

MANISTEE CITY COUNCIL

MEETING AGENDA

TUESDAY, DECEMBER 2, 2014 – 7:00 P.M. – COUNCIL CHAMBERS

I. Call to Order.

- a.) PLEDGE OF ALLEGIANCE.
- b.) ROLL CALL.

II. Public Hearings.

III. Citizen Comments on Agenda Related Items.

IV. Consent Agenda. All agenda items marked with an asterisk (*) are on the consent agenda and considered by the City Manager to be routine matters. Prior to approval of the Consent Agenda, any member of Council may have an item from the Consent Agenda removed and taken up during the regular portion of the meeting. Consent agenda items include:

- V. Approval of Minutes.
- VI. a.) Approval of Payroll.
- b.) Cash Balances Report.
- XI. c.) Notification Regarding Next Work Session.

At this time Council could take action to approve the Consent Agenda as presented.

***V. Approval of Minutes.** Approval of the minutes of the November 18, 2014 regular meeting as attached.

VI. Financial Report.

- *a.) APPROVAL OF PAYROLL.
- *b.) CASH BALANCES REPORT.

VII. Unfinished Business.

VIII. New Business.

a.) CONSIDERATION OF A CONTRACT, BYRNE / SSCENT TEAM GRANT.

The BYRNE grant partially funds our police officer in the SSCENT drug team. During this state fiscal year the grant amount is \$8,467. The grant is administered by the Michigan State Police. We request monthly reimbursements until the funds are exhausted. The City Attorney has reviewed and approved the contract document.

At this time Council could take action to authorize the City Manager, Police Chief and Finance Director to execute the grant documents; accepting \$8,467 from the BYRNE Grant funds to partially pay the salary of the police officer assigned to the SSCENT Team.

b.) CONSIDERATION OF MICHIGAN'S CERTIFIED LOCAL GOVERNMENT PROGRAM GRANT RESOLUTION.

The City of Manistee requested designation as a Certified Local Government from the State Historic Preservation Office in 2013. This program would assist the Historic District Commission with training/workshops that are available through the program and provide a new opportunity to apply for grants that are only available if a community is certified. Final review of our request has been completed and the only remaining component is the adoption of a resolution appointing a lead contact person.

At this time Council could take action to adopt a resolution authorizing the City Manager to serve as the lead contact person and sign documents as necessary.

c.) PRESENTATION AND DISCUSSION ON CITY ASSESSING SERVICES.

IX. Notices, Communications, Announcements.

a.) A REPORT FROM THE CITY CLERK.

A regular part of each Council meeting is a report from a cooperating agency, organization or department.

At this time Ms. Michelle Wright will report on the activities of the City Clerk's Office and respond to any questions the Council may have regarding their activities. No action is required on this item.

b.) NOTIFICATION REGARDING NEXT WORK SESSION.

A Council work session has been scheduled for Tuesday, December 9, 2014 at 7 p.m. A discussion will be conducted on the Recycling Contract, Ready to Serve Utility Fee, Assessing Services; and such business as may come before the Council. No action is required on this item.

X. Concerns and Comments.

a.) CITIZEN COMMENT. This is an opportunity for citizens to comment on municipal services, activities or areas of City involvement. Citizens in attendance shall be recognized by the Mayor for comments (limited to five minutes). Letters submitted to Council will not be publicly read.

b.) OFFICIALS AND STAFF.

c.) COUNCILMEMBERS.

XI. Adjourn.

MDD:cl

COUNCIL AGENDA ATTACHMENTS:

Council Meeting Minutes – November 18, 2014
Cash Balances Report
BYRNE Grant
Resolution – Certified Local Government
Assessing Services Memo

PROCEEDINGS OF THE MANISTEE CITY COUNCIL – November 18, 2014

A regular meeting of the Manistee City Council was called to order by her honor, Mayor Colleen Kenny on Tuesday, November 18, 2014 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

PRESENT: Colleen Kenny, Edward Cote, Roger Zielinski, Robert Goodspeed, James Smith, Mark Wittlieff, and Eric Gustad.

ALSO PRESENT: City Manager – Mitch Deisch, City Clerk – Michelle Wright, DPW Director – Jeff Mikula, Finance Director – Ed Bradford, Public Safety Director – Dave Bachman, and City Engineer – Shawn Middleton/Spicer Group.

CITIZEN COMMENTS ON AGENDA RELATED ITEMS.

None received.

CONSENT AGENDA.

- Minutes
 - November 5, 2014 - Regular Meeting
 - November 12, 2014 - Organizational Meeting
- Payroll
 - Oct. 27 – Nov. 9, 2014 - \$ 118,604.71
- Monthly Bills
 - October 9, 2014 - \$ 421,670.52
 - October 23, 2014 - \$ 102,707.32
- Notification Regarding Next Work Session – December 9, 2014
A discussion will be conducted on Assessing Services and Recycling Contract; and such business as may come before the Council.

MOTION by Cote, second by Goodspeed to approve the Consent Agenda as presented.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Zielinski, Goodspeed, Smith, Wittlieff, and Gustad

NAYS: None

CONSIDERATION OF AUTHORIZING THE MDOT STATE TRUNKLINE MAINTENANCE CONTRACT.

