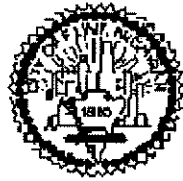


# **City of Flint, Michigan**

*Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
[www.cityofflint.com](http://www.cityofflint.com)*



## **Meeting Agenda - Final**

**Wednesday, September 22, 2021**

**5:00 PM**

**ELECTRONIC PUBLIC MEETING**

### **FINANCE COMMITTEE**

*Santino J. Guerra, Chairperson, Ward 3  
Monica Galloway, Vice Chairperson, Ward 7*

*Eric Mays, Ward 1*

*Kate Fields, Ward 4*

*Herbert J. Winfrey, Ward 6*

*Maurice D. Davis, Ward 2*

*Jerri Winfrey-Carter, Ward 5*

*Allan Griggs, Ward 8*

*Eva Worthing, Ward 9*

*Inez M. Brown, City Clerk*

*Davina Donahue, Deputy City Clerk*

**SPECIAL PUBLIC NOTICE -- ELECTRONIC PUBLIC MEETING****PUBLIC NOTICE  
FLINT CITY COUNCIL ELECTRONIC PUBLIC MEETING**

On Friday, October 5, 2020, the Michigan Supreme Court (MSC) issued an order declaring that the Emergency Powers of Governor (EPG) Act as an unconstitutional delegation of legislative authority, which was the primary authority relied on by Governor Whitmer for her COVID-19 related executive orders. Subsequently, Governor Whitmer requested that the MSC clarify that their order does not go into effect until October 30, 2020. On Monday October 12, 2020, the Michigan Supreme Court rejected Governor Whitmer's request to delay the effect of its decision to strike down the EPG. On, Tuesday, October 13, 2020, Senate Bill 1108 passed, amending the Open Meetings Act to allow municipalities to hold electronic meetings. On Friday, October 16, 2020, Governor Whitmer signed into law Senate Bill 1108 amending the Open Meetings Act. Subsequently, on December 22, 2020, Public Act 267 of 1976 was amended through Senate Bill 1246 extending the electronic meetings with no reason through March 31, 2021. The act also allows that after March 31, 2021, electronic meetings may be held if a local state of emergency was declared. On March 23, 2020, the Flint City Council extended Mayor Neeley's declaration of emergency indefinitely due to the COVID-19 pandemic. Therefore, this meeting will be held electronically.

Pursuant to Act 267 of the Public Acts of 1976 Open Meetings Act as amended, notice is hereby given that the Flint City Council will conduct four (4) regularly scheduled committee meetings, to be held as follows:

**Flint City Council Committee Meetings  
(Finance, Governmental Operations, Legislative and Grants)  
Wednesday, September 22, 2021, at 5 p.m.**

1. The public and media may listen to the meeting online by live stream at <https://www.youtube.com/c/FlintCityCouncilMeetings> or through Start Meeting by dialing (617) 944-8177. (If unable to get through, please dial (206) 451-6011.)
2. In order to speak during the PUBLIC SPEAKING PERIOD of each meeting by telephone, participants will also call (617) 944-8177. (If unable to get through, please dial (206) 451-6011):
  - a. All callers will be queued and muted until the Public Speaking portion of each agenda;
  - b. Public speakers will be unmuted in order and asked if they wish to address the City Council ON ANY SUBJECT;
  - c. Public speakers should state and spell their name for the record and will be allowed two (2) minutes for public speaking during each meeting;
  - d. The speaker will be returned to mute after the 2 minutes have expired;
  - e. After the telephonic public speakers for each committee meeting are completed, emailed public comments will be read by the City Clerk. All emailed public comments will be timed for 2 minutes;
  - f. Per Rules Governing Meetings of the Council (Rule 7.1 VII), there will only be one speaking opportunity per speaker per meeting. Consequently, public participants who call in and speak during the public speaking period of the meetings WILL NOT have any written comments as submitted read by the City Clerk.
3. The public may send public comments by email to [CouncilPublicComment@cityofflint.com](mailto:CouncilPublicComment@cityofflint.com) no later than 10 minutes prior to the meeting start time of 5 p.m.
4. Persons with disabilities may participate in the meeting by the above-mentioned means or by emailing a request for an accommodation to [CouncilPublicComment@cityofflint.com](mailto:CouncilPublicComment@cityofflint.com), with the subject line Request for Accommodation, or by contacting the City Clerk at (810) 766-7418 to request accommodation - including, but not limited to, interpreters.  
If there are any questions concerning this notice, please direct them to City Council office at (810) 766-7418.

## ROLL CALL

## MEMBER REMOTE ANNOUNCEMENT

*Pursuant to the newly revised Open Meetings Act, each Council member shall state that they are attending the meeting remotely and shall state where he or she is physically located (county or city and state).*

## MEMBER CONTACT INFORMATION

*Eric Mays - (810) 922-4860; Maurice Davis - mdavis@cityofflint.com; Santino Guerra - sguerra@cityofflint.com; Kate Fields - kfields@cityofflint.com; Jerri Winfrey-Carter - jwinyfrey-carter@cityofflint.com; Herbert Winfrey - (810) 691-7463; Monica Galloway - mgalloway@cityofflint.com; Allan Griggs - agriggs@cityofflint.com; Eva Worthing - eworthing@cityofflint.com.*

## PROCEDURES ON CONDUCTING ELECTRONIC MEETINGS

*All boards and commissions must adhere to all laws established under the Michigan Compiled Laws and in accordance with the revisions to the Open Meetings Act adopted in Senate Bill 1246, as passed on December 17, 2020, and signed into law on December 22, 2020, and subsequent amendments that may be adopted.*

## READING OF DISORDERLY PERSONS CITY CODE SUBSECTION

*Section 31-10, Disorderly Conduct, Assault and Battery, and Disorderly Persons, and will be subject to arrest for a misdemeanor. Any person who prevents the peaceful and orderly conduct of any meeting will be given one warning. If they persist in disrupting the meeting, that individual will be subject to arrest. Violators shall be removed from meetings.*

## PUBLIC SPEAKING

*Per the amended Rules Governing Meetings of the Council (as adopted by the City Council on Monday, June 12, 2017), two (2) minutes per speaker. Only one speaking opportunity per speaker.*

## COUNCIL RESPONSE

*Per the amended Rules Governing Meetings of the Council (as adopted by the City Council on Monday, June 12, 2017), Councilpersons may respond to any public speaker, but only one response and only when all public speakers have been heard. Individual council response is limited to two minutes.*

## SPECIAL ORDERS

**210278** Special Order/Flint Water Crisis Criminal Cases/Former Special Prosecutor Todd Flood

A Special Order as requested by Councilperson Mays to discuss Flint water crisis criminal cases with Former Special Prosecutor Todd Flood.

**210445** Special Order/American Rescue Plan Act Funds

A Special Order as requested by Councilperson Mays to discuss the American Rescue Plan Act (ARPA) funds.

## RESOLUTIONS

### 210429 Contract/Rehmann Robson, LLC/City of Flint/Audit/FY2021

Resolution resolving that the appropriate city officials, upon City Council's approval, are authorized to do all things necessary to engage the services of Rehmann Robson, LLC, for FY2021 auditing services, in the amount of \$236,000.00, for a total contract price of \$711,000.00, plus out-of-pocket expenses [General Fund City Council Acct. No. 101-101.100-801.000.] [NOTE: The City Council adopted Resolution No. 200258 on June 22, 2020, to enter into a three-year contract with Rehmann Robson for a total contract amount of \$701,000.00. On November 23, 2020, the City Council adopted Resolution No. 200479 authorizing an additional \$7,500.00 to cover single audit services The \$236,000.00 requested this year represents an increase of \$2,500.00 to conform with the Government Financial Officers Association criteria, plus out-of-pocket expenses.]

### 210448 Ace-Saginaw Paving Co./Asphalt Paving Materials

Resolution resolving that the appropriate city officials, upon City Council's approval, are to do all things necessary to continue the current contract with Ace-Saginaw Paving Co. for asphalt paving materials, as requested by DPW, in an amount NOT-TO-EXCEED \$560,000.00 [Major Street Fund Acct. No. 202-449.201-782.000 = \$95,000.00; Acct. No. 202-449.201-782.000 = \$358,500.00; and Acct. No. 202-449.203-782.000 = \$13,500.00; and Local Street Fund Acct. No. 203-449.203-782.000 = \$12,000.00; Acct. No. 203-449.211-782.000 = \$9,000.00; and Acct. No. 203-449.211-782.000 = \$12,000.00, and Sewer Fund Acct. No. 590-540.208-782.000 = \$30,000.00 and Water Fund Acct. No. 591-540.202-782.000 = \$30,000.00.] [NOTE: This is the second year of a two-year contract.]

### 210449 Contract Extension/Duke's Root Control, Inc./Root Control Services

Resolution resolving that the appropriate city officials are to do all things necessary to extend the contract with Duke's Root Control, Inc. for sewer line chemical root control services, in an amount NOT-TO-EXCEED \$350,000.00, as requested by DPW [Sewer Fund Capital Improvement Fund Acct. No. 590-540.300-801.000.] [NOTE: The company agreed to extend its bid pricing for the next two years.]

### 210450 Contract/Ferguson Waterworks/Water Main & Service Connection Parts

Resolution resolving that the proper city officials, upon City Council's approval, are authorized to enter into year two of the two-year contract with Ferguson Waterworks, as requested by the Water Service Center, for water main and service connection parts, in an amount NOT-TO-EXCEED \$110,000.00 [Water Fund Supplies Acct. No. 591-540.202-752.000.]

