigan DHHS Grant # WLRP-2019 for water infrastructure and distribution improvements in the amount of \$5,000,000 in the Grant fund under City of Flint Grant Code #FHHS19CHIP-1, to comply with the associated grant agreement(s), and to budget any unspent grant funds in subsequent fiscal years in which they continue to remain available by the grantor.

**APPROVED AS TO FORM:**



Angela Wheeler, Chief Legal Officer

**APPROVED AS TO FINANCE:**



Hughey Newsome, Chief Financial Officer

**FOR THE CITY OF FLINT:**

\_\_\_\_\_  
Karen W. Weaver, Mayor

**CITY COUNCIL:**

**Grant Agreement Between  
Michigan Department of Health and Human Services  
hereinafter referred to as the "Department"  
and  
City of Flint  
1101 S. Saginaw Street  
Flint MI 48502 1420  
Federal I.D.#: 38-6004611, DUNS#: 072780067  
hereinafter referred to as the "Grantee"  
for  
Water Line Replacement Program - 2019  
Part I**

**1. Period of Agreement:**

This agreement will commence on the date of the Grantee's signature or October 1, 2018, whichever is later, and continue through September 30, 2019. No service will be provided and no costs to the state will be incurred prior to October 1, 2018 or the effective date of the Agreement, whichever is later. Through the Agreement, the date of the Grantee's signature or October 1, 2018, whichever is later, shall be referred to as the begin date. This agreement is in full force and effect for the period specified.

**2. Program Budget and Agreement Amount:**

**A. Agreement Amount**

The total amount of this agreement is \$5,000,000.00. The Department under the terms of this agreement will provide funding not to exceed \$5,000,000.00. The source of funding provided by the Department and approved indirect rate shall be followed as described in Attachment 1 of this agreement, which is part of this agreement through reference.

The grant agreement is designated as a:

- Subrecipient relationship (federal funding); or  
 Recipient (non-federal funding).

The grant agreement is designated as:

- Research and development project; or  
 Not a research and development project.

**B. Equipment Purchases and Title**

Any Grantee equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Title to items having a unit acquisition cost of less than \$5,000 shall vest with the Grantee upon acquisition. The Department reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of \$5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

**C. Deviation Allowance**

A deviation allowance modifying an established budget category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this agreement, must be made in writing and executed by all parties to this agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

**3. Purpose:**

The focus of the program is to replace service lines in different areas of the City, for houses where children with CHIP funding reside. The replacement will focus in neighborhoods with the greatest density of lead and galvanized service lines. Replacement of these service lines has been determined to be the best remedy in restoring the integrity of the drinking water. The service line removal will include the removal and replacement of lead and galvanized service lines to as many homes as possible.

**4. Statement of Work:**

The Grantee agrees to undertake, perform and complete the services described in Attachment A, which is part of this agreement through reference.

**5. Financial Requirements:**

The financial requirements shall be followed as described in Part II of this agreement and Attachments B, which are part of this agreement.

**6. Performance/Progress Report Requirements:**

The progress reporting methods shall be followed as described in Part II and Attachment C, which are part of this agreement.

**7. General Provisions:**

The Grantee agrees to comply with the General Provisions outlined in Part II and Attachment E, which are part of this agreement.



**8. Administration of the Agreement:**

The person acting for the Department in administering this agreement (hereinafter referred to as the Contract Manager) is:

Crystal Kline    Accountant                      (517) 284-1184  
klinec1@michigan.gov

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Name	Title	Telephone No.	Email Address
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**9. Grantee's Financial Contact for the Agreement:**

The person acting for the Grantee on the financial reporting for this agreement is:

Yolanda Gray    Financial Officer

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Name	Title
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ygray@cityofflint.com    (810) 787-6537 x 350

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E-Mail Address	Telephone No.
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**Part II**  
**General Provisions**

**I. Responsibilities - Grantee**

The Grantee in accordance with the general purposes and objectives of this agreement shall:

**A. Publication Rights**

1. Where the Grantee exclusively develops books, films, or other such copyrightable materials through activities supported by this agreement, the Grantee may copyright those materials. The materials that the Grantee copyrights cannot include service recipient information or personal identification data. Grantee grants the Department a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials copyrighted by the Grantee and authorizes others to reproduce and use such materials.
2. Any materials copyrighted by the Grantee or modifications bearing acknowledgment of the Department's name must be approved by the Department before reproduction and use of such materials. The State of Michigan may modify the material copyrighted by the Grantee and may combine it with other copyrightable intellectual property to form a derivative work. The State of Michigan will own and hold all copyright and other intellectual property rights in any such derivative work, excluding any rights or interest granted in this agreement to the Grantee. If the Grantee ceases to conduct business for any reason, or ceases to support the copyrightable materials developed under this agreement, the State of Michigan has the right to convert its licenses into transferable licenses to the extent consistent with any applicable obligations the Grantee has.
3. Give recognition to the Department in any and all publications, papers and presentations arising from the program and service contract herein; the Department will do likewise. Prior written authorization must be requested from the Department's Communication office.
4. Notify the Department's Bureau of Grants and Purchasing 30 days before applying to register a copyright with the U.S. Copyright Office. The Grantee must submit an annual report for all copyrighted materials developed by the Grantee through activities supported by this agreement and must submit a final invention statement and certification within 90 days of the end of the agreement period.
5. Not make any media releases related to this agreement, without prior written authorization from the Department's Communication office.

**B. Fees**

1. Guarantee that any claims made to the Department under this Agreement shall not be financed by any sources other than the Department under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to budget the additional source of funds and reflect the source of funding on the Financial Status Report.
2. Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report those collections on the Financial Status Report. Any underrecoveries of otherwise available fees resulting from failure to bill for eligible services will be excluded from reimbursable expenditures.

**C. Grant Program Operation**

Provide the necessary administrative, professional, and technical staff for operation of the grant program. The Grantee must obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of this Agreement.

**D. Reporting**

Utilize all report forms and reporting formats required by the Department at the effective date of this agreement, and provide the Department with timely review and commentary on any new report forms and reporting formats proposed for issuance thereafter.

