

Southgate City Council Agenda

Council Chambers

Wednesday November 16, 2016

6:30pm **Work Study Session**

1. Officials Reports
2. Discussions regarding agenda items.

7:00 pm **Regular Meeting**

Pledge of Allegiance

Roll Call:

Colovos, Farrah, George, Graziani, Rauch, Rollet, Zamecki.

Minutes:

1. Work Study Session Minutes dated November 2, 2016.
2. Regular City Council Meeting Minutes dated November 2, 2016.
3. Public Hearing Minutes dated November 2, 2016.

Scheduled Persons in the Audience:

1. Boy Scout Troop #1783 - Jennifer M. Lopez

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Consideration of Bids:**Scheduled Hearings:****Communications "A" –**

1. Memo from ACA/Finance Director; Re: Audit FY 2015/2016
2. Memo from Administrator; Re: Amending the Solid Waste Contract with GFL Environmental USA, Inc.
3. Memo from Administrator; Re: I-75 and Goddard Road Bridge and Water Main Replacement

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Communications "B" – (Receive and File)**Ordinances:**

1. Memo from Administrator; Re: Amendments to City Ordinances – Second Reading

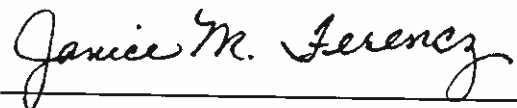
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Old Business:

1. Memo from Administrator; Re: Taxpayers for Michigan Constitutional Government (Tabled)

New Business:**Unscheduled Persons in the Audience:**

Claims & Accounts: Warrant # 1317 - \$2,296,755.50

Adjournment:

Janice M. Ferencz, City Clerk

Request to Speak at Council Meeting

TODAY'S DATE:

11/2/16

YOUR NAME:

Jennifer M. Lopez

PLEASE PRINT

ADDRESS:

Boy Scout Troop 1783
SOUTHGATE, MI

PHONE #:

734-341-3047

DATE OF MEETING YOU WISH TO SPEAK AT:

11/16/16

SUBJECT YOU WISH TO ADDRESS:

Permit to sell wreaths for
Boy Scout Troop @ Southgate Shopping
Center ~~is~~ ^{possible} needs approval as soon as
*Attach additional information if desired. Nov. 25-27
+ Dec 2-4

SIGNATURE:

J Lopez

if necessary the unit be kept out of the

Michael S. Sisskind & Company

30300 Northwestern Highway, First Floor
Farmington Hills, Michigan 48334
248-932-0100 Fax 248-932-1734

November 2, 2016

VIA Email

Ms. Jennifer Lopez
Boy Scout Troop 1783
1826 Stewart Avenue
Lincoln Park, MI 48146
Jenlopez6102@comcast.net
Stew1826@comcast.net

Dear Ms. Lopez;

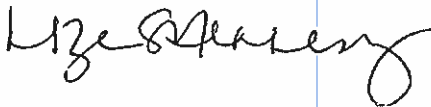
Per our telephone conversation earlier today, please consider this letter as Southgate, LLC's approval of your request to hold a Christmas wreath sale at the Southgate Shopping Center on the dates of November 25, 26 & 27, plus December 2, 3, & 4, 2016.

Accordingly, you will need to verify if a permit is required, and obtain said permit, from the City of Southgate's building department.

If you have any questions, please contact this office.

We wish you great success at this location.

Very truly yours,



Liza S. Hennessy
Property Management

/lsh

JOSEPH C. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate

NORMA J. WURMLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: November 4, 2016

RE: Audit FY 2015/2016

Under separate cover, you have previously received the Audit from Plante & Moran. The matter will also have been reviewed during your work-study session.

Therefore, it is recommended that the City Council adopt a resolution, which accepts and approves the Audit for FY 2015/2016. Also due to GASB #54 (Fund Balance Reporting and Governmental Fund Type Definitions) the City Council is required to restate the fund balance as follows:

General Fund

Nonspendable	Prepays	\$ 184,732
Restricted		
	Unspent property tax – P&F Pension	\$ 468,093
	Low income housing	\$ 9,163
	Recreation	\$ 30,097
Committed		
	County Property Tax Chargeback's	\$ 289,000
	Computer Software Acquisition	\$ 2,635

Assigned

Workers Compensation	\$ 260,000
Severance Reserve	\$ 387,500
Future Working Capital	\$ 180,000

Capital Projects Funds

Committed

Police Cars	\$360,835
Property Acquisition	\$115,116
Fire Rescue	\$ 10,000
Fire Pumper	\$350,000

Assigned

Capital Projects	\$ 225,837
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Your favorable consideration of this matter is therefore requested.

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURMLINGER
MUNICIPAL BUILDING

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PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

Memorandum

To: Honorable City Council Members

From: John J. Zech, City Administrator

JJZ

Re: Amending the Solid Waste & Compost Contract with GFL Environmental USA, Inc.

Date: November 9, 2016

In response to resident concerns regarding rodent issues in their neighborhoods, the City held a public meeting on September 28, 2016 at the Veterans' Memorial Library. During the meeting, the administration outlined the action plan that was developed by the Mayor's task force to address this issue.

Many of the initiatives have been implemented administratively and through Council action over the past few months. However, one of the major recommendations that would help to address the rodent issue on a city-wide basis would be the issuance of standardized trash carts. It has been my experience, as well as, feedback from other communities that the carts produce very positive results in reducing rodents in communities that employ the carts.

The administration also had concerns about the substantial costs associated with the carts. Therefore, David Angileri and I investigated the possibility of amending the City's contract with its waste hauler to include carts.

In 2014, the City sought bids for the above referenced service. Rizzo Environmental Services was awarded a 5 year contract by the City Council for the period beginning July 1, 2014 through June 30, 2019. The contract also included a three year renewal clause which would extend the contract through June, 30, 2022. Currently, we are in the 3rd year of the initial contract.

In October, Rizzo Environmental Services, Inc. legally changed its name to GFL Environmental USA, Inc. Incidentally, the abbreviation GFL stands for Green for Life.

We are pleased to report that the City has received a proposal from GFL which would involve an extension to their current contract but also provide a 96 gallon cart for each of our 9940 households at no cost to the residents or the City. A copy of their proposal is attached.

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If a resident feels that the 96 gallon cart is too large, they may choose a 64 gallon cart. That decision must be made by January 13, 2017 so the use of carts for all residents can commence on April 3, 2017. In addition, in order for this proposal to be effective in terms of reducing rodents and being economical for the City and GFL, all weekly trash will be required to be placed in the cart. The carts will be picked up by new vehicles which will mechanically empty them. The contract also calls for GFL to maintain the carts.

If a resident would like a second cart, the cost would be \$75.00 per cart.

Residents will continue to be able to place large items at the curb like furniture, appliances, etc. which will be picked up by GFL through its bulk trash program. Residents will still be able to dispose of their recyclables by using their recyclable cart and yard waste will continue to be handled in the current manner.

GFL's proposal also includes disposal services through their company. Currently the City's disposal service is through Riverview Highlands at a cost of \$20.13 per ton. GFL's proposal is for \$1.44 per household for the entire contract period, which amounts to about \$17.10 per ton or a net savings of \$3.03 per ton.

Mr. Angileri has prepared a chart which summarizes the cost to the City of the current contract and the savings to the City if the proposal is approved by the City Council, which includes a 2 year extension from June 30, 2022 to June 30, 2024.

In summary, approving GFL's proposal will provide the residents with a cart of their choice, save the City over \$40,000.00 ($\$23,859.75 + \$17,896.00 = \$41,755.75$) and significantly assist with reducing the rodent issue. Therefore, the Administration respectfully requests the City Council pass a resolution which amends the contract with GFL and authorize the Mayor and City Clerk to sign the amended contract. The amended contract would include the Universal Trash Cart Option and Disposal Service Option, as described in GFL's proposal dated November 3, 2016.

Patrick Dovigi, Founder and President of GFL Environmental USA, Inc. and members of his team will be present at your November 16, 2016 meeting to answer any questions you may have.

If you have any questions about the Administration's analysis of this matter, please contact David Angileri or me.