**210451** CO#1/DLZ Michigan, Inc./Additional Engineering Oversight/Northwest Pump Station Bypass Diversion

Resolution resolving that the proper city officials, upon City Council's approval, are authorized to enter into change order #1 with DLZ Michigan, Inc. for engineering services for the additional engineering oversight required to complete the WPC Northwest Pumping Station bypass diversion project, as requested by Water Pollution Control, in an amount NOT-TO-EXCEED \$5,100.00, and a revised contract amount NOT-TO-EXCEED \$174,853.00 [Sewer Fund Acct. No. 590-550.300-801.000.]

**210452** CO#1/Contract/Z Contractors, Inc./Northwest Pump Station Bypass Diversion

Resolution resolving that the proper city officials, upon City Council's approval, are authorized to enter into change order #1 with Z Contractors, Inc. for the additional work required to complete the Northwest Pump Station bypass diversion project, as requested by Water Pollution Control, in an amount NOT-TO-EXCEED \$135,902.99, and a revised contract amount NOT-TO-EXCEED \$3,155,091.99 [Sewer Fund Acct. No. 590-550.413-801.075.] [NOTE: This project is part of Phase 1 of the Publicly Owned Treatment Works, DPW-WPC Improvements SRF Project Plan.]

## **DISCUSSION ITEMS**

## **ADJOURNMENT**



RESOLUTION NO.: 210429

PRESENTED: SEP 13 2021

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

**BY THE COUNCIL:**

**RESOLUTION AUTHORIZING THE CITY OF FLINT TO ENTER INTO AN AGREEMENT FOR AUDITING SERVICES WITH REHMANN ROBSON FOR THE FY2021 AUDIT**

On June 22, 2020, Flint City Council adopted resolution #200258 to enter into a three-year agreement with Robson Rehmann for a total contract amount of \$701,000.00 to conduct the FY2020 (Year #1 \$225,000), FY2021 (Year #2 \$233,500), and FY2022 (Year #3 \$242,500) audits for a total contract amount of \$701,000.00; and

WHEREAS, on November 23, 2020, Flint City Council adopted resolution #200479 authorizing an additional \$7,500.00 in spending to cover single audit services for a total aggregate three-year amount of \$708,500; and

WHEREAS, Robson Rehmann has submitted an engagement letter to perform the City of Flint annual FY2021 audit for an amount of \$236,000.00. This amount represents an increase of \$2,500.00 to present the City's financial statement in conformity with the Government Financial Officers Association criteria, plus out-of-pocket expenses. Funding will come from City Council Professional Services account #101-101.100-801.000.

**IT IS RESOLVED**, that the appropriate City Officials are authorized to do all things necessary to engage the services of Rehmann Robson for FY2021 auditing services for the amount of \$236,000.00, for a total contract price of \$711,000.00, plus out-of-pocket expenses.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:

Angela Wheeler  
Angela Wheeler (Sep 10, 2021 10:37 EDT)  
Angela Wheeler, Chief Legal Officer

Robert J. F. Widigan  
Robert J.F. Widigan, Interim Chief Finance Officer

CITY COUNCIL:

\_\_\_\_\_  
Kate Fields, Council President

July 16, 2021

Kate Fields  
Council President  
City of Flint  
1101 South Saginaw Street  
Flint, MI 48502

Enclosed is the engagement letter for the *City of Flint* for the year then ended June 30, 2021. *Government Auditing Standards* (as amended) require that we communicate, during the planning stage of an audit, certain information to the City Council. This information includes the auditors' responsibilities in a financial statement audit, including our responsibilities for testing and reporting on compliance with laws and regulations and internal control over financial reporting. The engagement letter includes the items which must be communicated to the City Council.

Therefore, please make copies of the attached engagement letter and forward the copies to the City Council.

Please sign and return the enclosed copy of the attached engagement letter to us at your earliest convenience.

Sincerely,

*Rehmann Johnson LLC*

Enclosures

July 16, 2021

City Council  
City of Flint  
1101 South Saginaw Street  
Flint, MI 48502

We are pleased to confirm our understanding of the services we are to provide the *City of Flint* (the "City") for the year then ended June 30, 2021.

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year then ended June 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion nor provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedules Required by GASB 68 – Pension Plan
3. Schedules Required by GASB 75 – OPEB Plan

We have also been engaged to report on supplementary information other than RSI, such as combining and individual fund financial statements, that accompanies the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Combining and individual fund financial statements
2. Schedule of expenditures of federal awards



The following other information accompanying the basic financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditor's report will disclaim an opinion:

1. Introductory section of the Comprehensive Annual Financial Report
2. Statistical section of the Comprehensive Annual Financial Report

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether the City's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our audit of the City's financial statements does not relieve management or those charged with governance of their responsibilities. The objective also includes reporting on -

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and with the Uniform Guidance in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the [Governing Body] of the City. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our audit report. If our opinions on the financial statements or the Single Audit compliance opinion are other than unmodified, we will discuss the reasons with management in advance. If circumstances occur and come to our attention related to the condition of the City's records, the availability of sufficient, appropriate audit

evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, or we become aware that information provided by the City is incorrect, incomplete, inconsistent, misleading, contains material omissions, or is otherwise unsatisfactory which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

As we have discussed, we intend to make reference to the audits of Hurley Medical Center, Downtown Development Authority and Flint Area Enterprise Community, performed by other auditors.

The concept of materiality is inherent in the work of an independent auditor. An independent auditor places greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than with those items of lesser importance or those in which the possibility of material error is remote. For this purpose, materiality has been defined as “the magnitude of an omission or misstatement of accounting and financial reporting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.”

#### **Audit Procedures and Our Responsibilities—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to our attention including such matters related to components. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, including those related to components, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and

financial institutions. We may request written representations from the City's attorneys as part of the engagement, and they may bill the City for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from management about the financial statements and related matters.

We have advised the City of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statements (including misappropriation of cash or other assets) notwithstanding our obligations per the Single Audit Amendments of 1996 and the Uniform Guidance. We can, as a separate engagement, perform extended procedures specifically designed to potentially detect defalcations. Management acknowledges that the City has not engaged us to do so and does not wish us to do so at this time.

Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of the Uniform Guidance. As part of the audit, we will assist with preparation of the City's financial statements, schedule of expenditures of federal awards, and related notes, as well as the data collection form. Management will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and the data collection form, and that management has reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Management agrees to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, and/or experience; evaluate the adequacy and results of these or other nonattest services performed by our Firm; and understand and accept responsibility for the results of such services.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management functions or responsibilities.

#### **Audit Procedures - Internal Controls**

Our audit will include obtaining an understanding of the City and its business environment, including internal control over financial reporting sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures that are appropriate in the circumstances. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control, or to identify significant deficiencies or material weaknesses in internal control, or to express an opinion on the effectiveness of internal control over financial reporting. Accordingly, we will express no such opinion. However, during the audit, we will communicate to the appropriate level of management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards* and the Uniform Guidance including such matters related to components]. These matters refer to significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of those charged with governance in overseeing the City's financial reporting process. When applicable, we are responsible for communicating certain matters required by laws or regulations, or by additional requirements that may be applicable to this engagement. Auditing standards generally accepted in the United States of America do not require the independent auditor to design or perform procedures for the purpose of identifying other matters to communicate with those charged with governance. Management is responsible for assessing the implications of and correcting any internal control-related matters brought to the City's attention by us.

#### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of those procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

#### **Management Responsibilities**

Management is solely and completely responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and internal control over compliance, and for ongoing monitoring activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. Management is also responsible for the selection and application of accounting principles including those related to components; for the preparation and fair presentation of the financial statements in conformity with an acceptable financial reporting framework, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Management is responsible for determining, and has determined, that the applicable and appropriate financial reporting framework to be used in the preparation of the City's financial statements is accounting principles generally accepted in the United States of America (GAAP).

Management is also solely and completely responsible for making all financial records and related information available to us, and for ensuring that financial information is reliable and properly recorded. Management is also responsible for providing us with (1) access to all information of which management is

aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request from management for the purpose of the audit, and (3) unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.

For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.

Management's responsibilities also include identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We understand that management will provide us with such information required for our audit, including a reasonably adjusted trial balance, and that management is responsible for the accuracy and completeness of that information. Assistance provided by our Firm in the preparation of a reasonably adjusted trial balance is considered an additional billable service.

We will advise management and the City Council about appropriate accounting principles and their application and may assist in the preparation of the City's financial statements, but the ultimate responsibility for the financial statements remains with management with oversight by those charged with governance. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to the City's financial statements. Management is responsible for reviewing the entries, understanding the nature of any proposed entries and the impact they have on the financial statements, and the implications of such entries on the City's internal control over financial reporting. Further, the City is responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these nonattest services.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Management's responsibilities include informing us of its knowledge of any allegations of fraud, suspected fraud or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review at the conclusion of fieldwork.

Management is responsible for preparation of the schedule of expenditures of federal awards in conformity with the Uniform Guidance. Management agrees to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we reported on the schedule of expenditures of federal awards. Management also agrees to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no

later than the date the schedule of expenditures of federal awards is issued with our report thereon. Management's responsibilities include acknowledging to us in the representation letter that (a) management is responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (b) that management believes the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) management has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is also responsible for the preparation of the other supplementary information, which we have been engaged to report on, that is presented fairly in relation to the basic financial statements. Management agrees to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Management's responsibilities include acknowledging to us in the representation letter that (a) management is responsible for presentation of the supplementary information in accordance with GAAP; (b) that management believes the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) management has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. Management is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

During the course of our engagement, we will request information and explanations from management regarding the City's operations, internal control over financial reporting, various matters concerning fraud risk, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written management representation letter.