**E. Record Maintenance/Retention**

Maintain adequate program and fiscal records and files, including source documentation, to support program activities and all expenditures made under the terms of this agreement, as required. The Grantee must assure that all terms of the agreement will be appropriately adhered to and that records and detailed documentation for the grant project or grant program identified in this agreement will be maintained for a period of not less than three years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved. This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subcontractor that performs Agreement Activities in connection with this Agreement.

**F. Authorized Access**

1. Permit within 10 calendar days of providing notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Inspector Generals, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, papers, files, documentation and personnel related to this agreement, to the extent authorized by applicable state or federal law, rule or regulation.
2. The rights of access in this section are not limited to the required

retention period but last as long as the records are retained.

3. Grantee must cooperate and provide reasonable assistance to authorized representatives of the Department and others when those individuals have access to Grantee's grant records.

**G. Audits**

This section only applies to Grantees designated as subrecipients by the Department (see Part I, Section 2. A.).

1. **Required Audit or Audit Exemption Notice**

Grantees must submit to the Department either a Single Audit, Financial Related Audit, or Audit Exemption Notice as described below. A Financial Related Audit is applicable to for-profit Grantees that are designated as subrecipients. If submitting a Single Audit or Financial Related Audit, Grantees must also submit a corrective action plan prepared in accordance with Title 2 Code of Federal Regulations, Section 200.511(c) for any audit findings that impacts the Department funded programs, and management letter (if issued) with a corrective action plan.

a. **Single Audit**

Grantees that are a state, local government, or non-profit organization that expend \$750,000 or more in federal awards during the Grantee's fiscal year, must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of Title 2 Code of Federal Regulations, Subpart F. The Single Audit reporting package must include all components described in Title 2 Code of Federal Regulations, Section 200.512 (c).

b. **Financial Related Audit**

Grantees that are for-profit organizations that expend \$750,000 or more in federal awards during the Grantee's fiscal year, must submit either a financial related audit prepared in accordance with Government Auditing Standards relating to all federal awards; or an audit that meets the requirements contained in Title 2 Code of Federal Regulations, Subpart F, if required by the federal awarding agency.

c. **Audit Exemption Notice**

Grantees exempt from the Single Audit and Financial Related Audit requirements (a. and b. above) must submit an Audit Exemption Notice that certifies these exemptions. The template Audit Exemption Notice and further instructions are available at State of Michigan - MDHHS by selecting Inside

**MDHHS – MDHHS Audit - Audit Reporting.**

**2. Financial Statement Audit**

Grantees exempt from the Single Audit and Financial Related Audit requirements (that are required to submit an Audit Exemption Notice as described above) must also submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards if the audit includes disclosures that may negatively impacts the Department funded programs including, but not limited to fraud, going concern uncertainties, financial statement misstatements, and violations of contract and grant provisions. If submitting a Financial Statement Audit, Grantees must also submit a corrective action plan for any audit findings that impacts the Department funded programs.

**3. Due Date and Where to Send**

The required audit and any other required submissions (i.e. corrective action plan, and management letter with a corrective action plan), and/or Audit Exemption Notice must be submitted to the Department within nine months after the end of the Grantee's fiscal year by e-mail at MDHHS-AuditReports@michigan.gov. The required submissions must be assembled in PDF files and compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any reason the electronic submission process is not successful.

**4. Penalty**

**a. Delinquent Single Audit or Financial Related Audit**

If the Grantee does not submit the required Single Audit or Financial Related Audit, including any management letter and applicable corrective action plan(s) within nine months after the end of the Grantee's fiscal year, the Department may withhold any payment from the Department to the Grantee an amount equal to five percent of the audit year's grant funding (not to exceed \$200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the Grantee is more than 120 days delinquent in meeting the filing requirements. The Department may terminate the current grant if the Grantee is more than 180 days delinquent in meeting the filing requirements.

**b. Delinquent Audit Exemption Notice**

Failure to submit the Audit Exemption Notice, when required, may result in withholding payment from Department to Grantee an amount equal to one percent of the audit year's grant

funding until the Audit Exemption Notice is received.

5. **Other Audits**

The Department or federal agencies may also conduct or arrange for “agreed upon procedures” or additional audits to meet their needs.

**H. Subrecipient/Contractor Monitoring**

When passing federal funds through to a subrecipient (if the agreement does not prohibit the passing of federal funds through to a subrecipient), the Grantee must:

1. Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information required by 2 CFR 200.331 (a).
2. Evaluate each subrecipient's risk for noncompliance as required by 2 CFR 200.331(b).
3. Ensure the subrecipient complies with all the requirements of this grant agreement.
4. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subawards; that subaward performance goals are achieved; and that all monitoring requirements of 2 CFR 200.331(d) are met including reviewing financial and programmatic reports, following up on corrective actions, and issuing management decisions for audit findings.
5. Verify that every subrecipient is audited as required by Subpart F of 2 CFR 200.

The Grantee must develop a subrecipient monitoring plan that addresses the above requirements and provides reasonable assurance that the subrecipient administers federal awards in compliance with laws, regulations, and the provisions of contracts, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight, and monitoring activities, such as reviewing financial and performance reports, performing site visits, and maintaining regular contact with subrecipients.

The Grantee must establish requirements to ensure compliance for for-profit subrecipients as required by Title 2 (CFR), Section 200.501(h), as applicable.

The Grantee must ensure that transactions with contractors comply with laws, regulations, and provisions of contracts or grant agreements in compliance with Title 2 CFR, Section 200.501(h), as applicable.

**I. Notification of Modifications**

Provide timely notification to the Department, in writing, of any action by its governing board or any other funding source that would require or result in significant modification in the provision of services, funding or compliance with operational procedures.

**J. Software Compliance**

Ensure software compliance and compatibility with the Department's data systems for services provided under this agreement including, but not limited to: stored data, databases, and interfaces for the production of work products and reports. All required data under this agreement shall be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Grantee's business operations for processing date/time data. All information systems, electronic or hard copy, that contain state or federal data must be protected from unauthorized access.