Cc: Mayor Joseph G. Kuspa
David Angileri



GFL Environmental USA Inc.

CONFIDENTIAL

November 3, 2016

Mr. John Zech, City Administrator
City of Southgate
14400 Dix-Toledo Hwy.
Southgate, Michigan 48195

Dear Mr. Zech,

Re: New Universal Cart Program and Contract Extension Proposal

Thank you, and Mr. Angileri, for taking the time out of your busy day to meet with Mary Jo Van Natter and Don Barretta the other day to discuss topics relevant to the continued relationship between the City of Southgate and Rizzo Environmental Services, Inc. which recently changed its corporate name to GFL Environmental USA Inc. ("GFL"). We hope that you feel as we do, that the meeting was productive and the recommendations we have outlined below are a direct result from the dialogue at that time.

You have indicated that you have two major points of interest that you would like us to focus on. The first being moving the City of Southgate to a universal trash cart program and the second is an alternate disposal option. We have tried to provide you with both.

GFL would like to make the following recommendations;

➤ Universal Trash Cart Option:

- With this option, GFL would provide each Southgate resident with 1 96-gallon trash cart for household solid waste. The cart would be a color selected by the City and have the City logo imprinted on each side of the cart. Trash carts have a serial number that is unique to each individual address and would remain the property of the City of Southgate at the conclusion of the contract.

Once delivered, GFL would continue to manage the cart program. Residents would also be required to contain all refuse in the cart. Should individual set-outs exceed the capacity of the cart, residents would be required to purchase a second cart.

Should this option be considered, we would suggest that carts be selected and a realistic timeline be established to have carts delivered to residents in the spring of 2017. Once the carts are delivered, we suggest after the winter months, the new eight (8) year contract extension period would begin.

At the conclusion of the cart roll out, the following unit pricing would apply to the new Universal Cart Program;

- Year 1, monthly unit increase 4.5 %
- Years 2-4, monthly unit increase 3 % annually
- Years 5-6, monthly unit increase 2 % annually
- Years 7-8, monthly unit increase 1.5 % annually

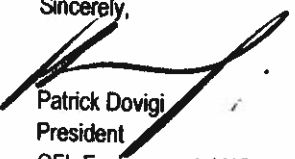
➤ Disposal Service Option:

- Should the City choose to discontinue their current relationship with Riverview Land Preserve, GFL will take over the disposal for household solid waste upon approval of the Southgate City Council. The disposal cost would be blended into the current monthly unit rate. The increase to the current monthly unit rate to include the disposal of household solid waste would be \$1.44. GFL would hold this price firm for the entire contract period.
- If the City would consider moving forward with the Universal Cart Program along with the Disposal Service Option, the following cart pricing would apply;
 - Years 1-4, monthly unit increase 2.5 % annually
 - Years 5-6, monthly unit increase 2 % annually
 - Years 7-8, monthly unit increase 1.5 % annually

In closing, I would just like to point out that our recommendations do not include any fuel surcharges and that your collection, transportation and disposal costs are based on today's real dollars. There are no hidden costs or guess work associated with trying to project future expenditures because you have them locked in for the next eight years. This can only further benefit the City and solidify upcoming budgets.

We are available at any time to meet with you and any members of your staff, Mayor or Council as soon as time permits once you have had a chance to review the recommendations we have provided. As a good corporate citizen of the City and proud sponsor of community events, we are looking forward to your response and to continuing our valued relationship.

Sincerely,



Patrick Dovigi
President
GFL Environmental USA Inc.

Cc: David Angileri, Assistant City Administrator and Finance Director
Mary Jo Van Natter
Don Barretta

**Current Cost
Through 6/30/16**

Pickup	Rizzo	9,940 X \$9.74 X12 =	\$ 1,161,787.20
Disposal	Riverview	9,955 tons @ \$20.13 =	\$ 200,394.15
TOTAL			\$ 1,362,181.35

**Current Setup
7/1/17 to 6/30/22**

Pickup	Rizzo	9,940 X \$9.94 X12 =	\$ 1,185,643.20
Disposal	Riverview	9,955 tons @ \$20.13 =	\$ 200,394.15
TOTAL			\$ 1,386,037.35

**New Setup with 96G/64G Carts
4/1/17 to 6/30/24**

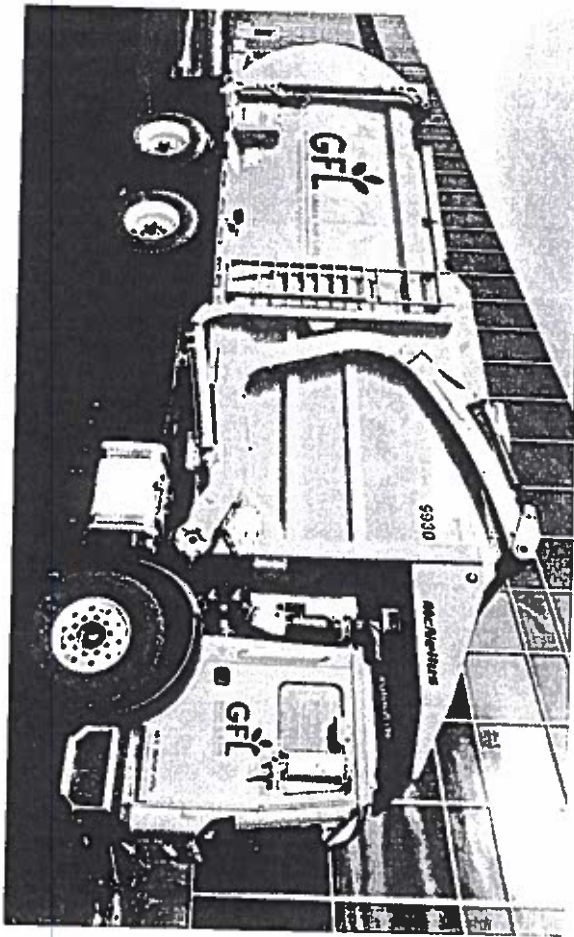
Pickup	GFL Envirmental U.S.A.	9,940 X \$9.98 X12 =	\$ 1,190,414.40
Disposal	GFL Envirmental U.S.A.	9,940 X \$1.44 X 12	\$ 171,763.20
TOTAL			\$ 1,362,177.60

CONCLUSION

Saving this year =	\$	0.94	No added cost for adding Carts
Saving year 1 =	\$	23,859.75	Saving of about 24k
Saving year 2 =	\$	17,896.00	Saving of about 18k



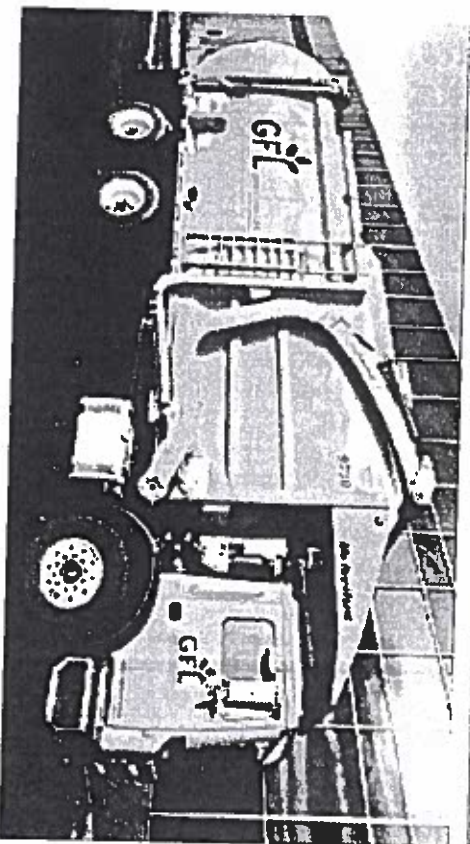
GREEN FOR LIFE
environmental



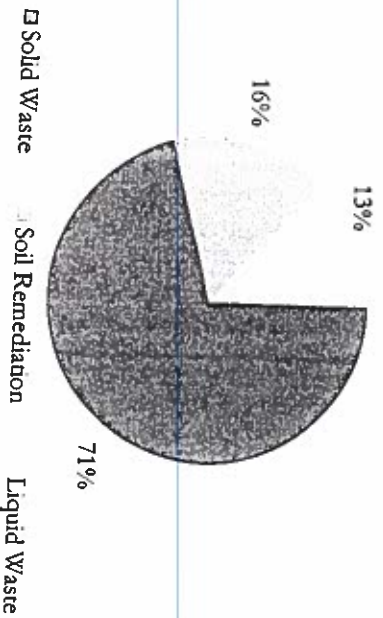
GFL Environmental Overview

Company Background

- Founded in 2007 by Patrick Doviei
- Leading environmental services company offering various services to a diversified base of high quality customers with long-term contracts
- North American platform with operations in nine Canadian provinces and South East Michigan
- Over 2.5 millions homes serviced through over 250 exclusive municipal contracts
- Over 80,000 commercial and industrial customers