We are not hosts for any City information. Management is expected to retain all financial and non-financial information that management uploads to a portal (document sharing site), and management is responsible for downloading and retaining in a timely manner anything we upload. Portals are meant as a method only of transferring and sharing data, and are not intended for the storage of City information, which may be deleted at any time. Management is expected to maintain control over the City's accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of the City's data or records. Giving us access to the City's accounting system does not make us hosts of information contained within.

## Fees

The estimated fee for the audit of the financial statements will be charged at rates commensurate with the value of our professional services rendered and are not expected to exceed \$236,000 (which includes an additional \$2,500 to present the City's financial statements in conformity with the Government Finance Officers Association (GFOA) criteria, plus out-of-pocket costs such as mileage, food and hotels for the staff assigned to the City's audit while they are on-site at the City performing the audit. Out-of-pocket expenses are not expected to exceed \$10,000. The above fee includes a single audit with up to three major programs. If additional major programs are required to be tested in accordance with the Uniform Guidance, our fee will be increased by \$7,500 for each major program in excess of three. Rehmann will notify City Council in writing as soon as practical after identification of the need for testing of additional major programs in accordance with the Uniform Guidance and in advance of incurring these fees. Since advanced preparation is essential to an efficient audit process, (as trying to audit a moving target is inherently difficult and costly), if the City does not have the necessary staff (either City employees or supplemental employees provided by outside contractors) to appropriately prepare for the audit there will be an additional fee of \$41,200. Rehmann will notify City Council in writing explaining the additional fee as soon as practical after the identification of the problem and in advance of incurring the aforementioned fees. This additional fee is separate from any change orders that the City may approve for our assistance in preparing a reasonably adjusted trial balance.

If we are requested to perform any tasks outside the normal scope of an audit, we will discuss the related circumstances with City Council Finance Committee chair and arrive at a fee estimate for the additional requested assistance, at which time a change order will be prepared for Council's approval prior to Rehmann incurring additional cost. In these circumstances, we will issue a change order form (an attached example is provided) to document the agreement between the City and Rehmann.

Our invoices for these fees will be rendered each month as work progresses and are payable within 14 days of presentation.

The following items will be required of the City:

1. City finance staff will meet with Rehmann by September 3, 2021 to develop a mutually agreed upon milestone timeline for the entire audit process that will allow for the issuance of the City's reports no later than December 17, 2021.
2. Once this timeline is set, if the City is not able to meet certain milestones in the agreed upon timeline and the audit cannot be issued by December 17, 2021, then the audit will not be completed and issued until subsequent to December 31, 2021 (i.e., it is understood that Rehmann staff will be unavailable during the holidays (December 18-31)).
3. The City will provide reasonably adjusted trial balances, schedule of expenditures of federal awards, general ledger detail and substantially all reconciled supporting documentation one week before the agreed upon fieldwork date.
4. The City staff (and outside contractors, if any) will be responsive to all audit requests and provide necessary information in a timely manner.

This fee is based on the assumption that unexpected circumstances will not be encountered during the audit. This fee is based on anticipated cooperation from the City's personnel, continued readiness and proactive assistance on their part in providing us with complete and accurate information (whether financial or nonfinancial in nature) considered necessary by us to form an appropriate opinion, and the assumption that unexpected circumstances will not be encountered during the audit. Such circumstances include, but are not necessarily limited to significant addition or deletion of funds, component units or related entities and first-

time application of significant new professional accounting or auditing pronouncements. In addition, the fee above assumes management will analyze and maintain appropriate support for significant valuation assertions embodied in the financial statements including the valuation of investment securities, the actuarial methods and assumptions used to calculate the net pension and other postemployment benefits liabilities, impairment of capital assets including those held for sale, the valuation of inventories and land held for resale, allowances for uncollectible receivables, and the estimate for incurred-but-not-reported self insurance claims. If significant additional time is necessary, we will discuss the related circumstances with management and arrive at a new fee estimate, which may or may not occur before we incur the additional time. In these circumstances, we may also issue a change order form (an attached example is provided.)

### **Engagement Administration, and Other**

Management shall discuss any independence matters with Rehmann that, in management's judgment, could bear upon Rehmann's independence.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with management the electronic submission and certification. If applicable, we will provide copies of our reports for the City to include with the reporting package the City will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Rehmann and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a cognizant or grantor agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify management of any such request. If requested, access to such audit documentation will be provided under the supervision of Rehmann personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

Our audit engagement and our responsibility as auditors ends on delivery of our audit report to the City Council at the Regular or Special Board meeting. Any follow-up services that might be required will be part of a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

*Government Auditing Standards* require that we provide the City with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our 2020 peer review report accompanies this letter.



This engagement letter, including the attached Rehmann Audit Engagement Letter Terms and Conditions which are incorporated herein by reference as if set forth within the body of this engagement letter in their entirety, reflect the entire understanding between us relating to the audit services covered by this agreement. This agreement may not be amended or varied except by a written document signed by both parties. It replaces and supersedes any previous proposals, correspondence, and understandings, whether written or oral. The agreements of the City and Rehmann contained in this document shall survive the completion or termination of this engagement. If any term hereof is found unenforceable or invalid, this shall not affect the other terms hereof, all of which shall continue in effect as if the stricken term had not been included.

We appreciate the opportunity to be of service to the City and believe the arrangements outlined above and in the attached Rehmann Audit Engagement Letter Terms and Conditions accurately summarize the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement, please sign the enclosed copy of this document and return it to us.



Doug Deeter, CPA – Principal  
Executive responsible for supervising the  
engagement and signing our report  
Stephen Blann, CPA, CGFM - Principal

ACKNOWLEDGED AND ACCEPTED:

This letter correctly sets forth the understanding of *City of Flint*.

\_\_\_\_\_  
Officer Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## Rehmann Audit Engagement Letter Terms and Conditions

**ADDITIONAL SERVICES** - The City may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with management regarding the scope of the additional services and the estimated separate fees. We also may issue a change order form (an attached example is provided), or a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our attest services will continue to be governed by the terms of this engagement letter.

**CODE OF CONDUCT** - Management is responsible for identifying any violations by employees of the City's code of conduct.

**CHANGES IN STANDARDS, LAWS AND REGULATIONS** - We perform services for the City based on present professional standards, laws and regulations. While we may on occasion be able to communicate with management with respect to changes in professional standards, laws and regulations, as a general principle we cannot undertake with clients to advise them of every change that may occur. The City can always obtain reassurance in this regard by contacting us for an updated review of the City's situation.

**MANAGEMENT'S REPRESENTATIONS** - The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. Accordingly, false, misleading, incomplete, inconsistent, or omitted representations could cause us to expend unnecessary efforts or could cause material error or a fraud to go undetected by our procedures. In view of the foregoing, the City agrees that we shall not be responsible for any material misstatements in the City's financial statements that we may fail to detect as a result of false, inaccurate, incomplete, inconsistent, or misleading representations that are made to us by management. In addition, the City further agrees to indemnify and hold us harmless for any liability and all reasonable costs, including legal fees, that we may incur as a result of the services performed under this engagement in the event there are false or misleading representations made to us by any member of the City's management.

**CLIENT ASSISTANCE** - We understand that the City's employees will prepare all cash, accounts receivable, and other confirmations we request and will locate and refile any documents selected by us for testing. In addition, management will provide us with copies of all minutes and other documents that we believe may have a bearing on our evaluation of the City's financial affairs.

**WORK SPACE** - The City shall provide reasonable work space for Rehmann personnel at audit work sites, as well as occasional clerical support services.

**TIMELY DECISIONS AND APPROVALS** - The City understands that Rehmann's performance is dependent on the City's timely and effective satisfaction of its own activities and responsibilities in connection with this engagement, as well as timely decisions and approvals by City personnel.

**ACCURACY AND COMPLETENESS OF INFORMATION** - Management agrees to ensure that all information provided to us is accurate, complete, and consistent in all material respects, contains no material omissions and is updated on a prompt and continuous basis. In addition, management will also be responsible for obtaining all third-party consents, if any, required to enable Rehmann to access and use any third-party products necessary to our performance.

**EMAIL** - The City acknowledges that (a) Rehmann, the City and others, if any, participating in this engagement may correspond or convey documentation via Internet e-mail unless the City expressly requests otherwise, (b) no party has control over the performance, reliability, availability, or security of Internet e-mail, and (c) Rehmann shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption, or alteration of any Internet e-mail due to any reason beyond Rehmann's reasonable control.

**OFFERS OF EMPLOYMENT** - Professional standards require us to be independent with respect to the City in the performance of our services. Any discussions that management has with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we

request that management inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Neither party shall, during the term of this engagement letter and for one (1) year after its termination, solicit for hire as an employee, consultant or otherwise any of the other party's personnel without such other party's express written consent. If the City desires to offer employment to a Rehmann associate and the associate is hired in any capacity by the City, a market-driven compensation placement fee may apply.

**ADDITIONAL FEES AND BILLING POLICIES** - It must be understood that the nature of our engagement requires us to exercise our independent professional judgment with respect to various auditing, accounting and related issues. In reaching our conclusions, we must retain the right to judge the nature and scope of the work required in order to conform to professional standards, as well as the work we deem necessary to enable us to reach the conclusions and form the opinions required of us. If our judgment as to the scope of the work required causes us to reassess our estimate of fees for this engagement, we will so advise the City. We reserve the right to refrain from performing additional work (and thereby incurring additional time charges) unless and until the City has confirmed its understanding of, and agreement to, any additional estimated charges.