**K. Human Subjects**

Comply with Protection of Human Subjects Act, 45 CFR, Part 46. The Grantee agrees that prior to the initiation of the research, the Grantee will submit Institutional Review Board (IRB) application material for all research involving human subjects, which is conducted in programs sponsored by the Department or in programs which receive funding from or through the State of Michigan, to the Department's IRB for review and approval, or the IRB application and approval materials for acceptance of the review of another IRB. All such research must be approved by a federally assured IRB, but the Department's IRB can only accept the review and approval of another institution's IRB under a formally-approved IRB Authorization Agreement. The manner of the review will be agreed upon between the Department's IRB Chairperson and the Grantee's authorized official.

**L. Mandatory Disclosures**

1. Disclose to the Department in writing within 14 days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") involving Grantee, a subcontractor, or an officer or director of Grantee or subcontract, or that arises during the term of this Agreement including:
  - a. All violations of federal and state criminal law involving fraud, bribery, or gratuity violations potentially affecting the agreement;
  - b. A criminal Proceeding;
  - c. A parole or probation Proceeding;
  - d. A Proceeding under the Sarbanes-Oxley Act;
  - e. A civil Proceeding involving:
    1. A claim that might reasonably be expected to adversely affect Grantee's viability or financial stability; or
    2. A governmental or public entity's claim or written allegation of fraud; or
  - f. A Proceeding involving any license that Grantee is required to possess in order to perform under this Agreement.



2. Notify the Department, at least 90 calendar days before the effective date, of a change in Grantee's ownership or executive management.

**M. Statement of Work Progress Reports**

Submit quarterly Statement of Work progress reports to the Department via the <http://egramsmi.com/dch> website by the 15th of the month following the end of the quarter and a final report by November 15th.

**N. Conflict of Interest and Code of Conduct Standards**

1. The Grantee is subject to the provisions of 1968 PA 317, as amended, 1973 PA 196, as amended, and Title 2 Code of Federal Regulations, Section 200.318 (c) (1) and (2).
2. The Grantee will uphold high ethical standards and is prohibited from:
  - a. Holding or acquiring an interest that would conflict with this Agreement;
  - b. Doing anything that creates an appearance of impropriety with respect to the award or performance of this Agreement;
  - c. Attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or
  - d. Paying or agreeing to pay any person, other than employees and consultants working for Grantee, any consideration contingent upon the award of this Agreement.
3. Immediately notify the Department of any violation or potential violation of these standards. This Section applies to Grantee, any parent, affiliate, or subsidiary organization of Grantee, and any subcontractor that performs activities in connection with this agreement.

**O. Travel Costs**

1. Be reimbursed for travel cost (including mileage, meals, and lodging) budgeted and incurred related to services provided under this agreement.
2. If the Grantee has a documented policy related to travel reimbursement for employees and if the Grantee follows that documented policy, the Department will reimburse the Grantee for travel costs at the Grantee's documented reimbursement rate for employees. Otherwise, the State of Michigan travel reimbursement rate applies.
3. State of Michigan travel rates may be found at the following website: [http://www.michigan.gov/dtmb/0,5552,7-150-9141\\_13132-.00.html](http://www.michigan.gov/dtmb/0,5552,7-150-9141_13132-.00.html).

**P. Federal Funding Accountability and Transparency Act (FFATA)**

1. Complete and upload the FFATA Executive Compensation report to the EGrAMS agency profile if:
  - a. The grantee's federal revenue was 80% or more of the grantee's annual gross revenue;

- 
- b. Grantee's gross revenue from federal awards was \$25,000,000 or more; AND
  - c. The public does not have access to the information about executive officers compensation through periodic reports filed under Section 13(a) or 15 (d) of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986.
2. FFATA Executive Compensation report template can be found in Attachment F or in the EGrAMS documents.

**Q. Insurance Requirements**

1. Maintain a minimum of the insurances or governmental self-insurances listed below and is responsible for all deductibles. All required insurance or self-insurance must:
  - a. Protect the State of Michigan from claims that may arise out of, are alleged to arise out of, or result from Grantee's or a subcontractor's performance;
  - b. Be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and
  - c. Be provided by a company with an A.M. Best rating of "A" or better and a financial size of VII or better.
2. Insurance Types
  - a. Commercial General Liability Insurance or Governmental Self-Insurance: Except for Governmental Self—Insurance, policies must be endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 2010 07 04 and CG 2037 07 04.

If the Grantee will deal with children, schools, or the cognitively impaired, coverage must not have exclusions or limitations related to sexual abuse and molestation liability.
  - b. Workers' Compensation Insurance or Governmental Self-Insurance: Coverage according to applicable laws governing work activities. Waiver of subrogation, except where waiver is prohibited by law.
  - c. Employers Liability Insurance or Governmental Self-Insurance
3. Grantees must require that subcontractors maintain the required insurances contained in this Section.
4. This Section is not intended to and is not to be construed in any manner as waiving, restricting or limiting the liability of the Grantee from any obligations under this agreement.
5. Each Party must promptly notify the other Party of any knowledge

regarding an occurrence which the notifying Party reasonably believes may result in a claim against either Party. The Parties must cooperate with each other regarding such claim.

**R. Fiscal Questionnaire**

1. Submit yearly fiscal questionnaire to the Department via the EGrAMS website by the 15th of December.
2. Fiscal Questionnaire template can be found in EGrAMS documents.

**S. Criminal Background Check**

1. Conduct or cause to be conducted an Internet Criminal History Access Tool (ICHAT) check and a national and state sex offender registry check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who, under this Agreement works directly with clients or has access to client information.
  - a. ICHAT: <http://apps.michigan.gov/ichat>
  - b. Michigan Public Sex Offender Registry: <http://www.mipsor.state.mi.us>
  - c. National Sex Offender Registry: <http://www.nsopw.gov>
2. Conduct or cause to be conducted a Central Registry (CR) check for each new employee, employee, subcontractor, subcontractor employee, or volunteer who, under this Agreement works directly with children or vulnerable adults.
  - a. Central Registry: [http://www.michigan.gov/mdhhs/0,5885,7-339-73971\\_7119\\_50648\\_48330--,00.html](http://www.michigan.gov/mdhhs/0,5885,7-339-73971_7119_50648_48330--,00.html)
3. Require each new employee, employee, subcontractor, subcontractor employee, or volunteer who, under this Agreement, works directly with clients or who has access to client information to notify the Grantee in writing of criminal convictions (felony or misdemeanor), pending felony charges, or placement on the Central Registry as a perpetrator, at hire or within 10 days of the event after hiring.
4. Prohibit each employee, subcontractor, subcontractor employee, or volunteer that works directly with clients or has access to client information and has a positive ICHAT response or reported criminal felony conviction or perpetrator identification from assigned duties related to clients under this Agreement.
5. Ensure that each employee, subcontractor, subcontractor employee, or volunteer that works directly with children and/or vulnerable adults and has a positive CR response or reported perpetrator identification are not assigned to duties under this Agreement.