Annual Revenue and EBITDA of ~ \$1.2 billion and \$300 million respectively (1)



Solid Waste: Provides municipal, commercial, industrial and institutional solid waste collection, transfer, disposal and recycling services

Soil Remediation: Operates ex situ remediation facilities for soils and petroleum hydrocarbon and road salt impacted soils

Liquid Waste: Provides services for the collection, management, transportation, processing and disposal of industrial and commercial liquid wastes, and refinery and petroleum industry by-products

GFL is the only major North American diversified environmental services company offering services in solid waste management, liquid waste management, and soil remediation

Note: Figures may not sum due to rounding.

1. Based on LTM 6/30/2016 Run-rate Revenue and Run-rate EBITDA pro forma for 2016 acquisition.

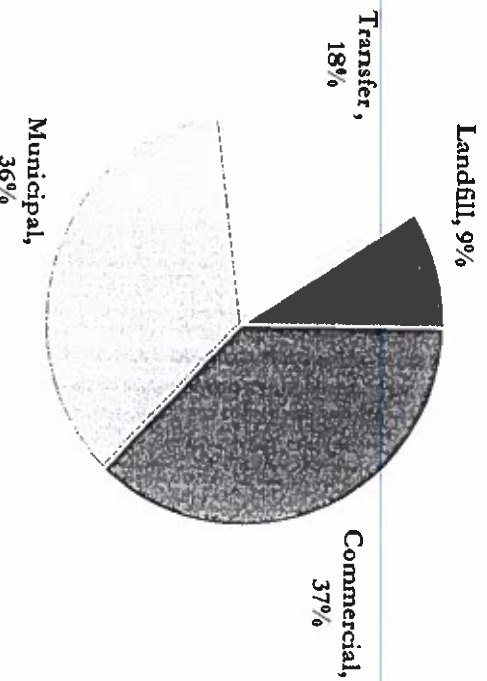
GFL Environmental Solid Waste Overview



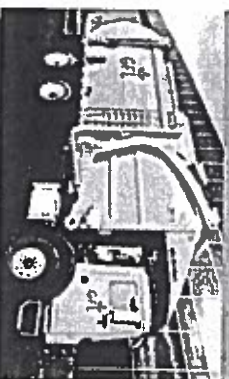
Overview

- Leading provider of non-hazardous solid waste collection, transfer, recycling, and disposal services
- Extensive network of strategically located assets
- Serves more than 2.5 million homes through over 250 long-term municipal contracts and over 80,000 commercial, industrial, and institutional customers ("ICI")
- Existing customers concentrated in nine Canadian provinces and in South East Michigan
- Attractive locations close to local population centers

Revenue ~ \$350 million



Collection Services



4.3 Collection Operations

- More than 2.5 million residential customers, over 250 exclusive municipal contracts and over 80,000 ICI contracts
- Approximately 1,500 solid waste vehicle fleet

Recycling Facilities



1.5 Recycling Facilities

- Over 76,000 tonnes of recyclables received annually

Transfer Stations



2.4 Transfer Stations

- Receives over 1.8 million tons of waste annually, with significant capacity to grow

Landfill Facilities



7 Landfills

- Receives approximately 1.6 million tons per year with an estimated 44 years of remaining life

Experienced Management with Committed Sponsors

Experienced Management Team

EXECUTIVE OFFICERS

Patrick Dovič, President, CEO & Founder

Founded GFL in 2007

Roslyn Samtleben, CFO

26 years of financial management experience

Joy Grahek, General Counsel

19 years of industry experience

OPERATING EXPERIENCE

- 1 Luke Pelosi, Executive Vice President, Corporate Development
- 1 Brian Cockell, Executive Vice President, National Operations
- 1 Warren Graumann, Executive Vice President, Western Canada
- 1 Dave Richmond, Executive Vice President, Eastern Canada
- 1 Ed Glavina, Executive Vice President, Liquid Waste
- 1 Dawn Tattle, Executive Vice President, Soil and Infrastructure

Strong Equity Support



- 1 Global private investment firm with ~US\$31 billion AUM
- 1 Acquired GFL equity stake in November 2014



- 1 MIP III is a US\$3 billion infrastructure fund managed by MIRA, a global infrastructure fund manager with ~US\$105 billion AUM
- 1 Acquired GFL equity stake in 2016 as part of Matrec acquisition
- 1 Significant experience investing in the solid waste sector, developed through the ownership of:



NEW EQUITY FINANCING

- 1 Committed and experienced shareholder base who continue to invest in GFL, contributing over \$1.1 billion since 2014
- 1 \$468 million in early 2016
- 1 Additional \$225 million of new equity from existing base at September 30, 2016 to fund further expansion, including the Rizzo acquisition

Average industry experience of 18 years among management with skilled and dedicated equity partners

Note: HPS investor group has certain investment vehicles managed by HPS Investments Partners, LLC and the related investment group members.

Committed to Safety and Environmental Sustainability



Employees

GFL has a workforce of over 4,000 employees

Through the implementation of its internal responsibility system, GFL places the highest priority on the safety of its employees and is committed to continuous improvement in its health and safety performance. GFL has adopted robust safety training programs to achieve its safety goals, including regular training, evaluations and support at every level of the organization.

GFL is recognized by several health & safety organizations, such as Infrastructure Health & Safety Association (IHSAA), as well as receiving a Certificate of Recognition (COR) awarded to companies that provide evidence of their ongoing commitment to safety in the workplace.

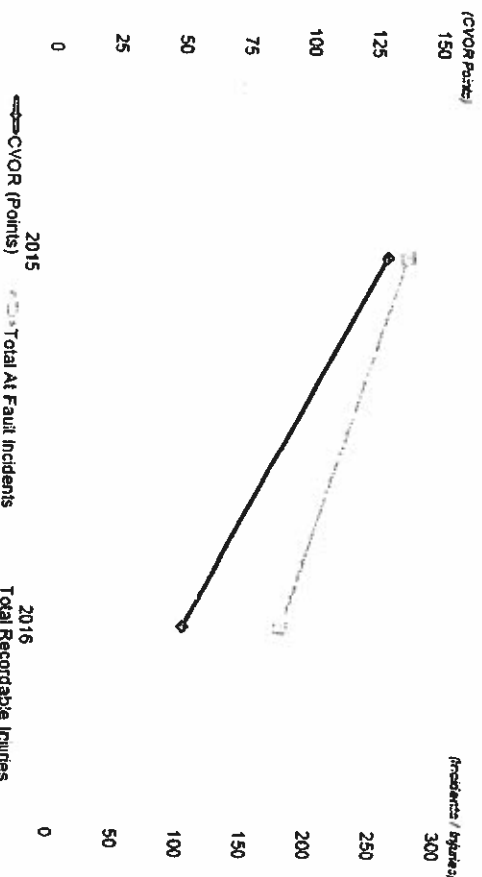
Environmental Sustainability

GFL is committed to financial, logistical, and environmental sustainability - reviewing, renewing, and redefining to continually achieve uncompromising productivity and positive impact.

The Company has a strong and consistent track record of environmental compliance in all of its facilities.

GFL's Commitment to Safety

The statistics below demonstrate GFL's success in strategic planning, training, development and safety leadership in the industry.