Our fee estimate is based upon our discussions with management, in which management has disclosed no unusual problems or issues which would require us to conduct an audit of unusual scope or otherwise expend time and effort in excess of that normally anticipated in an engagement of this type. The estimate also assumes that we will have the full cooperation of City personnel, as required, and that there is a reasonable continuity of City personnel familiar with the matters to which our engagement relates. In addition, our fee is based on the experience level of our personnel, at their respective standard hourly rates, performing certain audit procedures at certain timeframes. If we are caused to vary from that planning formula, additional fees will need to be charged to allow for more experienced personnel performing the work, reallocation of our client priority, overtime, etc. Further, management will provide us with the schedules and records that we request (which ordinarily are detailed in a request list in advance of our fieldwork) and that all such schedules and records will be provided to us timely in accordance with the scheduled fieldwork dates, to be mutually agreed upon. If the requested schedules and records are not provided to us in accordance with the scheduled dates and we are unable to continue our work, we will attempt to resume our work as soon as the schedules and records are provided to us and our professionals assigned to the engagement again become available.

As a result of well-publicized events, global economic convergence, and the continued evolution of the accounting profession, accounting and auditing standard setters and regulators are continually evaluating the need for changes that may affect the City. Such changes may result in changes in financial reporting and expanding the nature, timing and scope of activities we are required to perform to provide the services discussed in this letter. Proposed changes and shortened deadlines could result in a reduction of the level of assistance and preparedness the City is able to provide. We expect that our clients may continue to look to us to assist them with these changes. To the extent any changes require us to increase the time required to provide the services described in this letter or to complete new tasks required by such changes, we reserve the right to adjust our fees appropriately. We will endeavor to advise the City of anticipated changes to our fees on a timely basis.

In accordance with our Firm policies, work may be suspended if the City's account becomes 30 days or more overdue and will not be resumed until the account is paid in full or we have a definitive payment agreement approved by our Firm administrator in Saginaw, Michigan. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. The City will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our terms and conditions impose a late charge of 1.5% per month, which is an annual percentage rate of 18%. Balances not paid within 30 days of the receipt of invoice are past due and a late charge of 1.5% will be applied to the entire past due amount.

## Rehmann Audit Engagement Letter Terms and Conditions

Rehmann charges a 3% convenience fee on credit card payments.

**CLAIMS** - Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, the City agrees that, notwithstanding the statute of limitations of any particular State or U.S. Territory, any claim based on the audit engagement must be filed within 12 months after performance of our service, unless management has previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

**TERMINATION OF SERVICES** - We reserve the right to suspend or terminate services for reasonable cause such as failure to pay our invoices on a timely basis or failure to provide adequate information in response to our inquiries necessary for successful performance of our audit services. Our engagement will be deemed to be completed upon written notification of termination, even if we have not completed the audit and issued our signed auditors' report. The City is obligated to compensate us for the time expended to that point and to reimburse us for all out-of-pocket expenditures through the date of termination.

We acknowledge the City's right to terminate our services at any time, and the City acknowledges our right to withdraw at any time, including, but not limited to, for example, instances where, in our judgment, (a) the conditions in the first paragraph of the Audit Objectives section of this letter exist, (b) our independence has been impaired, (c) we can no longer rely on the integrity of management, (d) management fails to reasonably support our efforts to perform the engagement in accordance with what we believe is necessary to comply with professional standards, or (e) a lack of professionalism exhibited by management appears to demonstrate a lack of respect for our personnel such as that evidenced in inappropriate or threatening language/emails, subject in either case to our right to payment for charges incurred to the date of termination or our resignation.

In the event that we determine to resign, and the City seeks damages allegedly resulting from such resignation, our maximum liability to the City in the event we are held liable because of such resignation shall be limited to the fees actually paid to us for current year audit work performed up to the date of resignation.

**INITIAL ISSUANCE OF OUR AUDIT REPORT ON FINANCIAL STATEMENTS** - If the City intends to publish or otherwise reproduce our audit report on the financial statements and/or make reference to our Firm name, such as for inclusion in an annual report (such as, for example, in a CAFR), prospectus, official statement, or similar disclosure document, including incorporation by reference thereto, the City agrees to provide us with a copy of the final reproduced document for our review and approval before it is distributed, circulated or submitted. Additional fees for issuance or inclusion of our audit report and/or any other reference to our Firm in such other document, will be based on our standard hourly rates.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on the City's Internet Web site, the City understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

**SUBSEQUENT REPRODUCTION OF OUR AUDIT REPORT ON FINANCIAL STATEMENTS** - If the City decides to include, publish or otherwise reproduce our audit report on the financial statements at a date subsequent to our original report issuance, such as for inclusion in a Preliminary or Official Statement, an exempt offering in connection with a sale of bonds or notes, or other securities, or in a similar exempt offering or other disclosure document such as a prospectus, official statement, etc. (hereinafter referred to as the "document"), our Firm is presumed not to be associated with such document, and we have no obligation to perform any procedures with respect to such document. In these circumstances, the City agrees to include in such document a statement that Rehmann has not been engaged to perform and has not performed, since the date of our audit report being reproduced, any procedures on the financial statements contained in such document or on any unaudited financial or other information contained in the document, or on the document itself. If, however, management or the City's agent (such as an underwriter, bond counsel, placement agent, financial advisor, broker-dealer, etc.) requests

our involvement, thereby causing us to be engaged to or otherwise prepare a written acknowledgement (sometimes referred to as a "consent" or "agree to include") letter prior to including our audit report in such a document, or requests or engages us to assist in preparing or reviewing financial or other information contained in such document, or participate in related oral due diligence meetings or offering discussions, our Firm then becomes associated with the document. In this event, in accordance with professional standards, we will be required to perform certain subsequent events-based or other limited procedures with respect to this or other unaudited information contained in the document shortly before the initial and any subsequent distribution, circulation, or submission. Fees for reissuance or inclusion of our audit report in such a document will be based on our standard hourly rates. If the City wishes to make reference in such a document to our Firm's role in connection with the purpose and dissemination of the document, the caption "Independent Auditors" may be used to title or label that section of the document. In accordance with professional standards, the caption "Experts" should not be used, nor should our Firm be referred to as "Experts" anywhere in the document.

**INFORMAL ADVICE** - As part of our engagement we may provide advice on operating, internal control over financial reporting and other matters that come to our attention. Informal advice is not considered to be a consulting service unless we have entered into a separate engagement.

**THIRD PARTY PROCEEDINGS** - As a result of our prior or future services to the City, we might be requested or subpoenaed to provide information or documents to management, a court, a trier of fact, or a third party in a legal, investigative, administrative, mediation, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be billable to the City as a separate engagement. We shall be entitled to compensation for our time at our standard or special hourly rates and reasonable reimbursement for our expenses (including our legal fees) in complying with this request. For all such requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request. This paragraph will survive the termination of this agreement for any reason, and will be binding upon successors to the City.

**PEER REVIEW** - Our Firm, as well as other major accounting firms, participates in a "peer review" program covering our audit and accounting practices. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the City may be selected by the other firm for their review. If it is, the other firm is bound by professional standards to keep all information confidential. If management objects to having the work we perform for the City reviewed by our peer reviewer, please notify us in writing.

**PROMOTIONAL MATERIALS** - The City consents to Rehmann's use of your City name and a factual description of the services to be performed by Rehmann under this agreement in Rehmann's advertising and promotional materials and other proposal opportunities.

**MEDIATION** - If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to binding arbitration or litigation. Costs of any mediation proceeding shall be shared equally by all parties.

**GOVERNING LAW** - This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to the principles of conflicts of law thereof.



CliftonLarsonAllen LLP  
CLAconnect.com

## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

September 15, 2020

To the Principals of Rehmann Robson LLC  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Rehmann Robson LLC (the Firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards* (including compliance audits under the Single Audit Act), audits of employee benefit plans, an audit performed under the Federal Deposit Insurance Corporation Improvement Act (FDICIA), and an examination of a service organization (SOC 1 engagement).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

To the Principals of Rehmann Robson LLC  
and the National Peer Review Committee  
Page 2

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rehmann Robson LLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2020, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Rehmann Robson LLC has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

# Rehmann

## EXAMPLE CHANGE ORDER

Client: *City of Flint* (the "City")

Date:

Project Description (and estimated completion date, if appropriate):

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Estimated Additional Fees:     \$ \_\_\_\_\_

We believe it is our responsibility to exceed the City's expectations. This Change Order is being prepared because performance by us of the above project and/or additional service efforts was not anticipated in our original Agreement dated July 16, 2021. The estimated fees for the above project have been mutually agreed upon by the City and Rehmann. It is our goal to ensure that the City is never surprised by the price for any Rehmann service and, therefore, we have adopted the Change Order Policy. The estimated additional amount above is due and payable upon completion of the project described.

If management agrees with the above project description and the estimated fee amount, please authorize and date the Change Order below. A copy is enclosed for the City's records. Thank you for letting us serve the City.

Agreed to and accepted:

\_\_\_\_\_  
Officer Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

City of Flint  
439871

# Rehmann

## E-Billing Enrollment/Confirmation

Timely and easy-to-access invoices and statements will now be emailed to you. Please provide your contact information below to start taking advantage of electronic invoicing and statements.