**II. Responsibilities - Department**

The Department in accordance with the general purposes and objectives of this agreement will:

**A. Reimbursement**

Provide reimbursement in accordance with the terms and conditions of this agreement based upon appropriate reports, records, and documentation maintained by the Grantee.

**B. Report Forms**

Provide any report forms and reporting formats required by the Department at the effective date of this agreement, and provide to the Grantee any new report forms and reporting formats proposed for issuance thereafter at least 90 days prior to their required usage in order to afford the Grantee an opportunity to review and offer comment.

**III. Assurances**

The following assurances are hereby given to the Department:

**A. Compliance with Applicable Laws**

The Grantee will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this agreement. The Grantee will also comply with all applicable general administrative requirements, such as Title 2 Code of Federal Regulations (CFR) covering cost principles, grant/agreement principles, and audits, in carrying out the terms of this agreement. The Grantee will comply with all applicable requirements in the original grant awarded to the Department if the Grantee is a subgrantee. The Department may determine that the Grantee has not complied with applicable federal or state laws, guidelines, rules, and regulations in carrying out the terms of this agreement and may then terminate this agreement under Part II Section V.

**B. Anti-Lobbying Act**

The Grantee will comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies section of the FY 1997 Omnibus Consolidated Appropriations Act (Public Law 104-208). Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**C. Non-Discrimination**

1. The Grantee must comply with the Department's non-discrimination statement: Michigan Department of Health and Human Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, martial status, gender

identification or expression, sexual orientation, political beliefs, or disability. The Grantee further agrees that every subcontract entered into for the performance of any contract or purchase order resulting herefrom, will contain a provision requiring non-discrimination in employment, service delivery and access, as herein specified binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and any breach thereof may be regarded as a material breach of the contract or purchase order.

2. The Grantee will comply with all federal statutes relating to nondiscrimination. These include but are not limited to:
  - a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin;
  - b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;
  - c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of disabilities;
  - d. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;
  - e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
  - f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
  - g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
  - h. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and
  - i. The requirements of any other nondiscrimination statute(s) which may apply to the application.
3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority-owned and women- owned businesses, and businesses owned by

persons with disabilities in contract solicitations. The Grantee shall incorporate language in all contracts awarded: (1) prohibiting discrimination against minority-owned and women-owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) making discrimination a material breach of contract.

**D. Debarment and Suspension**

The Grantee will comply with Federal Regulation, 2 CFR part 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a five-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) or private transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2;
4. Have not within a five-year period preceding this agreement had one or more public transactions (federal, state or local) terminated for cause or default; and
5. Have not committed an act of so serious or compelling a nature that it affects your present responsibilities.

**E. Federal Requirement: Pro-Children Act**

1. The Grantee will comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 USC 6091 et seq, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol

treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Grantee also assures that this language will be included in any subawards which contain provisions for children's services.

2. The Grantee also assures, in addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this agreement will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of the facility under the control of the Grantee. If activities or services are delivered in facilities or areas that are not under the control of the Grantee (e.g., a mall, restaurant or private work site), the activities or services shall be smoke-free.

**F. Hatch Political Activity Act and Intergovernmental Personnel Act**

The Grantee will comply with the Hatch Political Activity Act, 5 USC 1501-1509 and 7324-7328, and the Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, Public Law 95-454, 42 USC 4728 - 4763. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

**G. National Defense Authorization Act Employee Whistleblower Protections**

The Grantee will comply with the National Defense Authorization Act "Pilot Program for Enhancement of Grantee Employee Whistleblower Protections".

- a) This agreement and employees working on this agreement will be subject to the whistleblower rights and remedies in the pilot program on Grantee employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2012 and FAR 3.908.
- b) The Grantee shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- c) The Grantee shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

**H. Clean Air Act and Federal Water Pollution Control Act**

The Grantee will comply with the Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.

- a. This agreement and anyone working on this agreement will be subject

to the Clean Air Act and Federal Water Pollution Control Act and must comply with all applicable standards, orders or regulations issued pursuant to these Acts. Violations must be reported to the Department.

**I. Trafficking Victims Protection Act**

The Grantee will comply with the Trafficking Victims Act of 2000, as amended.

- a) This agreement and anyone working on this agreement will be subject to the Trafficking Victims Protection Act and must comply with all applicable standards, orders or regulations issued pursuant to this Act. Violations must be reported to the Department.

**J. Procurement of Recovered Materials**

The Grantee will comply with section 6002 of the Solid Waste Disposal, as amended.

- a) This agreement and anyone working on this agreement will be subject to section 6002 of the Solid Waste Disposal Act and must comply with all applicable standards, orders or regulations issued pursuant to these Acts. Violations must be reported to the Department.

**K. Subcontracts**

For any subcontracted service, activity or product, the Grantee will ensure:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity. Exceptions to this policy may be granted by the Department if the Grantee asks the Department in writing within 30 days of execution of the agreement.
2. That any executed subcontract to this agreement shall require the subcontractor to comply with all applicable terms and conditions of this agreement. In the event of a conflict between this agreement and the provisions of the subcontract, the provisions of this agreement shall prevail.

A conflict between this agreement and a subcontract, however, shall not be deemed to exist where the subcontract:

- a. Contains additional non-conflicting provisions not set forth in this agreement;
  - b. Restates provisions of this agreement to afford the Grantee the same or substantially the same rights and privileges as the Department; or
  - c. Requires the subcontractor to perform duties and/or services in less time than that afforded the Grantee in this agreement.
3. That the subcontract does not affect the Grantee's accountability to the Department for the subcontracted activity.
  4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation



on costs and services.