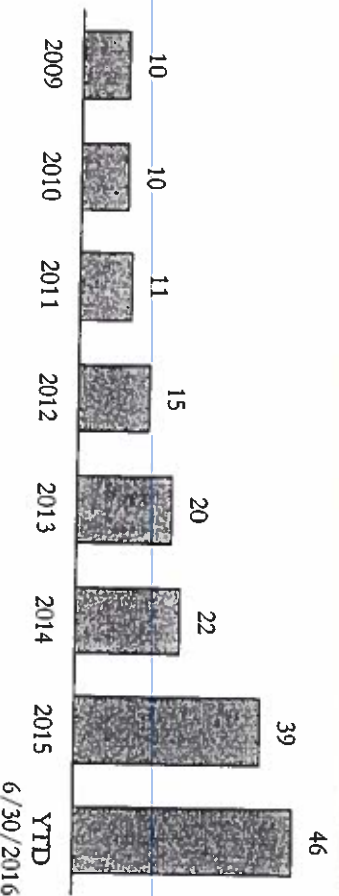
Relentless focus on safety and ensuring compliance with environmental and legislative requirements

Successful Track Record of Renewing Contracts

High Quality and Cost Effective

- Providing accessible, cost effective environmental solutions is the backbone of our business.
- Leveraging our scale allows more competitive bids
- Continuous investment in operating efficiencies further increase service quality while keeping costs low
- Optimizing routes, centralizing procurement and implementing technology
- We pride ourselves on providing an unparalleled commitment to customer service, reliability and efficiency with a key focus on safety and compliance.

Historical Solid Waste Contract Wins⁽¹⁾



Recent Contract Wins Overview

- Track record of renewing contracts due to consistency in performance and high quality of service
- Resulted in important contract wins and successful extensions or renewals of contracts nearing the end of their term

Recent contract wins / extensions include:

- Ten-year contract with the City of Toronto with expected aggregate revenue of \$154.6 million over the ten years
- Service multi-residential units, non-residential locations, agencies, corporations, schools and related facilities
- Five-year contract for solid waste, recyclables and organics collection with Strathcona County
- Two seven-year contracts for waste and recyclables collection with the City of Windsor
- Seven-year recyclables contract with Durham Regional Municipality
- Awarded Dearborn Heights contract on October 25, 2016

Track record of contract renewal driven by consistent high quality of service

¹ YTD 6/30/2016 is Pro Forma for 2016 acquisition

Extensive Footprint and Infrastructure

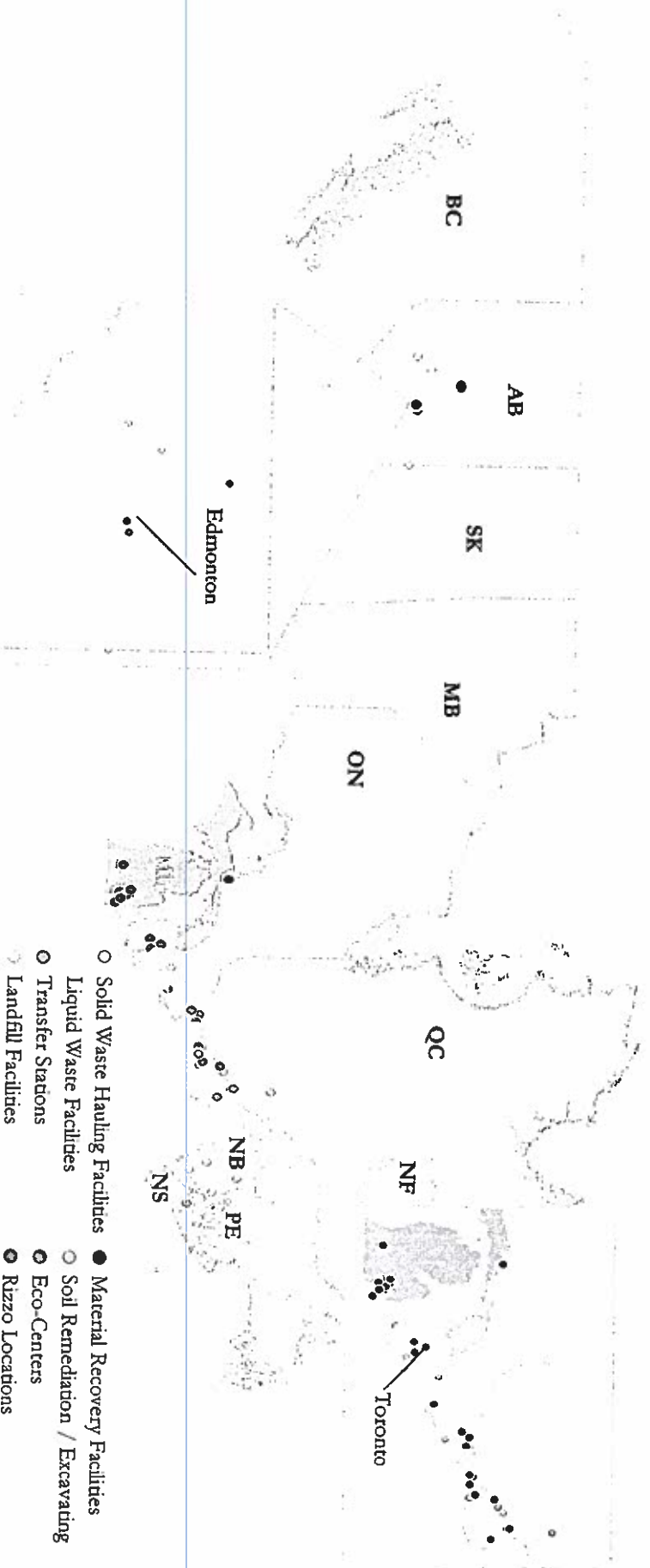


Expansive Platform with Scope and Scale

- Presence in all major population centers in Canada and South East Michigan
- Ability to leverage best practices across entire portfolio of assets
- Expansive presence developed through execution of both organic and acquisition-related growth

Comprehensive Service Offering

- Complementary solid waste, soil remediation and liquid waste businesses
- Diversified customer base and contract mix
- Offers customers ability to contract for services from more than one operating unit



Presence in all major metropolitan centers in Canada and in South East Michigan

Municipality	Original Term	House Count
City of Detroit	5.0	89,000
City of Livonia	8.0	38,000
City of Sterling Heights	8.0	37,000
City of Royal Oak	10.0	29,000
City of St. Clair Shores	8.0	28,000
Charter Township of Canton	16.0	27,000
Charter Township of Macomb	5.0	27,000
City of Taylor	3.0	25,000
Charter Township of Clinton	8.0	24,000
Charter Township of West Bloomfield	5.0	22,000
Charter Township of Shelby	13.0	19,000
City of Southfield	8.0	17,000
City of Roseville	15.0	17,000
Charter Township of Bloomfield	16.0	16,000
City of Lincoln Park	5.0	15,000
Charter Township of Chesterfield	13.0	13,000
City of Eastpointe	10.0	11,000
Garden City	5.0	10,000
City of Madison Heights	10.0	10,000
City of Southgate	8.0	9,000
Charter Township of Plymouth	7.0	8,000
Charter Township of Harrison	5.0	8,000
City of Hamtramck	13.3	8,000
Charter Township of Washington	5.0	7,000
City of Grosse Pointe Woods	5.0	7,000
Charter Township of Northville	5.0	7,000
Charter Township of Richmond	5.0	7,000
Charter Township of Highland	5.0	6,000
City of Fraser	9.0	6,000
City of Harper Woods(Recy Grp)	10.0	6,000
City of Grosse Pointe Park (Recy Grp)	5.0	5,000
City of Mt Clemens	12.0	5,000
City of Ecorse	7.0	4,000
City of Grosse Pointe Farms(Group)	9.0	4,000
City of Woodhaven	5.0	4,000
City of Melvindale	3.0	4,000
City of South Lyon	5.0	4,000
Total		612,000