Primary Billing Contact: \_\_\_\_\_

Billing Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you are already taking advantage of e-Billing, we will confirm this information in our systems. Additionally, the billing contact will receive information on e-Payment options to simplify your accounts payable process.



RESOLUTION NO.: 210448

PRESENTED: SEP 22 2021

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

PROPOSAL# 21-514

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO ACE SAGINAW PAVING COMPANY FOR ASPHALT PAVING MATERIALS**

The City of Flint Department of Purchases & Supplies solicited bids for the City of Flint Department of Transportation and Water Service Center for asphalt paving materials in 2020.

Whereas, Ace Paving Saginaw, 115 S. Averill Ave. Flint, MI was the responsive bidder rewarded for the two (2) year proposal. Resolution #200375 was adopted to proceed into this contract on September 14, 2020. Ace Saginaw Paving Co. is also the sole local vendor for asphalt paving supplies.

Whereas, The Department of Public Works and Water Service Center is requesting to enter into year (2) of a two-year bid contract with Ace Saginaw Paving Company for asphalt paving materials for the City of Flint, to be taken out of the following accounts:

Account Number	Account Name	Amount
202-449.201-782.000	Asphalt	\$95,000.00
203-449.201-782.000		\$358,500.00
202-449.203-782.000		\$13,500.00
203-449.203-782.000		\$12,000.00
203-449.211-782.000		\$9,000.00
203-449.211-782.000		\$12,000.00
590-540.208-782.000		\$30,000.00
591-540.202-782.000		\$30,000.00
<b>FY22 GRAND TOTAL</b>		<b>\$560,000.00</b>

IT IS RESOLVED, that the appropriate city officials are to do all things necessary to continue the current contract with Ace Saginaw Paving, Company, Flint MI, for asphalt paving materials for FY22 (07/01/21-06/30/22) in an amount not-to-exceed \$560,000.00.

APPROVED AS TO FORM:

Angela Wheeler  
Angela Wheeler (Sep 15, 2021 13:25 EDT)  
Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:

Robert J. F. Widigan  
Robert Widigan, Interim Chief Financial Officer

FOR THE CITY OF FLINT:

CLYDE D EDWARDS  
CLYDE D EDWARDS (Sep 15, 2021 13:31 EDT)  
Clyde Edwards, City Administrator

APPROVED BY CITY COUNCIL:

Kate Fields  
Kate Fields, City Council President

APPROVED AS TO PURCHASING:

Lauren Rowley  
Lauren Rowley  
Purchasing Manager





CITY OF FLINT

STAFF REVIEW FORM

TODAY'S DATE: August 25, 2021

BID/PROPOSAL# 21-514

AGENDA ITEM TITLE: Asphalt

PREPARED BY Kathryn Neumann for John Daly, Director of Transportation

VENDOR NAME: Ace Asphalt

BACKGROUND/SUMMARY OF PROPOSED ACTION:

Asphalt used to repair hazardous conditions in the roadway, i.e. potholes, road cuts, water cuts

FINANCIAL IMPLICATIONS: There is money in the accounts listed below

BUDGETED EXPENDITURE? YES [X] NO [ ] IF NO, PLEASE EXPLAIN:

Table with 5 columns: Dept., Name of Account, Account Number, Grant Code, Amount. Rows include Streets Asphalt with various account numbers and a total of \$500,000.00 for FY22.

PRE-ENCUMBERED? YES [X] NO [ ] REQUISITION NO: 210004346

ACCOUNTING APPROVAL: Kirstie Troup (Aug 25, 2021 12:59 EDT) Date:

WILL YOUR DEPARTMENT NEED A CONTRACT? YES [ ] NO [X] (If yes, please indicate how many years for the contract) YEARS

OTHER IMPLICATIONS (i.e., collective bargaining): None

STAFF RECOMMENDATION: (PLEASE SELECT): [X] APPROVED [ ] NOT APPROVED

DEPARTMENT HEAD SIGNATURE: John H. Daly III (John Daly, Director of Transportation)



CITY OF FLINT

RESOLUTION STAFF REVIEW FORM

TODAY'S DATE: 09/14/21

BID/PROPOSAL#

AGENDA ITEM TITLE: Cold Patch

PREPARED BY Bonnie Duncan, Utilities

VENDOR NAME: Ace Saginaw Asphalt

BACKGROUND/SUMMARY OF PROPOSED ACTION:

Supply of CP6 cold patching materials for temporary repair of sewer and water repairs

FINANCIAL IMPLICATIONS: None

BUDGETED EXPENDITURE? YES  NO  IF NO, PLEASE EXPLAIN:

Table with 5 columns: Dept., Name of Account, Account Number, Grant Code, Amount. Rows include entries for Dept. 2496 and 2493, and a total row for FY21/22 GRAND TOTAL of 60,000.00.

PRE-ENCUMBERED? YES  NO  REQUISITION NO: 210004347

ACCOUNTING APPROVAL: [Signature] Date: 9-14-21



# CITY OF FLINT

**WILL YOUR DEPARTMENT NEED A CONTRACT? YES NO**

*(If yes, please indicate how many years for the contract)*

**WHEN APPLICABLE, IF MORE THAN ONE (1) YEAR, PLEASE ESTIMATE TOTAL AMOUNT FOR EACH BUDGET YEAR: (This will depend on the term of the bid proposal)**

**BUDGET YEAR 1**

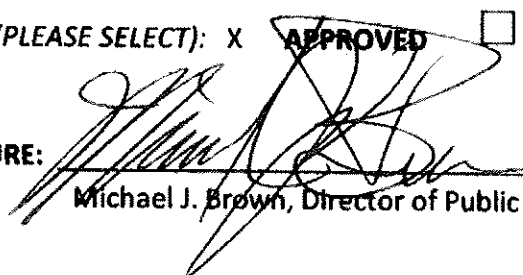
**BUDGET YEAR 2**

**BUDGET YEAR 3**

**OTHER IMPLICATIONS (i.e., collective bargaining):**

**STAFF RECOMMENDATION: (PLEASE SELECT): X APPROVED  NOT APPROVED**

**DEPARTMENT HEAD SIGNATURE:**

  
Michael J. Brown, Director of Public Works

CITY OF FLINT



PROPOSAL#21000514

RESOLUTION NO: 200375  
PRESENTED: SEP 14 2020  
ADOPTED: SEP 14 2020

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO ACE SAGINAW PAVING COMPANY FOR ASPHALT PAVING MATERIALS**

On June 10, 2019, the Proper City Officials approved to issue a purchase order to Ace Saginaw Asphalt, 115 S. Averill Ave., Flint, Michigan 48506, for Asphalt Paving Materials (Resolution #190221) in the amount of \$424,400.00 for the first of a two-year proposal.

Ace Saginaw Paving was the responsive bidder out of four solicitations. On July 21, 2020, an emergency purchase order (#20-002593) was issued in the amount of \$74,000.00 for asphalt paving materials to repair hazardous conditions in the roadway.

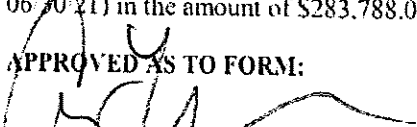
The Department of Public Work has requested the second year of asphalt paving materials through June 30, 2021 in the amount of \$283,788.00.

Funding for said services are available in the budget for FY21 (07/01/20 -- 06/30/21):

Account Number	Account Name	Amount
202-449.201-782.000	Asphalt - Major	\$ 95,000.00
203-449.201-782.000	Asphalt - Locals	\$142,500.00
202-449.203-782.000	Asphalt - Major Winter	\$ 13,400.00
203-449.203-782.000	Asphalt - Local Winter	\$ 12,155.00
202-449.211-782.000	Asphalt - Water Major	\$ 8,829.00
203-449.211-782.000	Asphalt - Water Locals	\$ 11,904.00
<b>FY21 (07/01/20 - 06/30/21) Total</b>		<b>\$ 283,788.00</b>

IT IS RESOLVED, that the Proper City Officials, are hereby authorized to do all things necessary to enter into a contract with Ace Saginaw Asphalt for Asphalt Paving Materials for FY21 (07/01/20 06/30/21) in the amount of \$283,788.00 and for an aggregate total of \$782,188.00.