5. That the Grantee will submit a copy of the executed subcontract if requested by the Department.

**L. Procurement**

Grantee will ensure that all purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively in accordance with the principles and requirements of Title 2 Code of Federal Regulations, Part 200. Funding from this agreement shall not be used for the purchase of foreign goods or services. Records shall be sufficient to document the significant history of all purchases and shall be maintained for a minimum of three years after the end of the agreement period.

**M. Health Insurance Portability and Accountability Act**

To the extent that the Health Insurance Portability and Accountability Act (HIPAA) is applicable to the Grantee under this agreement, the Grantee assures that it is in compliance with requirements of HIPAA including the following:

1. The Grantee must not share any protected health information provided by the Department that is covered by HIPAA except as permitted or required by applicable law; or to a subcontractor as appropriate under this agreement.
2. The Grantee will ensure that any subcontractor will have the same obligations as the Grantee not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.
3. The Grantee must only use the protected health data and information for the purposes of this agreement.
4. The Grantee must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Grantee's employees.
5. The Grantee must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health information that falls under the HIPAA requirements of which the Grantee becomes aware. The Grantee will work with the Department to mitigate the breach, and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures. The Department may demand specific corrective actions and assurances and the Grantee must provide the same to the Department.

6. Failure to comply with any of these contractual requirements may result in the termination of this agreement in accordance with Part II, Section V. Agreement Termination.
7. In accordance with HIPAA requirements, the Grantee is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information, including without limitation the Department's costs in responding to a breach, received by the Grantee from the Department or any other source.
8. The Grantee will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

**N. Website Incorporation**

The Department is not bound by any content on Grantee's website unless expressly incorporated directly into this Agreement. The Department is not bound by any end user license agreement or terms of use unless specifically incorporated in this agreement or any other agreement signed by the Department. The Grantee may not refer to the Department on the Grantee's website without the prior written approval of the Department.

**O. Survival**

The provisions of this Agreement that impose continuing obligations will survive the expiration or termination of this Agreement.

**P. Non-Disclosure of Confidential Information**

1. The Grantee agrees that it will use Confidential Information solely for the purpose of this agreement. The Grantee agrees to hold all Confidential information in strict confidence and not to copy, reproduce, sell, transfer or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontracts of a party who have a need to know in connection with this Agreement or to use such Confidential Information for any purpose whatsoever other than the performance of this Agreement. The Grantee must take all reasonable precautions to safeguard the Confidential Information. These precautions must be at least as great as the precautions the Grantee takes to protect its own confidential or proprietary information.

**2. Meaning of Confidential Information**

For the purpose of this Agreement the term "Confidential Information" means all information and documentation that:

- a. Has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party;
- b. If disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of

- similar meaning;
- c. Should reasonably be recognized as confidential information of the disclosing party;
  - d. Is unpublished or not available to the general public; or
  - e. Is designated by law as confidential.
3. The term "Confidential Information" does not include any information or documentation that was:
- a. Subject to disclosure under the Michigan Freedom of Information Act (FOIA);
  - b. Already in the possession of the receiving party without an obligation of confidentiality;
  - c. Developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights;
  - d. Obtained from a source other than the disclosing party without an obligation of confidentiality; or
  - e. Publicly available when received or thereafter became publicly available (other than through an unauthorized disclosure by, through or on behalf of, the receiving part).
4. The Grantee must notify the Department within 1 business day after discovering any unauthorized use or disclosure of Confidential Information. The Grantee will cooperate with the Department in every way possible to regain possession of the Confidential Information and prevent further unauthorized use or disclosure.

#### **IV. Financial Requirements**

##### **A. Operating Advance**

An operating advance may be requested by the Grantee to assist with program operations. The request should be addressed to the Contract Manager identified in Part I, Item 8. The operating advance will be administered as follows:

- 1. The advance amount requested must be reasonable in relationship to the program requirements, billing cycle, etc.; and in no case may the advance exceed the amount required for 60 days operating expense. Operating advances will be monitored and adjusted by the Department according to total Department agreement amount.
- 2. The advance must be recorded as an account payable to the Department in the Grantee's financial records. The operating advance payable must remain in the Grantee's financial records until fully recovered by the Department.
- 3. The monthly Financial Status Report (FSR) reimbursement for actual expenditures by the Department should be used by the Grantee to

replenish the operating advance used for program operations.

4. The advance must be returned to the Department within 30 days of the end date of this agreement unless the Grantee has a recurring agreement with the Department, and may not be held pending agreement audit. Subsequent Department agreements may be withheld pending recovery of the outstanding advance from a prior agreement. If the Grantee has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance.

The Department may obtain the Michigan Department of Treasury's assistance in collecting outstanding operating advances. The Department will comply with the Michigan Department of Treasury's Due Process procedures prior to forwarding claims to Treasury. Specific Due Process procedures include the following:

- a. Department offer of a hearing to dispute the debt, identifying the time, place and date of such hearing.
  - b. A hearing by an impartial official.
  - c. An opportunity for the Grantee to examine department's associated records.
  - d. An opportunity for the Grantee to present evidence in person or in writing.
  - e. A hearing official with full authority to correct errors and make a decision not to forward debt to Treasury.
  - f. Grantee representation by an attorney and presentation of witnesses if necessary.
5. At the end of either the agreement period or Department's fiscal year, whichever is first, the Grantee must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

**B. Reimbursement Method**

The Grantee will be reimbursed in accordance with the staffing grant reimbursement method as follows:

Reimbursement from the Department is based on the understanding that Department funds will be paid up to the total Department allocation as agreed to in the approved budget. Department funds are first source after the application of fees and earmarked sources unless a specific local match condition exists.

**C. Financial Status Report Submission**

Financial Status Reports (FSRs) shall be prepared and submitted

electronically to the Department via the website <http://egram-mi.com/dch>.

FSRs must be submitted on a monthly basis, no later than 30 days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, regardless of the source of funds.

Failure to meet financial reporting responsibilities as identified in this agreement may result in withholding future payments.