Leading service provider in South East Michigan

Over 200 Municipal Contracts in Canada



environment

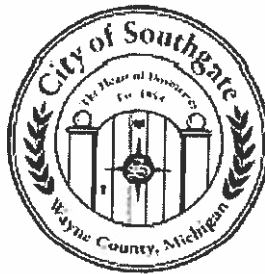
Municipality	Services	Original Term	Annual Revenue
Toronto, City of	MSW/ Recyclables collection	7.0	\$18,900,000
Hamilton, City of	MSW/ Recyclables collection	7.0	\$16,600,000
Toronto, City of	Multi-residential and Non-residential	10.0	\$16,200,000
Northern 6	MSW/ Recyclables collection	10.0	\$7,700,000
Strathcona County	MSW/ Recycle/ Organic collection and processing	5.0	\$5,300,000
York Region	Compost processing	5.8	\$5,100,000
Edmonton, City of	MSW/ Recyclables collection	3.0	\$4,800,000
Halifax Regional Municipality	MSW/ Recyclables collection	4.0	\$4,500,000
Durban, Region of	Recyclables collection	7.0	\$4,000,000
Windsor, City of	MSW collection	7.0	\$3,900,000
Longueuil, Arc. Greenfield Park & Saint-Hubert	MSW collection	5.0	\$3,800,000
Compo-Haut-Richelieu	MSW collection	4.0	\$3,800,000
Laval, City of	MSW collection	5.2	\$3,800,000
Montreal, City of (4 boroughs)	MSW collection	4.9	\$3,700,000
Sault Ste. Marie	Recyclables collection and processing	10.0	\$3,000,000
Windsor, City of	MSW/ Recyclables collection	7.0	\$3,000,000
Québec, City of	MSW/ Recyclables collection	7.4	\$3,000,000
Brossard	MSW/ Recyclables collection	6.3	\$2,700,000
Longueuil, City of (Borderville, St-Bruno, St-Lambert, Brossard)	MSW collection	5.0	\$2,700,000
Windsor, City of	MSW collection	6.1	\$2,300,000
Longueuil, City of (Boroughs of Greenfield Park & Saint-Hubert)	Recyclables collection	5.0	\$2,100,000
Montreal (borough of LaSalle)	MSW/ Organics collection	5.0	\$2,100,000
Montreal (borough of St-Leonard)	MSW/ Organics collection	5.0	\$2,100,000
Northern 6, County of	MSW/ Organics collection	8.0	\$1,900,000
Spruce Grove, City of	MSW/ Recyclables collection	3.0	\$1,800,000
MRC Vallée-du-Richelieu	MSW/ Organics collection	5.0	\$1,800,000
Compo-Haut-Richelieu	Recyclables collection and processing	5.0	\$1,800,000
Gatineau, City of	Compost processing	7.0	\$1,800,000
Régie Rég. De Portneuf	MSW collection	5.0	\$1,700,000
Montreal (boroughs of Mercier & Hoch-Maisonnette)	MSW/ Organic collection	5.0	\$1,700,000
Lloydminster, City of	MSW/ Recyclables/ Organics collection	7.0	\$1,600,000
Québec, City of	Eco centre	1.2	\$1,500,000
M.R.C. Marguerite-D'Youville	MSW collection	3.0	\$1,400,000
Montreal (borough of Ladue)	MSW/ Organics collection	5.0	\$1,400,000
City of St. Thomas	MSW/ Recyclables collection	7.0	\$1,400,000
Lévis, City of	Recyclables collection	5.0	\$1,400,000
Edmonton, City of	MSW/ Recyclables collection	2.0	\$1,300,000
Saint-Lambert	MSW/ Recyclables collection	3.0	\$1,200,000
Windsor, City of	Recyclables collection	7.0	\$1,200,000
Edmonton, City of	MSW/ Recyclables collection	2.0	\$1,200,000

Extensive experience servicing municipalities under long-term collection and processing contracts

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
NORMA J. WURLINGER
MUNICIPAL BUILDING

- CITY COUNCIL -

JOHN GRAZIANI
Council President

KAREN E. GEORGE

MARK FARRAH

BILL COLOVOS

DALE W. ZAMECKI

PHILLIP J. RAUCH

CHRISTOPHER P. ROLLET

Memorandum

To: Honorable City Council Members

From: John J. Zech, City Administrator

JJZ

Re: I-75 and Goddard Road Bridge and Water main Replacement Project

Date: November 9, 2016

Attached please find a copy of a letter to the City Clerk from the Michigan Department of Transportation (MDOT), a copy of a letter from Mark Gaworecki and a copy of a memo from David Angileri regarding the above referenced project and a copy of the contract between the City and MDOT.

The administration respectfully requests the City Council pass a resolution approving their contract and authorize the Mayor and City Clerk to sign the contract on behalf of the City.

If you have any questions, please call me.

Cc: Mayor Joseph G. Kuspa
David Angileri
John Hennessey
Brandon Fournier



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

October 25, 2016

Ms. Janice M. Ferencz, City Clerk
City of Southgate
14400 Dix-Toledo Road
Southgate, Michigan 48195

Dear Ms. Ferencz:

RE: Contract Number: 16-5471
Control Section: IM 82191
Job Number: 126818A; 126818C; 126818D

Enclosed are the original and one copy of the above described contract between your organization and the Michigan Department of Transportation (MDOT). Please take time to read and understand this contract.

1. Do not date the contracts. MDOT will date the contracts when they are executed.
2. If this contract meets with your approval, secure the authorized signatures on the enclosed contracts.
3. Attach two (2) original certified resolutions. The resolution should specifically name the officials who are authorized to sign the contract and include the contract number. If you need an example of a resolution, please contact Kathy Fulton at fultonk@michigan.gov or (517) 373-4161.
4. Return the signed original and one copy of the above-described contract and attach two (2) original certified resolutions to:

Attention: Kathy J. Fulton
MDOT – Development Services Division, 2nd Floor
425 West Ottawa Street, P.O. Box 30050
Lansing, MI 48909

In order to ensure that the work and payment for this project is not delayed, return the contracts within 35 days from the date of this letter. A copy of the executed contract will be returned to your organization.

If you have questions on the content of this contract, or revisions are required, please contact Deirdre Thompson, Local Government Contract Engineer at thompsond@michigan.gov or (517) 335-2265.

Enclosure



November 10, 2016

Mr. John Zech, City Administrator
City of Southgate
14400 Dix-Toledo Highway
Southgate, Michigan 48195

**Re: I-75 and Goddard Road Bridge Replacement and Water Main Construction
Contract Agreement Between MDOT and the City of Southgate
Hennessey No. 12094**

Dear Mr. Zech:

Our office has reviewed the proposed contract between the Michigan Department of Transportation and the City of Southgate for the above mentioned project. The proposed project consists of the removal and replacement of the existing I-75 bridges over Goddard Road and the replacement of the existing water main under I-75.

After contacting MDOT regarding the Allen Park share of the project it was determined that MDOT miscalculated the City of Southgate's portion of the project. Based on the revised contract the City's portion of the bridge replacement will be 8.75% of the construction cost that is not covered by federal funding. The corrected portion of the construction that is not covered by federal funding is now \$828,400.00. Overall, the City of Southgate will be responsible for \$72,500.00 for the bridge replacement with MDOT picking the remaining \$755,900.00. In addition to the road costs the City will be responsible for 100% of the water main replacement, which is estimated to be another \$53,500.00.

Therefore, it is our recommendation that a resolution be presented to the City Council authorizing acceptance of this contract and authorizing the Mayor and City Clerk to sign the contract on behalf of the City.

If you have any questions or concerns, please feel free to call me at any time.



Very Truly Yours,

HENNESSEY ENGINEERS, INC

A handwritten signature in black ink, appearing to read 'Mark F. Gaworecki'.