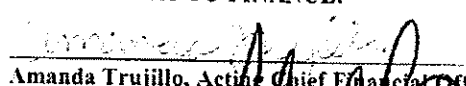
APPROVED AS TO FORM:

  
Angela Wheeler, Chief Legal Officer

FOR THE CITY OF FLINT:

  
Clyde Edwards, City Administrator

APPROVED AS TO FINANCE:

  
Amanda Trujillo, Acting Chief Financial Officer

APPROVED BY CITY COUNCIL:

  
Monica Galloway, City Council President

APPROVED AS TO PURCHASING:

  
Joyce A. McClane, Purchasing Manager

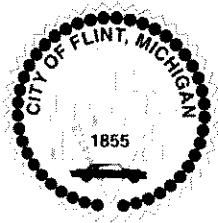


SEALED PROPOSALS RECEIVED IN THE DIVISION OF PURCHASES & SUPPLIES  
**For Asphalt Paving Materials**  
 PROPOSAL #21000514

Company: **Ace Saginaw Paving Co. – Flint, Michigan**

Approximate Annual Quantities – Not Guaranteed  
 Furnish as requested for the period 7/1/20 – 6/30/22

Item #	Description	Unit Price	Extended Total
1	2,000 Tons - 1100T, 20AA - New	\$ 63.25 /ton	\$126,500.00
2	4,000 Tons - High Stability Top, 20AA - New	\$ 65.00 /ton	\$260,000.00
3	200 Gallons – New LTBC-2 Trackless tack	\$ 5.20 /ton	\$1,040.00
4	2,000 Tons - Cold Milling Asphalt	\$ 8.00 /ton	\$16,000.00
5	16,600 Tons - Credit for Stripped Material returned for recycling	\$ N/A /ton	\$ N/A
6	Standard Performance Cold Patch	\$ N/A /ton	\$ N/A
7	Permanent High Performance Cold patch (meeting or exceeding the attached specifications)	\$ 118.00 /ton	\$ N/A
<p>"Permanent High Performance Cold Patch with a Performance Guarantee". Proposed material must provide a written guarantee to adhere permanently to the repaired street area for the life of the repair or actual volumes used will be replaced at no charge. Written copy of said guarantee must be provided with proposal response. Cold patch material must allow for immediate traffic use after application without any mixing, heating, or tracking required. Proposed material must be guaranteed to adhere to concrete, steel and asphalt under all types of weather conditions. Material must remain pliable at temperatures from -15 F to +105 F.</p>			
<b>Daily rent rate for equipment only:</b>			
8	Rental per day/hour large 8 to 12 ton roller		\$121.00
9	Rental per day/hour 46.5 ton flowboy with operator		\$150.00
10	Rate per day/hour paver with operator		\$210.00
11	Rental per day/hour double train to dump in with operator		\$146.00
<b>TOTALS</b>			\$ N/A
<p><b>Only the specifier has the responsibility and judgment for determining whether a proposed substitution is an "or equal or exceeding" specification. Mfg., model #, and supporting documentation of specifications for alternates must be provided.</b></p>			



PROPOSAL# 20000560

RESOLUTION NO.: 210449

PRESENTED: SEP 22 2021

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

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO DUKE’S ROOT CONTROL FOR CHEMICAL ROOT CONTROL TREATMENT SERVICES FOR CITY SEWER SYSTEMS.**

The Department of Purchases & Supplies solicited proposals in 2020 for the City of Flint Sewer Line Chemical Root Control Services as requested by the Department of Public Works, and;

Duke’s Root Control, Inc., 1020 Hiawatha Blvd West, Syracuse, NY was the sole bidder for said services. The company was awarded the work, and was originally approved in adoption of resolution #2001620. The company agreed in writing to extend the bid pricing from bid # 20-0560 for the next two fiscal years, 2021-2022 and 2022-2023.

Funding for said services are budgeted and will come from the following account:

Account Number	Account Name	Amount
590-540.300-801.000	Capital Improvement	\$350,000.00
	<b>FY21 GRAND TOTAL</b>	<b>\$350,000.00</b>

IT IS RESOLVED, That the Appropriate City Officials are to do all things necessary to extend their contract with Duke’s Root Control Inc. for Flint Sewer Line Chemical Root Control Services for FY 22 (07/01/21-06/30/22) in an amount not-to-exceed \$350,000.00.

APPROVED AS TO FORM:

Angela Wheeler  
Angela Wheeler (Sep 13, 2021 13:19 EDT)  
Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:

Robert J. F. Widigan  
Robert Widigan, Interim Chief Financial Officer

FOR THE CITY OF FLINT:

CLYDE D EDWARDS  
CLYDE D EDWARDS (Sep 15, 2021 08:09 EDT)  
Clyde Edwards, City Administrator

APPROVED BY CITY COUNCIL:

\_\_\_\_\_  
Kate Fields, City Council President

APPROVED AS TO PURCHASING:

Lauren Rowley  
Lauren Rowley, Purchasing Manager





# CITY OF FLINT

WILL YOUR DEPARTMENT NEED A CONTRACT? YES  NO

*(If yes, please indicate how many years for the contract)*

WHEN APPLICABLE, IF MORE THAN ONE (1) YEAR, PLEASE ESTIMATE TOTAL AMOUNT FOR EACH BUDGET YEAR: *(This will depend on the term of the bid proposal)*

BUDGET YEAR 1

BUDGET YEAR 2

BUDGET YEAR 3

OTHER IMPLICATIONS *(i.e., collective bargaining)*:

STAFF RECOMMENDATION: *(PLEASE SELECT)*: X  APPROVED  NOT APPROVED

DEPARTMENT HEAD SIGNATURE:

  
Michael J. Brown, Director of Public Works





1020 Hiawatha Blvd. West. Syracuse, NY 13204

72 East Street, Crystal Lake, IL 60014

August 6, 2021

Cheri Priest  
Accounts Payable  
City of Flint  
3310 East Court Street  
Flint, MI 48506

Dear Cheri Priest,

Duke's Root Control, Inc. will honor the pricing from bid #2560 for the next two fiscal years, 2021-2022 and 2022-2023. Please contact me with any additional concerns or questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Braden L. Boyko".

Braden L. Boyko  
Vice President of Enterprise Excellence

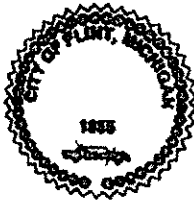
**P20-560 Sewer Line Chemical Root Control Services**

ITEM	Duke's Root Control, inc. DESCRIPTION	Pipe Size	UNIT PRICE PER LINEAR FOOT	ESTIMATED FOOTAGE	TOTAL PRICE	
1	Sewer line chemical root control, including all labor, materials, equipment and associated costs, shall be paid for at the unit price bid per linear foot of each size pipe. Unit prices are to be computed per linear foot manhole-to-manhole	6 INCH	\$1.45	1	\$1.45	
		8 INCH	\$1.45	1	\$1.45	
		10 INCH	\$1.60	1	\$1.60	
2		Syracuse, New York	12 INCH	\$1.74	1	\$1.74
			15 INCH	\$2.43	1	\$2.43
		18 INCH	\$3.50	1	\$3.50	
		21 INCH	\$4.33	1	\$4.33	
		Additional Manholes*	\$150.00	1	\$150.00	
				<b>Sum Total Price(in figures)</b>	<b>\$168.60</b>	

\*Manholes no directly connected to main-line sections of pipe specified for treatment

200160

CITY OF FLINT



PROPOSAL #20000560

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

PRESENTED: 4-13-20

PRESENTED: 4-13-2020

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO DUKE'S ROOT CONTROL, INC FOR SEWER LINE CHEMICAL ROOT CONTROL SERVICES**

The Department of Purchases & Supplies solicited proposals for the City of Flint Sewer Line Chemical Root Control Services as requested by the Department of Public Works, and;

Duke's Root Control, Inc was the sole bidder for said services. Funding for said services are budgeted and will come from the following account:

Dept.	Name of Account	Account #	Grant #	Amount
590	Root Control	540.300-801.000	N/A	\$ 350,000.00

IT IS RESOLVED, Appropriate City officials are to do all things necessary to enter into a contract with Duke's Root Control, Inc., in an amount not-to-exceed \$350,000.00.

APPROVED AS TO PURCHASING:

*Joyce A. McClane*

Joyce A. McClane  
Purchasing Manager

APPROVED AS TO FINANCE:

*Amanda Trujillo*

Amanda Trujillo  
Acting Chief Financial Officer

APPROVED AS TO FORM:

*Angela Wheeler wjp*  
Angela Wheeler, Chief Legal Officer

*Clyde Edwards*  
Clyde Edwards, City Administrator

CITY COUNCIL

*Monica Galloway*  
Monica Galloway, Council President

*AGC*



RESOLUTION NO.: 210450

PRESENTED: SEP 22 2021

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

PROPOSAL# 21-518

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO FERGUSON WATERWORKS FOR WATER SERVICE REPAIR PARTS**

The City of Flint Department of Purchases & Supplies solicited bids for Water Main and Service Connection Parts as requested by the Water Service Center for two (2) years and;

Ferguson Waterworks, 4040 Eagles Nest, Flushing, MI was the responsive bidder for said requirements. Ferguson Waterworks Inc. was awarded the contract in 2020, and resolution # 200457 was adopted by Flint City Council to approve the request for these supplies.

Whereas, the Water Service Center is requesting to enter into year two (2) of the two-year contract with Ferguson Waterworks Inc. for Fiscal year 2022. Funding for said services are available in the following account for FY22 (07/01/21-06/30/22):

Account Number	Account Name	Amount
591-540.202-752.000	Supplies	110,000.00
	<b>FY22 GRAND TOTAL</b>	<b>\$110,000.00</b>

IT IS RESOLVED, that the Proper City Officials are authorized to enter into year two (2) of the two-year contract with Ferguson Waterworks, Inc. for Water Main and Service Connection Parts for WSC for FY22 (07/01/21-06/30/22), and issue a purchase order amount not-to-exceed \$110,000.00.