By submitting the FSR the individual is certifying to the best of their knowledge and belief that the report is true, complete and accurate and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of this agreement. The individual submitting the FSR should be aware that any false, fictitious, or fraudulent information, or the omission of any material facts, may subject them to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

The instructions for completing the FSR form are available on the website <http://egram-mi.com/dch>. Send FSR questions to [FSRMDHHS@michigan.gov](mailto:FSRMDHHS@michigan.gov).

**D. Reimbursement Mechanism**

All Grantees must sign up through the on-line vendor registration process to receive all State of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by MCL 18.1283a. Vendor registration information is available through the Department of Technology Management and Budget's web site: <https://www.michigan.gov/sigmavss>.

**E. Final Obligations and Financial Status Reporting Requirements**

**1. Obligation Report**

The Obligation Report, based on annual guidelines, must be submitted by the due date using the format provided by the Department's Accounting Division. The Grantee must provide an estimate of total expenditures for the entire agreement period. The information on the report will be used to record the Department's year-end accounts payables and receivables for this agreement.

**2. Department-wide Payment Suspension**

A temporary payment suspension is in effect on agreements during the department's year-end closing period beginning September 20 until mid-November. FSRs through the August period should be submitted by September 15 to ensure payment prior to the payment suspension period.

**3. Final FSRs**

Final FSRs are due 60 days following the end of the fiscal year or agreement period. The final FSR must be clearly marked "Final." Final FSRs not received by the due date may result in the loss of funding

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requested on the Obligation Report and may result in the potential reduction in the subsequent year's agreement amount.

**F. Unobligated Funds**

Any unobligated balance of funds held by the Grantee at the end of the agreement period will be returned to the Department within 30 days of the end of the agreement or treated in accordance with instructions provided by the Department.

**G. Indirect Costs**

The Grantee is allowed to use an approved federal indirect rate in their budget calculations and financial status reporting. If the Grantee does not have an existing approved federal indirect rate, they may use a 10% de minimis rate in accordance with Title 2 Code of Federal Regulations (CFR) Part 200 to recover their indirect costs. Approved indirect rates will appear on Attachment 1.

**V. Agreement Termination**

The Department may terminate this agreement without further liability or penalty to the Department for any of the following reasons:

- A. This agreement may be terminated by either party by giving 30 days written notice to the other party stating the reasons for termination and the effective date.
- B. This agreement may be terminated by either party with 30 days prior written notice upon the failure of either party to carry out the terms and conditions of this agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the 30 day period.
- C. This agreement may be terminated immediately if the Grantee or an official of the Grantee or an owner is convicted of any activity referenced in Section III.D. of this agreement during the term of this agreement or any extension thereof.

**VI. Stop Work Order**

The Department may suspend any or all activities under this Agreement at any time. The Department will provide the Grantee with a written stop order detailing the suspension. Grantee must comply with the stop work order upon receipt. The Department will not pay for Activities, Grantee's lost profits, or any additional compensation during a stop work period.

**VII. Final Reporting Upon Termination**

Should this agreement be terminated by either party, within 30 days after the termination, the Grantee shall provide the Department with all financial, performance and other reports required as a condition of this agreement. The Department will make payments to the Grantee for allowable reimbursable costs not covered by previous payments or other state or federal programs. The Grantee shall immediately refund to the Department any funds not authorized for use and any payments or funds advanced to the Grantee in excess of allowable reimbursable expenditures.

**VIII. Severability**

If any part of this Agreement is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Agreement and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Agreement will continue in full force and effect.

**IX. Waiver**

Failure to enforce any provision of this Agreement will not constitute a waiver to enforce any other provision of this agreement.

**X. Amendments**

Any changes to this agreement will be valid only if made in writing and accepted by all parties to this agreement. Any change proposed by the Grantee which would affect the Department funding of any project, in whole or in part in Part I, Section 2.C. of the agreement, must be submitted in writing to the Department for approval immediately upon determining the need for such change. The Grantee shall, upon request of the Department and receipt of a proposed amendment, amend this Agreement.

**XI. Liability**

All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Grantee in the performance of this agreement shall be the responsibility of the Grantee, and not the responsibility of the Department, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Grantee, any subcontractor, anyone directly or indirectly employed by the Grantee, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Grantee or its employees by statute or court decisions. The Department is not liable for consequential, incidental, indirect or special damages, regardless of the nature of the action.

**XII. State of Michigan Agreement**

This is a State of Michigan Agreement and must be exclusively governed by the laws and construed by the laws of Michigan, excluding Michigan's choice-of-law principle. All claims related to or arising out of this agreement, or its breach, whether sounding in contract, tort, or otherwise, must likewise be governed exclusively by the laws of Michigan, excluding Michigan's choice-of-law principles. Any dispute as a result of this agreement shall be resolved in the State of Michigan.

Attachment 1

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES SCHEDULE OF FINANCIAL ASSISTANCE

City of Flint

Source of Funds	Federal Agency Name	Catalog of Federal Domestic Assistance (CFDA)		Federal Award		Award Date	Grant Phase	Amount
		Number	Title	Award Number	Title			
Federal (03000)	Department of Health and Human Services	93.778	Medical Assistance Program	06 U05M15ADM (18)	MEDICAID ADMINISTRATI ON	10/01/2017	FFY19	5,000,000.00
			Total Allocation					5,000,000.00

The federal funding provided by the Department is \$5,000,000.00.

Attachment 1b - APPROVED INDIRECT RATE

APPROVED INDIRECT RATE (S)

Rate Description	Indirect Rate %	Rate Base \$	Total Approved Indirect Costs
De Minimis Rate - up to 10%	10.00	173,360.00	17,360.00
Total Approved Indirect Costs			17,360.00



**A Attachment A - Statement of Work**

**Objective :** The City will support the replacement of service lines for eligible homes in the fourth phase of service line removal.

**Activity :** The City will subcontract with General Contractor(s), or the like, that have at least five (5) years' worth of experience in underground related construction in order to perform the replacement of service lines to various residential homes/buildings located within the City of Flint. The selected vendor will have a designated individual who will perform as a "project manager," or like, in which the City will provide direction and receive timely updates as to vendor's progress on this project. This project work shall consist of replacing service lines by excavating streets and/or yard areas, removing existing lines, installing copper water service lines, extending service lines into the interior of houses, patching pipe penetration, and restoration. .