Mark F. Gaworecki
Project Manager

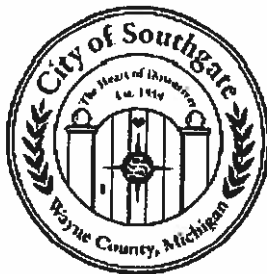
cc: David Angileri, Finance Director, City of Southgate
John J. Hennessey, P.E., Vice-President, Hennessey Engineers, Inc.
Ryan Kern, P.E., Project Manager, Hennessey Engineers, Inc.
File B.3

R:\Municipalities\10000's Southgate\12000's Southgate\12094 1-75 & Goddard Road Bridge Replacement\Construction Letters\Contract Agreement MDOT and Southgate.docx

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



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CHRISTOPHER P. ROLLET

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: David Angileri, Assistant City Administrator/Finance Director 

DATE: November 10, 2016

RE: Recommendation for Realignment and Reconstruction of I-75 ramps over Goddard Road

I have reviewed the above MDOT contract with the City Engineer and concur with MDOT and agree with the City's Share of \$72,500.00 plus \$53,500.00 for water main replacement for this project.

Adequate funds are available in Major Street fund and Water and Sewer Fund for this project.

SPECIAL TRUNKLINE
FEDERAL AID PROGRESS PAYMENT
ACT-51 AND ADDED WORK

DA	
Control Section	IM 82191
Job Number	126818A; 126818C; 126818D
Federal Item	KK4184; KK 3967
Federal Project	IM 1682(304); (206)
Contract	16-5471

THIS CONTRACT is made and entered into this date of _____, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF SOUTHGATE, a Michigan municipal corporation, hereinafter referred to as the "CITY"; for the purpose of fixing the rights and obligations of the parties in agreeing to construction improvements located within the corporate limits of the CITY.

WITNESSETH:

WHEREAS, the DEPARTMENT is planning roadway reconstruction and bridge replacement work along Highway I-75 within the corporate limits of the CITY; and

WHEREAS, the CITY has requested additional work in connection with a portion of the DEPARTMENT'S construction, which additional work in conjunction with the DEPARTMENT'S construction is hereinafter referred to as the "PROJECT" and is further described as follows:

PART A: JN 126818 (FEDERAL, STATE, & LOCAL PARTICIPATION)

Roadway reconstruction along Highway I-75 from approximately 750 feet south of Goddard Road northerly to the north CITY limits and bridge replacement of Structure S27-1 of 82191 which carries northbound Highway I-75 over Goddard Road and Structure S27-2 of 82191 which carries southbound Highway I-75 over Goddard Road; together with necessary related work, located within the corporate limits of the CITY; and

PART B: JN 126818 (100% CITY PARTICIPATION)

Watermain removal and replacement work along approximately 270 feet of Goddard Road under Structure S27-1 of 82191 which carries northbound Highway I-75 over Goddard Road and Structure S27-2 of 82191 which carries southbound Highway I-75 over Goddard Road; together with necessary related work, located within the corporate limits of the CITY; and

WHEREAS, the DEPARTMENT presently estimates the PROJECT COST as hereinafter defined in Section 1 to be:

PART A:	\$8,283,500
PART B:	<u>\$ 53,500</u>
TOTAL:	\$8,337,000

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

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

1. The CITY hereby consents to the designation of the PROJECT as a state trunkline highway. The parties shall undertake and complete the construction of the PROJECT as a state trunkline highway in accordance with this contract. The term "PROJECT COST", as herein used, is hereby defined as the cost of construction or reconstruction of the PROJECT including the costs of preliminary engineering (PE), plans and specifications; acquisition costs of the property for rights of way, including interest on awards, attorney fees and court costs; physical construction necessary for the completion of the PROJECT as determined by the DEPARTMENT; and construction engineering (CE), legal, appraisal, financing, and any and all other expenses in connection with any of the above.

2. The cost of alteration, reconstruction and relocation, including plans thereof, of certain publicly owned facilities and utilities which may be required for the construction of the PROJECT, shall be included in the PROJECT COST; provided, however, that any part of such cost determined by the DEPARTMENT, prior to the commencement of the work, to constitute a betterment to such facility or utility, shall be borne wholly by the owner thereof.

3. The CITY shall make available to the PROJECT, at no cost, all lands required thereof, now owned by it or under its control for purpose of completing said PROJECT. The CITY shall approve all plans and specifications to be used on that portion of this PROJECT that are within the right of way which is owned or controlled by the CITY. That portion of the PROJECT which lies within the right of way under the control or ownership by the CITY shall become part of the CITY facility upon completion and acceptance of the PROJECT and shall be maintained by the CITY in accordance with standard practice at no cost to the DEPARTMENT. The DEPARTMENT assumes no jurisdiction of CITY right of way before, during or after completion and acceptance of the PROJECT.

4. The parties will continue to make available, without cost, their sewer and drainage structures and facilities for the drainage of the PROJECT.

5. The DEPARTMENT will administer all phases of the PROJECT and will cause to be performed all the PROJECT work.

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

6. The CITY will approve the design of the PART B portion of the PROJECT and shall accept full responsibility for the design with respect to the facilities functioning as a part of the CITY'S facilities. Any approvals by the DEPARTMENT are for its own purposes and are not to nor do they relieve the CITY of liability for any claims, causes of action or judgments arising out of the design of the facilities.

7. The PART A portion of the PROJECT COST shall be met in part by contributions from agencies of the Federal Government. The balance of the PART A and B portions of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the DEPARTMENT and the CITY in the following proportions and in the manner and at the times hereinafter set forth:

	<u>PART A</u>	<u>PART B</u>
DEPARTMENT -	91.25%	0%
CITY -	8.75%	100%

The PROJECT COST and the respective shares of the parties, after Federal-aid, is estimated to be as follows:

	<u>TOTAL ESTIMATED COST</u>	<u>FED AID</u>	<u>BALANCE AFTER FEDERAL AID</u>	<u>DEPT'S SHARE</u>	<u>CITY'S SHARE</u>
PART A					
Constr. & CE	\$7,327,700	\$6,594,900	\$732,800	\$668,700	\$ 64,100
PE	\$ 955,800	\$ 860,200	\$ 95,600	\$ 87,200	\$ 8,400
PART B					
Constr. & CE	\$ 47,300	\$ 0	\$ 47,300	\$ 0	\$ 47,300
PE	\$ 6,200	\$ 0	\$ 6,200	\$ 0	\$ 6,200
TOTAL	\$8,337,000	\$7,455,100	\$881,900	\$755,900	\$126,000

Participation, if any, by the CITY in the acquisition of trunkline right-of-way for PART A of the PROJECT shall be in accordance with 1951 P.A. 51 Subsection 1d, MCL 247.651d. An amount equivalent to the federal highway funds for acquisition of right-of-way, as would have been available if application had been made thereof and approved by the Federal government, shall be deducted from the total PROJECT COST prior to determining the CITY'S share. Such deduction will be established from the applicable Federal-Aid matching ratio current at the time of acquisition.

The PE costs will be apportioned in the same ratio as the actual construction award and the CE costs will be apportioned in the same ratio as the actual direct construction costs.

8. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT. The DEPARTMENT may submit progress billings to the CITY on a monthly basis for the CITY'S share of the cost of work performed to date, less all

payments previously made by the CITY. No monthly billings of a lesser amount than \$1,000 shall be made unless it is a final or end of fiscal year billing. All billings will be labeled either "Progress Bill Number _____", or "Final Billing". Payment is due within 30 days of receipt of invoice. Upon completion of the PROJECT, payment of all items of PROJECT COST and receipt of all Federal Aid, the DEPARTMENT shall make a final billing and accounting to the CITY.

The CITY will deposit with the DEPARTMENT the following amount which will be used by the DEPARTMENT as working capital and applied toward the end of the project for the contracted work and cost incurred by the DEPARTMENT in connection with the PROJECT:

DEPOSIT	
PART A	\$ 0
PART B	<u>\$21,400</u>
TOTAL	\$21,400

The total deposit will be billed to the CITY by the DEPARTMENT and shall be paid by the CITY within ten (10) days after receipt of bill.

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

10. Pursuant to the authority granted by law, the CITY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified herein. If the CITY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the CITY of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, the DEPARTMENT is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the CITY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the CITY with payment thereof, and to notify the CITY in writing of such fact.