APPROVED AS TO FORM:

*Angela Wheeler*  
Angela Wheeler (Sep 14, 2021 15:41 EDT)  
Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:

*Robert J. F. Widigan*  
Robert Widigan, Interim Chief Financial Officer

FOR THE CITY OF FLINT:

*CLYDE D EDWARDS*  
CLYDE D EDWARDS (Sep 15, 2021 08:15 EDT)  
Clyde Edwards, City Administrator

APPROVED BY CITY COUNCIL:

\_\_\_\_\_  
Kate Fields, City Council President

APPROVED AS TO PURCHASING:

*Lauren Rowley*  
Lauren Rowley  
Purchasing Manager





# CITY OF FLINT

**WILL YOUR DEPARTMENT NEED A CONTRACT? YES NO**

*(If yes, please indicate how many years for the contract)*

**WHEN APPLICABLE, IF MORE THAN ONE (1) YEAR, PLEASE ESTIMATE TOTAL AMOUNT FOR EACH BUDGET YEAR: (This will depend on the term of the bid proposal)**

**BUDGET YEAR 1**

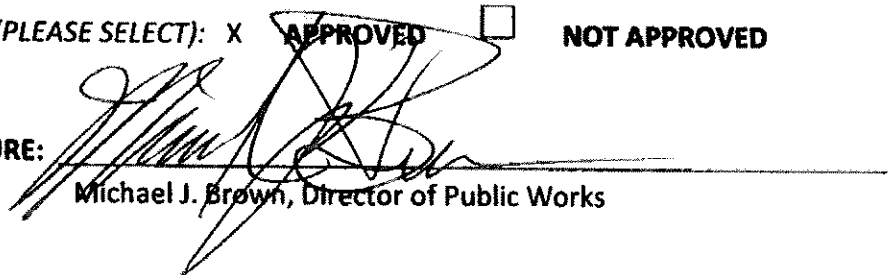
**BUDGET YEAR 2**

**BUDGET YEAR 3**

**OTHER IMPLICATIONS (i.e., collective bargaining):**

**STAFF RECOMMENDATION: (PLEASE SELECT): X  APPROVED  NOT APPROVED**

**DEPARTMENT HEAD SIGNATURE:**

  
Michael J. Brown, Director of Public Works



SEALED PROPOSALS RECEIVED IN THE DIVISION OF PURCHASES & SUPPLIES  
For 2 YEAR WATER SERVICE/WATER MAIN REPAIR PARTS  
PROPOSAL #21000518

Approximate Annual Quantities – Not Guaranteed  
Furnish as requested for the period 7/1/20 – 6/30/22

<i>Vendor</i>	<i>Total Unit Price Year 1</i>	<i>Total Unit Price Year 2</i>
Etna Supply Company, Grand Rapids, MI	\$3,749.05	\$3,016.15
Ferguson Waterworks, Flushing, MI	\$2,503.15	\$2,681.81

CITY OF FLINT

200457



PROPOSAL #21000518

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

PRESENTED: NOV - 9 2020

ADOPTED: NOV - 9 2020

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO FERGUSON WATERWORKS FOR WATER MAIN AND SERVICE CONNECTION PARTS**

The Finance Department-Division of Purchases and Supplies solicited bids for Water Main and Service Connection Parts as requested by the Water Service Center for two (2) years; and


Ferguson Waterworks, 4040 Eagles Nest, Flushing, Michigan was the responsive bidder for said requirements.

Funding for said services are available in the following account for FY21 (07/01/20 - 06/30/21):

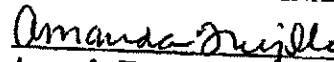
Account Number	Account Name	Amount
591-540.202-726.000	Repair Parts	\$100,000.00
	<b>FY21 (07/01/20 THRU 06/30/21)</b>	<b>\$100,000.00</b>

IT IS RESOLVED, that the Proper City Officials, are authorized to approve the issuance of a purchase order for FY21 (07/01/20 thru 6/30/21 to Ferguson Waterworks for Water Main and Service Connection Parts in the amount not to exceed \$100,000.00.

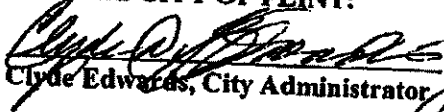
APPROVED AS TO FORM:

  
Angela Wheeler, Chief Legal Officer


APPROVED AS TO FINANCE:

  
Amanda Trujillo, Acting Chief Financial Officer


FOR THE CITY OF FLINT:

  
Clyde Edwards, City Administrator

APPROVED BY CITY COUNCIL

  
Kate Fields, President

APPROVED AS TO PURCHASING:

  
Joyce A. McClane, Purchasing Manager





PROPOSAL 19-560

RESOLUTION NO.: 210451

PRESENTED: SEP 22 2021

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

**RESOLUTION TO DLZ MICHIGAN INC. FOR  
WPC NORTHWEST PUMP STATION BYPASS DIVERSION ENGINEERING  
CONTRACT CHANGE ORDER-1**

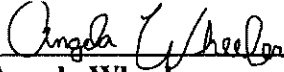
**BY THE CITY ADMINISTRATOR:**

DLZ Michigan, Inc. was awarded the contract for the WPC Northwest Pump Station Bypass Diversion Engineering in the amount of \$169,753.00. Due to unforeseeable conditions related to the boring and locating of the 102" diameter sanitary sewer transmission line additional engineering oversight is required for the bypass diversion project. The original Final Completion date of June 14, 2021 was extended due to these obstacles. The additional engineering oversight and project time extension requires a change order of \$5,100.00.

Account Number	Account Name	Amount
590-550.300-801.000	WPC- Professional Services	\$5,100.00

**IT IS RESOLVED**, that the Proper City Officials, are authorized enter into **Change Order-1** with DLZ Michigan, Inc., 1425 Keystone Avenue, Lansing, Michigan, 48911 for the additional engineering oversight required to complete the WPC Northwest Pump Station Bypass Diversion project in the not to exceed amount of \$5,100.00, a revised contract not to exceed amount of \$174,853.00.

**APPROVED AS TO FORM:**

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

**APPROVED AS TO FINANCE:**

  
\_\_\_\_\_  
**Robert Widigan**  
Interim Chief Financial Officer

**FOR THE CITY OF FLINT:**

  
\_\_\_\_\_  
**Clyde Edwards, City Administrator**

**APPROVED BY CITY COUNCIL:**

\_\_\_\_\_  
**Kate Fields, City Council President**

**APPROVED AS TO PURCHASING:**

  
\_\_\_\_\_  
**Lauren Rowley, Purchasing Manager**



# CITY OF FLINT

## RESOLUTION STAFF REVIEW FORM

**TODAY'S DATE:** 08/31/2021

**BID/PROPOSAL:** 19-560

**AGENDA ITEM TITLE:** WPC NWPS Bypass Diversion Change Engineering Order-1

**PREPARED BY** Krystal Wallace  
Water Pollution Control

**VENDOR NAME:** DLZ Michigan, Inc.

**BACKGROUND/SUMMARY OF PROPOSED ACTION:**

Currently WPC is near completion with a Council approved SRF project to create a bypass diversion to its Northwest Pumping Station. Unforeseen conditions related to soil boring and location of the sanitary sewer during extreme winter conditions caused an increase in the time and equipment allotted for the project. Although as-built drawings were provided, the actual location of the sanitary sewer was 18 ft. away from the expected location. Additionally, during the boring process the soil contained an excessive amount of stone cobbles which affected the estimated project time and required additional equipment resources. These obstacles created the need for additional oversight of the Project Engineer. The original expected date of Final Completion was June 14, 2021.

The City's Administration worked with the engineering firm, DLZ Michigan, Inc. to find a reasonable compromise to the issues stated above of which resulted in this request for a Contract Change Order. Therefore, it is recommended that a change order to the contract with DLZ Michigan, Inc., in the amount of \$5,100.00 for WPC Northwest Pump Station Bypass Diversion project, revised contract amount of \$174,853.00. be approved.

**FINANCIAL IMPLICATIONS:** None

**BUDGETED EXPENDITURE?** YES  NO  IF NO, PLEASE EXPLAIN:

Dept.	Name of Account	Account Number	Grant Code	Amount
DPW-WPC	Professional Services	590-550.300-801.000		\$5,100.00
<b>Change Order 1 Total</b>				<b>\$5,100.00</b>
<b>Original Contract Amount</b>				<b>\$169,753.00</b>
<b>New Contract TOTAL</b>				<b>\$174,853.00</b>

**PRE-ENCUMBERED?** YES  NO  **REQUISITION NO:** 220004954

**ACCOUNTING APPROVAL:** \_\_\_\_\_ *KW* \_\_\_\_\_ **Date:** 9/01/2021





INNOVATIVE IDEAS  
EXCEPTIONAL DESIGN  
UNMATCHED CLIENT SERVICE

August 17, 2021

Ms. Jeanette M. Best  
City of Flint WPC Manager  
G-4652 Beecher Road  
Flint, Michigan 48532

**RE:** NWPS Flow Diversion – Request for Contraction Modification for DLZ Engineering Contract

Dear Ms. Best,

DLZ is requesting a contraction modification to increase DLZ's engineering contract by \$5,100.00 (+3%) from \$169,753.00 to \$174,853.00 for the following reasons:

1. Additional field observation time during the directional drilling operation. The directional drilling operation lasted approximately one additional week.
2. Additional time for Contract Administration beyond the June 14, 2021 Final Completion date. To date this additional time period is 2 ½ months.

DLZ greatly appreciates your consideration of the request contract modification and if you have any questions please contact us at 248-681-7800.