**Responsible Staff :** City of Flint Water Services

**Date Range :** 10/01/2018 - 09/30/2019

**Expected Outcome :**

**Measurement :**

B1 Attachment B1 - Program Budget Summary

<b>PROGRAM</b> Water Line Replacement Program - 2019			<b>DATE PREPARED</b> 9/21/2018		
<b>CONTRACTOR NAME</b> City of Flint			<b>BUDGET PERIOD</b> From : 10/1/2018 To : 9/30/2019		
<b>MAILING ADDRESS (Number and Street)</b> 1101 S. Saginaw Street			<b>BUDGET AGREEMENT</b> <input checked="" type="checkbox"/> Original <input type="checkbox"/> Amendment		<b>AMENDMENT #</b> 0
<b>CITY</b> Flint	<b>STATE</b> MI	<b>ZIP CODE</b> 48502-1420	<b>FEDERAL ID NUMBER</b> 36-6004611		

Category		Amount	Total
<b>DIRECT EXPENSES</b>			
<b>Program Expenses</b>			
1	Salary & Wages	104,160.00	104,160.00
2	Fringe Benefits	69,440.00	69,440.00
3	Travel	0.00	0.00
4	Supplies & Materials	0.00	0.00
5	Contractual	0.00	0.00
6	Equipment	0.00	0.00
7	Other Expense	4,809,040.00	4,809,040.00
<b>Total Program Expenses</b>		<b>4,982,640.00</b>	<b>4,982,640.00</b>
<b>TOTAL DIRECT EXPENSES</b>		<b>4,982,640.00</b>	<b>4,982,640.00</b>
<b>INDIRECT EXPENSES</b>			
<b>Indirect Costs</b>			
1	Indirect Costs	17,360.00	17,360.00
<b>Total Indirect Costs</b>		<b>17,360.00</b>	<b>17,360.00</b>
<b>TOTAL INDIRECT EXPENSES</b>		<b>17,360.00</b>	<b>17,360.00</b>
<b>TOTAL EXPENDITURES</b>		<b>5,000,000.00</b>	<b>5,000,000.00</b>

**SOURCE OF FUNDS**

Category	Amount	Cash	Inkind	Total
<b>1 Source of Funds</b>				
Fees and Collections	0.00	0.00	0.00	0.00
State Agreement	5,000,000.00	0.00	0.00	5,000,000.00
Local	0.00	0.00	0.00	0.00
Federal	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
<b>Total Source of Funds</b>	<b>5,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,000,000.00</b>
<b>Totals</b>	<b>5,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,000,000.00</b>

B2 Attachment B2 - Program Budget - Cost Detail Schedule

Line Item	Qty	Rate	Units	UOM	Total
<b>DIRECT EXPENSES</b>					
<b>Program Expenses</b>					
<b>1</b>	<b>Salary &amp; Wages</b>				
Lead Worker	104160.000 0	1.000	0.000	VAR	104,160.00
<b>2</b>	<b>Fringe Benefits</b>				
Unempl, FICA, Health, Pension	0.0000	100.000	69440.000		69,440.00
<b>3</b>	<b>Travel</b>				
<b>4</b>	<b>Supplies &amp; Materials</b>				
<b>5</b>	<b>Contractual</b>				
<b>6</b>	<b>Equipment</b>				
<b>7</b>	<b>Other Expense</b>				
Lead Line Replacement Program -Contracts	0.0000	0.000	0.000		3,000,000.00
Restoration-Contracts	0.0000	0.000	0.000		1,809,040.00
<b>Total for Other Expense</b>					<b>4,809,040.00</b>
<b>Total Program Expenses</b>					<b>4,982,640.00</b>
<b>TOTAL DIRECT EXPENSES</b>					<b>4,982,640.00</b>
<b>INDIRECT EXPENSES</b>					
<b>Indirect Costs</b>					
<b>1</b>	<b>Indirect Costs</b>				
De Minimis Rate – up to 10%	0.0000	10.000	173600.000		17,360.00
<b>Total Indirect Costs</b>					<b>17,360.00</b>
<b>TOTAL INDIRECT EXPENSES</b>					<b>17,360.00</b>
<b>TOTAL EXPENDITURES</b>					<b>5,000,000.00</b>

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- B3**    **Attachment B3 - Equipment Inventory Schedule**  
Attachment B3 - Equipment Inventory Schedule
  - C**     **Attachment C - Performance Report Requirements**  
Attachment C - Performance/Progress Report Requirements
  - E**     **Attachment E - Program Requirements**  
Attachment E - Program Specific Requirements

180542

SUBMISSION NO. \_\_\_\_\_

PRESENTED: 10-17-18

ADOPTED: \_\_\_\_\_

**Resolution Authorizing Appropriate City of Flint Officials to Do All Things Necessary to Process A Budget Amendment to Transfer \$333,744.00 From Expense Accounts 591-545.200-702.000, 591-545.200-709.000, 591-545.200-719.100, and 591-536.100-801.000 to Expense Account 591-545.200-801.000**

**BY THE MAYOR:**

The City of Flint Department of Public Works and Utilities (DPW)/Water Plant desires to make adjustments to budgeted line items 591-545.200-702.000, 591-545.200-709.000, 591-545.200-719.100, and 591-536.100-801.000 for the purpose of funding to the Professional Services Agreement with F&V Operations Resource Management, Inc., as requested by the Department of Public Works and Utilities/Water Plant; and

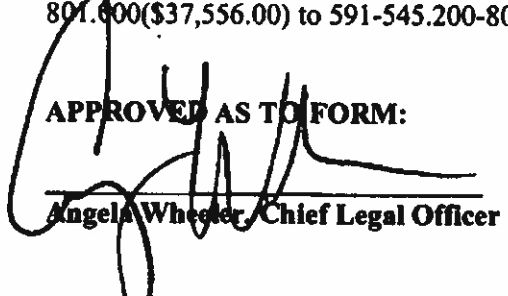
The DPW/Water Plant's Professional Service Agreement with F&V Operations Inc., will provide an operator in charge, staff for laboratory services, including operating the Water Plant laboratory, collection of data required to prepare State reports and the collection of water samples ; and