11. With respect to that portion of the PROJECT under the jurisdiction of the CITY:

- A. Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT pursuant to the terms of this contract are done to assist the CITY. Such approvals, reviews, inspections and recommendations by the DEPARTMENT shall not relieve the CITY of its ultimate control and shall not be construed as a

warranty of their propriety or that the DEPARTMENT is assuming any liability control or jurisdiction.

- B. The providing of recommendations or advice by the DEPARTMENT does not relieve the CITY of its exclusive jurisdiction of any CITY highway and responsibility under MCL 691.1402 et seq., as amended.
- C. When providing approvals, reviews and recommendations under this contract, the DEPARTMENT is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.
- D. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of any CITY highway for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended rests with the CITY

12. The CITY certifies, by execution of this contract, that, upon completion of construction of the PROJECT and at no cost to the PROJECT or the DEPARTMENT, it shall properly maintain or provide for the maintenance and operation of the PART B portion of the PROJECT, making ample provisions each year for the performance of such maintenance work as may be required.

13. The CITY, in conformance with Federal Aid Policy Guide (FAPG) Chapter I, Subchapter G, Part 630, Subpart C: Project Agreements, stipulates the following with respect to its specific jurisdiction of the PROJECT:

- A. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
- B. That it agrees to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
- C. That as a condition of Federal aid pursuant to this contract the CITY shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under, or to benefit from this contract, is under consideration to be listed on the EPA List of Violating Facilities.

14. Failure of the CITY to fulfill its responsibilities as outlined herein may disqualify the CITY from future Federal-Aid participation in projects on roads or streets for which it has maintenance responsibility. Federal-aid may be withheld until such time as deficiencies in regulations have been corrected and the improvements constructed as the PROJECT are brought to a condition of maintenance satisfactory to the DEPARTMENT and the FHWA.

15. The DEPARTMENT shall secure from the Federal Government approval of plans, specifications, and such cost estimates as may be required for the completion of the PROJECT; and shall take all necessary steps to qualify for Federal Aid such costs of acquisition of rights of way, construction, and reconstruction, including cost of surveys, design, construction engineering, and inspection for the PROJECT as deemed appropriate. The DEPARTMENT may elect not to apply for Federal Aid for portions of the PROJECT COST.

16. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

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

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

CITY OF SOUTHGATE

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:

206
10/12/16

APPROVED BY:

Kurt Hearn
Administrator
Real Estate

10/25/16
Date



APPENDIX A

PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

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

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

Revised June 2011

APPENDIX B TITLE VI ASSURANCE

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

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

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

Revised June 2011

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:**

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:**

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

JAMES E. DALLOS
Treasurer



City of Southgate
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CHRISTOPHER P. ROLLET

Memorandum

To: Honorable City Council Members

From: John J. Zech, City Administrator

Re: Amendments to City Ordinances – Second Reading

Date: November 3, 2016

Jeff Meussner, Jeff Smith, Bob Casanova, David Angileri and I have met to review various ordinances that we feel need amending. They are as follows:

Ord. 468.02(a) (1)	Parking During Snow Storms
Ord. 468.03	Special Permit Stickers
Ord. 468.99(a)	Penalty
Ord. 468.99(e)	Fines

These meetings were the result of our efforts to deal with the rodent issue. However, as we met, we uncovered some other areas that needed to be addressed.

We respectfully ask that you consider these amendments for a second reading.

If you have any questions please contact me.

Cc: Mayor Joseph G. Kuspa

468.02 PARKING DURING SNOW EMERGENCIES.

- (a) A snow emergency shall be in effect in the City whenever a notice of a storm warning is declared by one or both of the following: Director of Public Service or Chief of Police (or a designee), or the Superintendent of the Department of Public Service (or a designee); and/or
- (1) The Mayor, upon the advice and consent of the
 - (2) The National Weather Service.

(b) "Notice" for purposes of this section, shall be given via community-wide broadcast on television, radio, cable television, telephone and/or personal announcement.

(c) "Appreciable snow accumulation," for purposes of this section, means an amount of snow that would normally necessitate removal by the Department of Public Service in order to insure safe and efficient traffic flow and/or parking.

(d) During a snow emergency, no person shall park, nor shall any owner of a motor vehicle leave, a motor vehicle, trailer, boat or implement on any street in the City where there is an appreciable snow accumulation one hour following the issuance of a notice of a snow emergency and until such time as the emergency is lifted.

(e) The provisions of this section shall be posted by appropriate signage throughout the City.

(f) Any vehicle, trailer, boat or implement found to be parked in violation of this section may be impounded by a City-approved towing service at the direction of the police as follows:

- (1) Immediate removal, if such vehicle, trailer, boat or implement is parked in such a manner so as to violate any relevant provision of Section 2.5 of the Uniform Traffic Code for Cities, Townships, and Villages.
 - (2) Within twenty-four hours after declaration of a snow emergency. No warning citation ordering removal within twenty-four hours need be issued.
 - (3) Any vehicle, trailer, boat or implement towed and impounded under this section shall be towed and impounded at the owner's expense.
- (Ord. 687. Passed 12-8-99.)

468.03 SPECIAL PERMIT STICKERS.

There shall be made available through the Traffic and Safety Division of the Police Department, a special permit sticker to be utilized in the case of extreme hardship to provide an exemption from the parking restrictions of Sections 468.01 and 468.02.

Such special permit sticker shall be issued pursuant to guidelines established by the Division. Such sticker is nontransferable and must be affixed to the appropriate motor vehicle in conformity with Police Department guidelines.

(Ord. 394. Passed 3-4-87.)

terms of this section at the time of the application; ceasing to be eligible during the term of the permit; failing to comply with or violating any condition imposed on the issuance of a permit; or failing to comply with or violating the requirements of this section or any related law or regulation. Written notification shall be given to the permittee stating grounds for revocation and requesting surrender of the permit. Except as set forth below, the permit shall be considered void on the sixth day after the date of notification. Any person whose permit has been revoked shall not be issued a new permit without reapplication and establishing eligibility pursuant to this section to the reasonable satisfaction of the Permit Parking Administrator. Anyone wishing to contest a revocation must do so, in writing, and cause it to be filed with the Permit Parking Administrator within five days of the date of the notification of revocation, setting forth all the facts which the permit holder wishes the Permit Parking Administrator to consider, and a decision thereon shall be made within fifteen days of receipt. If such a contest is timely filed, revocation shall be stayed until the Permit Parking Administrator's decision is made.

(o) Violations and Penalties. The following violations of this section shall be fined an amount established by Violations Bureau of the 28th District Court:

- (1) Parking on a preferential parking street between the specified, posted hours without display of a valid preferential parking permit, guest permit or guest pass for that street.
- (2) Copying, producing, creating or displaying a facsimile or a counterfeit preferential parking permit.
- (3) Falsely representing one's self as eligible for a preferential parking permit or wilfully furnishing false information in an application therefor.
- (4) Using a revoked permit.
- (5) Use of a preferential parking permit by a non-eligible vehicle.

(Ord. 792. Passed 6-30-04.)

468.99 PENALTY.

(a) Whoever violates Section 468.01 is responsible for a civil infraction and shall be fined ten dollars (\$10.00) for a first offense and twenty-five dollars (\$25.00) for a second offense, and fifty dollars (\$50.00) for the third offense and all subsequent offenses. This (Ord. 833. Passed 10-4-06.) shall reset on January 1st of each year.

(b) Whoever violates Section 468.02 is responsible for a civil infraction and shall be fined twenty-five dollars (\$25.00). (Ord. 394. Passed 3-4-87.)

(c) Whoever violates Section 468.04 is responsible for a civil infraction and shall be fined an amount established by the Violations Bureau of the 28th District Court. (Ord. 409. Passed 4-17-85.)

(c) Unless otherwise specifically provided by this code or any ordinance for a particular municipal civil infraction violation, the increased fine for repeat offenses shall be as follows:

- (1) The fine for any offense which is a second offense, or which is a continuing daily offense occurring for a second consecutive day, shall be twice that of the first offense, plus costs of ten dollars (\$10.00);
- (2) The fine for any offense which is a third repeat offense or for a third or more consecutive day offense, shall be four times that of the first offense, plus costs of ten dollars (\$10.00).