Sincerely,

Gregory J Gucwa, PE  
Project Manager

**CC:** Mr. John Florshinger, DPW Engineer, City of Flint (via email)  
Mr. Mike Brown, DPW Director, City of Flint (via email)  
Mr. Terry Biederman, Vice President, DLZ (via email)  
Mr. Brian Bachler, Construction Manager, DLZ (via email)

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6121 Huntley Road, Columbus, OH 43229 | OFFICE 614.888.0040 | ONLINE WWW.DLZ.COM

Akron Bellefontaine Bridgeville Burns Harbor Chicago Cincinnati Cleveland Columbus Detroit Fort Wayne Grand Rapids Indianapolis Joliet  
Kalamazoo Lansing Lexington Logan Louisville Madison Maumee Melvindale Merrillville Munster Muskegon Port Huron Saint Joseph San  
José South Bend Waterford



PROPOSAL 20000572

RESOLUTION NO.: 210452  
PRESENTED: SEP 22 2021  
ADOPTED: \_\_\_\_\_

**RESOLUTION TO Z CONTRACTORS INC FOR**  
**WPC NORTHWEST PUMP STATION BYPASS DIVERSION**  
**SRF NO. 5696-01 – CHANGE ORDER-1**

**BY THE CITY ADMINISTRATOR:**

The division of Purchases & Supplies solicited proposals for the construction projects for Phase I of the Michigan State Revolving Fund Loan Project Plan as requested by the Department of Public Works, Water Pollution Control. Council Resolution 190188.1, adopted on June 24, 2019, approved the Publicly Owned Treatment Works, DPW-WPC Improvements SRF Project Plan.

Z Contractors, Inc. was awarded the contract for the WPC Northwest Pump Station Bypass Diversion in the amount of \$3,019,189.00. Due to unforeseeable conditions related to the boring and locating of the 102” diameter sanitary sewer transmission line additional work is required for the bypass diversion project. This additional work requires a change order of \$135,902.99.

Account Number	Account Name	Amount
590-550.413-801.075	SRF – NWPS Bypass Diversion Project	\$135,902.99

**IT IS RESOLVED**, that the Proper City Officials, are authorized enter into **Change Order-1** with Z Contractors, Inc. 50500 Design Lane, Shelby Township, Michigan, 48315 for the additional work required to complete the WPC Northwest Pump Station Bypass Diversion project in the not to exceed amount of \$135,902.99, a revised contract not to exceed amount of \$3,155,091.99.

**APPROVED AS TO FORM:**

Angela Wheeler  
**Angela Wheeler**  
**Chief Legal Officer**

**APPROVED AS TO FINANCE:**

Robert J. F. Widigan  
**Robert Widigan**  
**Interim Chief Financial Officer**

**FOR THE CITY OF FLINT:**

CLYDE D EDWARDS  
CLYDE D EDWARDS (Sep 7, 2021 13:56 EDT)  
**Clyde Edwards, City Administrator**

**APPROVED BY CITY COUNCIL:**

\_\_\_\_\_  
**Kate Fields, City Council President**

**APPROVED AS TO PURCHASING:**

Lauren Rowley  
**Lauren Rowley, Purchasing Manager**



# CITY OF FLINT

## RESOLUTION STAFF REVIEW FORM

**TODAY'S DATE:** 08/31/2021

**BID/PROPOSAL:** P20-572

**AGENDA ITEM TITLE:** WPC NWPS Bypass Diversion Change Order-1

**PREPARED BY** Krystal Wallace  
Water Pollution Control

**VENDOR NAME:** Z Contracting, Inc.

**BACKGROUND/SUMMARY OF PROPOSED ACTION:**

Currently WPC is near completion with a Council approved SRF project to create a bypass diversion to its Northwest Pumping Station. Unforeseen conditions related to soil boring and location of the sanitary sewer during extreme winter conditions caused an increase in the time and equipment allotted for the project. Although as-built drawings were provided, the actual location of the sanitary sewer was 18 ft. away from the expected location. Additionally, during the boring process the soil contained an excessive amount of stone cobbles which affected the estimated project time and required additional equipment resources.

The City's Administration worked with the contractor, Z Contractors, Inc. to find a reasonable compromise to the issues stated above of which resulted in this request for a Contract Change Order. Therefore, it is recommended that a change order to the contract with Z Contractor, Inc., in the amount of \$135,902.99 for WPC Northwest Pump Station Bypass Diversion project, revised contract amount of \$3,155,091.99 be approved.

**FINANCIAL IMPLICATIONS:** None

**BUDGETED EXPENDITURE?** YES  NO  IF NO, PLEASE EXPLAIN:

Dept.	Name of Account	Account Number	Grant Code	Amount
DPW-WPC	SRF-NWPS Bypass Division	590-550.413-801.075		\$135,902.99
<b>Change Order 1 Total</b>				<b>\$135,902.99</b>
<b>Original Contract Amount</b>				<b>\$3,019,189.00</b>
<b>New Contract TOTAL</b>				<b>\$3,155,091.99</b>

**PRE-ENCUMBERED?** YES  NO  **REQUISITION NO:** 220004953

The project will be paid through the Michigan Clean Water Revolving Loan Fund Act upon approval.

**ACCOUNTING APPROVAL:** \_\_\_\_\_ *[Signature]* **Date:** 9/6/2021



## CHANGE ORDER NO.: 1

Owner: City of Flint  
Engineer: DLZ  
Contractor: Z Contractors  
Project: Northwest Pump Station Flow Diversion  
Contract Name: SRF 5696-01  
Date Issued: 8/26/21

Owner's Project No.: P20-572  
Engineer's Project No.: 1949-693500  
Contractor's Project No.: 202015  
Effective Date of Directive: 8/26/21

The Contract is modified as follows upon execution of this Owner Directed Contingency:

### Description:

Z Contractors submitted Change Proposal (CP) #1A and #1B on April 9, 2021 regarding extras borne by their sub-contractor, Rauhorn Electric, for activities related to the directional boring of the 28" HDPE sanitary sewer. CP #1A is for winter conditions including winterizing their boring equipment at the end of each day, rental for a Thawzall heat trailer, additional time for drilling due to inefficiencies from frozen conditions, tents, antifreeze, heaters, and fuel. The total original submitted cost for CP #1A was \$123,428.09 and included 5% OH/P for Z Contractors on sub-contractor work.

CP #1B was for unforeseen ground conditions as the soil boring did not clearly indicate large cobbles which were discovered during the directional drilling operations. The CP include extra manhours for labor inefficiencies, extra rental on equipment, and additional materials including reaming heads, fuel, and boring gel. The total original submitted cost for CP #1B was \$459,539.76 and included 5% OH/P and idled equipment charges for Z Contractors.

Z Contractors submitted CP #6 on April 5, 2021 for additional work related to locating the 102" diameter sanitary sewer tunnel to obtain an accurate tie-in location for the proposed 28" HDPE sanitary sewer. The contract drawings utilized existing as-built drawings to show the location of the tunnel as accurately as possible prior to field investigation. The tunnel was located approximately 18ft to the northwest of the original location shown on the contract drawings. The claim included setting additional boxes for excavation, additional labor and equipment for additional days of locating the tunnel, additional material for backfill, and additional sub-contractor work through Rauhorn Electric and Inland Water. The total original submitted cost for CP #6 was \$51,851.87.

The original claims from the contractor were disputed and re-negotiated several times. The responses to each submittal along with each submittal and re-submittal are attached as reference to this change order. The final agreed upon Change Proposals are as follows:

1. CP #1A + CP #1B = \$255,932.87
2. CP 6 = \$43,100.00

This is the first change order which will use the remaining contingency available of \$149,310.38. Included in the original contract amount are several allowances, all of which have remaining budget that can be moved to cover some of the additional work within his change order. The following table shows the contract amount of each allowance, the amount used as a part of the contract work, and how much is leftover to be allocated to covering additional costs:



Description	Schedule of Values	Used	Remaining
Consumers Energy Service Allowance	\$15,000.00	\$12,664.50	\$2,335.50
Allowance for Soil Erosion Permit	\$5,000.00	\$1,200.00	\$3,800.00
Allowance for Road Commission Permit	\$7,500.00	\$0	\$7,500.00
Allowance for Programming	\$7,500.00	\$7,316.00	\$184.00

A total of \$13,819.50 can be reallocated from the remaining allowance budget to cover some of the additional work. An additional \$135,902.99 (4.5% of the original contract value) is required beyond the contract amount to cover the extra work detailed in this change order.

Attachments:

Attachments.zip

Change in Contract Price	Change in Contract Times [State Contract Times as either a specific date or a number of days]
Original Contract Price: \$ <u>3,019,189.00</u>	Original Contract Times: Substantial Completion: <u>5/17/2021</u> Ready for final payment: <u>6/14/2021</u>
Increase/Decrease from previously approved Change Orders: \$ <u>0</u>	Increase/Decrease from previously approved Change Orders: Substantial Completion: <u>0</u> Ready for final payment: <u>0</u>
Contract Price prior to this Change Order: \$ <u>3,019,189.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>5/17/2021</u> Ready for final payment: <u>6/14/2021</u>
Increase this Change Order: \$ <u>135,902.99</u>	Increase/Decrease this Change Order: Substantial Completion: <u>0</u> Ready for final payment: <u>0</u>
Contract Price incorporating this Change Order: \$ <u>3,155,091.99</u>	Contract Times with all approved Change Order: Substantial Completion: <u>5/17/2021</u> Ready for final payment: <u>6/14/2021</u>

Additionally, DLZ is requesting a contraction modification to increase DLZ's engineering contract by \$5,100.00 (+3%) from \$169,753.00 to \$174,853.00 for the following reasons:

1. Additional field observation time during the directional drilling operation. The directional drilling operation lasted approximately one additional week.
2. Additional time for Contract Administration beyond the June 14, 2021 Final Completion date. To date this additional time period is 2 ½ months.

**Recommended by Engineer (if required)**

**Authorized by Owner**

By: Brian Bachler, PE Brian Bachler  
D/E/C - signed by Brian Bachler  
P.E. - Statewide License No. 12345  
P.E. No. 1234567890  
P.E. No. 1234567890

Title: Project Construction Manager

Date: 8/26/2021

Authorized by Owner

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\_\_\_\_\_

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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