The F&V Operations staff will be paid \$27, 812.00 monthly or \$333,744.00 a year, for a five (5) year term, with funds coming from 591-545.200-801.000; and

The funds shall be allocated from 591-545.200-702.000 (\$235,989.00), 591-545.200-709.000 (\$35,444.00), 591-545.200-719.100 (\$24,755.00) and 591-536.100-801.000 (\$37,556.00) to 591-545.200-801.000 in the amount of \$333,744.00; and

**IT IS RESOLVED** that appropriate City of Flint officials are authorized to do all things necessary to process a budget amendment to allocate \$333,744.00 from 591-545.200-702.000 (\$235,989.00), 591-545.200-709.000(\$35,444.00), 591-545.200-719.100(\$24,755.00), and 591-536.100-801.000(\$37,556.00) to 591-545.200-801.000.

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Angela Wheeler, Chief Legal Officer

**APPROVED AS TO FINANCE:**

  
\_\_\_\_\_  
Hughey Newsome, Chief Financial Officer

**FOR THE CITY OF FLINT:**

  
\_\_\_\_\_  
Steve Branch, City Administrator

**APPROVED BY COUNCIL:**

\_\_\_\_\_  
Herbert Winfrey, City Council President

## RESOLUTION STAFF REVIEW

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**DATE:** October 9, 2018

**Agenda Item Title:** Resolution Authorizing Appropriate City of Flint Officials to Do All Things Necessary to Process A Budget Amendment to Transfer

**\$333,744.00 From Expense Accounts 591-545.200-702.000, 591-545.200-709.000, 591-545.200-719.100, and 591-536.100-801.000 to Expense Account 591-545.200-801.000**

**Background/Summary of Proposed Action**

The DPW/Water Plant's entered into a Professional Service Agreement with F&V Operations Inc., which will provide an operator in charge, staff for laboratory services, including operating the Water Plant laboratory, collection of data required to prepare State reports and the collection of water samples. The total cost for this service is \$27,812.00 monthly of \$333,744.00 a year, for a five (5) year term with funding coming from 591-545.200-801.000. A budget amendment is necessary to cover this funding which requires a budget amendment from: The funds shall be allocated from 591-545.200-702.000 (\$235,989.00), 591-545.200-709.000 (\$35,444.00), 591-545.200-719.100 (\$24,755.00) and 591-536.100-801.000 (\$37,556.00) to 591-545.200-801.000 in the amount of \$333,744.00

**Financial Implications:**

**Account : None**

**Pre-encumbered?:** Yes \_\_\_ No x Requisition:

**Other Implications (i.e., collective bargaining):**

**Staff Recommendation:** Recommend Approval

**Staff Person:** Robert Binnail  
(Dept Head or other authorized staff)

# Resolution Routing

**TO:** Resolution Signatories  
**FROM:** UTILITIES-Water Plant  
**SUBJECT:** RESOLUTIONs FOR APPROVAL

This RESOLUTION have been forwarded to you for your respective review and approval.

**Date recorded:** October 10, 2018 No. 18-6451

\*\* All documents should be reviewed within three (3) working days after receipt by your office.

**Contractor:** **F&V Operations**

**Resolution Content:**  
Budget Amendment for F&V Operations  
Professional Service Agreement with  
DPW&Utilities/Water Plant \$333,744.00

The attached resolution is submitted to the Legal Dept. for approval as to form only:

The **Legal Department** reviewed this **RESOLUTION**, as to form and by signing this form approves as to **FORM ONLY**.

Review and Approval:	<u>IN</u>	<u>OUT</u>	<u>APPROVAL</u>
1. City Attorney (Form Only)	<u>10/10/18</u>	<u>10/10/18</u>	<u>C.W.</u>
2. Finance	<u>10/10/18</u>	<u>10/10/18</u>	<u>D.S.</u>
3 Mayor	_____	_____	_____

**Please call Yolanda Gray @ ext.3503 for pick up Thank You.**

180544

(Proposal 16000541)

SUBMISSION NO.: \_\_\_\_\_

PRESENTED: 10-17-18

ADOPTED: \_\_\_\_\_

BY THE MAYOR:

**RESOLUTION TO TRI-COUNTY REFUSE SERVICES, INC. FOR ADDITIONAL WASTE COLLECTION SERVICES**

**RESOLUTION**

On October 10, 2017, the Proper City Officials were authorized to enter into change order #1 (resolution 170510) to the contract with Tri-County Refuse Services, Inc., dba Republic Services, G-3328 Torrey Rd., Flint, Michigan to extend waste collection services to November 12, 2018 in the amount not to exceed \$3,846,032.00 and an aggregate total of \$7,582,064.00; and

The Purchasing Department has received a request to extend said contract until June 30, 2021, along with dumpster requests for neighborhood cleanups. Funding for said services will come from account 226-528.201-801;


IT IS RESOLVED, that the Proper City Officials are hereby authorized to enter into a change order #2 to the contract with Tri-County Refuse Services, Inc., dba Republic Services to extend said contract to June 30, 2021 in an amount not to exceed \$12,007,254.99 for an aggregate total of \$19,589,319.00. (Rubbish Collection Fund) \$2,887,820.82 FY19, \$4,559,717.09 pending adoption of the FY20 budget, and \$4,559,717.09 pending adoption of the FY21 budget in the account listed,

IT IS ALSO RESOLVED that the Proper City Officials are hereby authorized to amend the Special Assessment fee for Rubbish Collection in the Master Fee Schedule for the FY2020 and FY2021 fiscal year budgets as part of the budget adoption process.

APPROVED PURCHASING DEPT.:


  
\_\_\_\_\_  
Hughley Newsome  
for Purchasing Department

APPROVED AS TO FINANCE:

  
\_\_\_\_\_  
Hughley Newsome  
Chief Financial Officer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Angela Wheeler  
Chief Legal Officer

  
\_\_\_\_\_  
Dr. Karen W. Weaver, Mayor