(d) The fines which may be imposed by the district court for municipal civil infractions citations shall be twice those set forth above and shall additionally be subject to the assessment of court costs in an amount to be determined at the discretion of the court.

(e) Fines.

	<u>Offense</u>	<u>Civil Infraction Fine</u>			<u>Court Fine</u> <u>Cost</u>
		<u>1st</u>	<u>2nd</u>	<u>3rd</u>	
468.01	Parking on Trash Days	10.00	25	50	20.00
1022.11	Removal of Sidewalk Snow	10.00			25.00
1060.04(a)	Residential Trash Collection	10.00	20.00		25.00
1060.04(b)	Commercial Trash Collection	25.00	50.00		50.00
1422.03(a)	Certificate of Occupancy (existing buildings)	100.00	200.00		140.00
1422.03(e)	Certificate of Occupancy	100.00	200.00		140.00
1461.01	Excavation, removal and filling of land	50.00	100.00		70.00
1298.05	Recreational Vehicles	25.00			50.00
1298.14(a)	Fence permits	25.00	50.00		35.00
1298.14(b)	Construction materials (maintain fences)	25.00	50.00		35.00
1298.18	Sign permits	50.00	100.00		70.00
1298.18(b) (15)	Signs shall be kept in workable order	50.00	100.00		70.00

	<u>Offense</u>	<u>Civil Infraction Fine</u>	<u>Court Fine</u> Cost
1298.18(j)	Portable signs	50.00	70.00
1298.21(b)	Security bars (interfere with egress)	50.00 100.00	70.00
1298.21(d)(1)	A, B, C, D Residential dwellings (security bars)	50.00 100.00	70.00
1298.21(d)(2)	A, B Commercial building (security bars)	50.00 100.00	70.00
1298.10(a)(c)(d)(f)	Exterior Lighting	50.00 100.00	70.00
1298.12	Obstruction at street intersections	25.00	35.00
1298.09(d)	Exterior equipment and trash receptacle screens	25.00 50.00	35.00
1298.13(a)	Walls and earth berms (maintain)	25.00 50.00	35.00
1298.17	Nonresidential buildings (exterior wall materials)	50.00 100.00	70.00
1268.04(a)(3)	Dwelling units (exterior wall materials)	25.00 50.00	35.00
1268.04	Residential (landscape and maintenance)	25.00	35.00
1274.04(b)	RO District (outdoor storage)	50.00 100.00	70.00
1276.04(b)	C-1 District (all business shall be conducted within the building)	50.00 100.00	70.00
1278.04(b)	C-2 District (all business shall be conducted within the building)	50.00 100.00	70.00
1292.01(h)	Off-street parking lots (no storage, sales or repairing vehicles)	50.00 100.00	70.00

	<u>Offense</u>	<u>Civil Infraction Fine</u>	<u>Court Fine Cost</u>
<u>Michigan Building Code</u>			
110.1	Certificate of occupancy (new construction)	100.00	140.00
105.1	Failure to secure permits	100.00	140.00
106.4	Amended construction documents (noncompliance with approved plans)	50.00	70.00
114.2	Notice to owner	50.00	70.00
<u>Michigan Residential Code</u>			
110.1	Use and occupancy (Certificate of Occupancy)	100.00	140.00
105.1	Required (permits)	100.00	140.00
106.4	Amended construction documents (noncompliance with approved plans)	50.00	70.00
114.1	Notice to owner (stop work)	100.00	140.00
114.2	Unlawful continuance (stop work)	100.00	140.00
<u>Property Maintenance Code</u>			
301.3	Vacant structures and land	50.00 100.00	70.00
302.1	Sanitation	50.00 100.00	70.00
302.2	Grading	25.00 50.00	35.00
302.3	Sidewalks and driveways	25.00 50.00	35.00
302.4	Weeds	25.00 50.00	35.00
302.5	Rodent harborage	25.00 50.00	35.00
302.6	Exhaust vents (discharging to adjacent property)	25.00 50.00	35.00

	<u>Offense</u>	<u>Civil Infraction Fine</u>	<u>Court Fine Cost</u>
303.1	Swimming pools	50.00 100.00	70.00
302.8	Motor vehicles	25.00 50.00	35.00
302.9	Defacement of property	50.00 100.00	70.00
304.2	Protective treatment	25.00 50.00	35.00
304.3	Premises identification	25.00 50.00	35.00
304.4	Structural members	50.00 100.00	70.00
304.5	Foundation walls	50.00 100.00	70.00
304.6	Exterior walls	25.00 50.00	35.00
304.7	Roof and drainage	25.00 50.00	35.00
304.8	Decorative features	25.00 50.00	35.00
304.9	Overhang extensions	25.00 50.00	35.00
304.10	Stairways, decks, porches and balconies	50.00 100.00	70.00
304.11	Chimneys and towers	25.00 50.00	35.00
304.12	Handrails and guards	50.00 100.00	70.00
304.13	Windows, skylights and door frames	25.00 50.00	35.00
304.13.1	Glazing	25.00 50.00	35.00
304.14	Insect screens	25.00 50.00	35.00
304.15	Doors	25.00 50.00	35.00
304.16	Basement hatchways	25.00 50.00	35.00
305.1	General	25.00 50.00	35.00
305.2	Structural members	50.00 100.00	70.00

	<u>Offense</u>	<u>Civil Infraction Fine</u>	<u>Court Fine</u> <u>Cost</u>
305.3	Interior surfaces	25.00 50.00	35.00
305.4	Stairs and walking surfaces	50.00 100.00	70.00
305.5	Handrail and guards	50.00 100.00	70.00
305.6	Interior doors	25.00 50.00	35.00
308.1	Accumulation of rubbish or garbage	25.00 50.00	35.00
308.2	Disposal of rubbish	25.00 50.00	35.00
308.2.1	Rubbish storage facility	25.00 50.00	35.00
308.3	Disposal of garbage	25.00 50.00	35.00
308.3.1	Garbage facilities (amend)	25.00 50.00	35.00
308.3.2	Containers (garbage)	25.00 50.00	35.00
309.2	Owner (rental owner responsible for extermination)	25.00 50.00	35.00
309.3	Single occupant (single family owner responsible for extermination)	25.00 50.00	35.00
309.4	Multiple occupancy (owner responsible for extermination)	25.00 50.00	35.00
309.5	Occupant (responsible to keep structure rodent free)	25.00 50.00	35.00
403.2	Bathrooms and toilet rooms (ventilation)	25.00 50.00	35.00
403.4	Process ventilation	25.00 50.00	35.00
403.5	Clothes dryer exhaust	25.00 50.00	35.00
504.1	General (plumbing fixtures maintained)	25.00 50.00	35.00

	<u>Offense</u>	<u>Civil Infraction Fine</u>	<u>Court Fine Cost</u>
602.1	Facilities required (heating facilities required)	50.00 100.00	70.00
603.1	Mechanical appliances (maintained and safe)	50.00 100.00	70.00
605.1	Installation (electrical maintained and safe)	50.00 100.00	70.00
702.1	General (means of egress safe)	50.00 100.00	70.00
702.2	Aisles (required width)	50.00 100.00	70.00
702.3	Locked doors	50.00 100.00	70.00
702.4	Emergency escape openings	50.00 100.00	70.00
703.1	Fire resistance rated assemblies	100.00 200.00	140.00
703.2	Opening protective	100.00 200.00	140.00
704.1	Smoke detectors	50.00 100.00	70.00
678.01	Abandoned refrigerators and airtight containers	25.00 50.00	35.00
678.02	Spitting	10.00 50.00	25.00 35.00
678.04	Littering	25.00 50.00	35.00
678.05	Vermin or trash in yards	50.00 100.00	70.00
610.04	Dog at large unlicensed dog	50.00	70.00
610.15	Disposal of animal	50.00 100.00	70.00
610.20	Leash law	50.00	70.00

(Ord. 764. Passed 11-6-02; Ord. 774. Passed 5-7-03; Ord. 775. Passed 5-7-03; Ord. 938. Passed 11-16-11; Ord. 939. Passed 12-21-11.)