The City of Manistee maintains that portion of US-31 that runs through the City limits under a contract with the Michigan Department of Transportation (MDOT). The current contract expired September 30, 2014. The new agreement under consideration would continue for five years, through September 30, 2019. The Council must also designate someone as the Maintenance Superintendent who will supervise all work covered by the contract. Historically, that person has been the DPW Director. The contract has been reviewed and approved by the City Attorney.

PROCEEDINGS OF THE MANISTEE CITY COUNCIL – November 18, 2014

MOTION by Gustad, second by Goodspeed to authorize the execution of the State Trunkline Maintenance Contract with the Michigan Department of Transportation for the period of October 1, 2014 through September 30, 2019 by the Mayor and City Clerk; and further designate DPW Director Jeffrey Mikula as the Maintenance Superintendent for the City of Manistee.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Zielinski, Goodspeed, Smith, Wittlieff, and Gustad

NAYS: None

A REPORT FROM THE 2-1-1 ACTION TEAM.

Ms. Evelyn Szpliet reported on the activities of the 2-1-1- Action Team and responded to questions the Council had regarding their activities.

CITIZEN COMMENT.

None received.

OFFICIALS AND STAFF.

Deisch stated that a report on assessing options will be given to Council at the 12/2/14 regular meeting; the work session on 12/9/14 will be open for further discussion on the assessing options; and building inspection request for proposals will go out later this week.

COUNCILMEMBERS.

Goodspeed thanked the public safety director and staff for their assistance after his mom's fall recently.

Wittlieff asked for an update on the blight issue at 1001 Kosciusko Street. Bachman responded and also gave an update on other blight issues.

Gustad wished everyone a happy Thanksgiving.

ADJOURN.

MOTION to adjourn was made by Cote, second by Goodspeed. Meeting adjourned at 7:24 p.m.

Michelle Wright MMC / CPFA, MiCPT
City Clerk/Deputy Treasurer

CASH TRANSACTIONS REPORT
DRAFT***DRAFT***DRAFT

MONTH: OCTOBER
City of Manistee

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Account Number	Beginning Balance	Debit	Credit	Ending Balance
Fund: 100 - AIP PAYING FUND				
Dept: 000				
001.000 Cash	4,017.28	528,133.45	528,130.84	4,019.89
Total Dept: 000	4,017.28	528,133.45	528,130.84	4,019.89
Fund: 100	4,017.28	528,133.45	528,130.84	4,019.89
Fund: 101 - GENERAL FUND				
Dept: 000				
001.000 Cash	2,488,416.80	270,006.35	578,399.66	2,180,023.49
001.002 Cash - Escrow	59,726.57	1,000.00	5,693.51	55,033.06
004.000 Cash - Petty	800.00	0.00	0.00	800.00
017.000 MBIA Mi Class Inv	57,188.41	4.65	0.00	57,193.06
Total Dept: 000	2,606,131.78	271,011.00	584,093.17	2,293,049.61
Fund: 101	2,606,131.78	271,011.00	584,093.17	2,293,049.61
Fund: 202 - MAJOR STREET FUND				
Dept: 000				
001.000 Cash	39,897.48	99,266.91	19,351.43	119,812.96
Total Dept: 000	39,897.48	99,266.91	19,351.43	119,812.96
Fund: 202	39,897.48	99,266.91	19,351.43	119,812.96
Fund: 203 - LOCAL STREET FUND				
Dept: 000				
001.000 Cash	43,640.67	11,245.55	8,069.65	46,816.57
Total Dept: 000	43,640.67	11,245.55	8,069.65	46,816.57
Fund: 203	43,640.67	11,245.55	8,069.65	46,816.57
Fund: 204 - STREET IMPROVEMENT FUND				
Dept: 000				
001.000 Cash	44,642.75	8.58	0.00	44,651.33
Total Dept: 000	44,642.75	8.58	0.00	44,651.33
Fund: 204	44,642.75	8.58	0.00	44,651.33
Fund: 226 - CITY REFUSE FUND				
Dept: 000				
001.000 Cash	181,850.78	23,417.18	39,847.66	165,420.30
001.030 Cash Mgt Chk	98,954.28	8.40	0.00	98,962.68
Total Dept: 000	280,805.06	23,425.58	39,847.66	264,382.98
Fund: 226	280,805.06	23,425.58	39,847.66	264,382.98
Fund: 243 - BROWNFIELD REDEVELOPMENT AUTHO				
Dept: 000				
001.000 Cash	34,569.17	0.00	0.00	34,569.17
Total Dept: 000	34,569.17	0.00	0.00	34,569.17
Fund: 243	34,569.17	0.00	0.00	34,569.17
Fund: 245 - OIL & GAS FUND				
Dept: 000				
001.000 Cash	7,772.81	25,333.47	0.00	33,106.28
001.020 Money Market	166,702.16	0.00	0.00	166,702.16
Total Dept: 000	174,474.97	25,333.47	0.00	199,808.44

CASH TRANSACTIONS REPORT
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MONTH: OCTOBER
City of Manistee

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Account Number	Beginning Balance	Debit	Credit	Ending Balance
Fund: 245	174,474.97	25,333.47	0.00	199,808.44
Fund: 249 - BUILDING INSPECTOR				
Dept: 000				
001.000 Cash	4,480.72	975.07	3,818.00	1,637.79
Total Dept: 000	4,480.72	975.07	3,818.00	1,637.79
Fund: 249	4,480.72	975.07	3,818.00	1,637.79
Fund: 275 - GRANT MANAGEMENT FUND				
Dept: 000				
001.000 Cash	135,413.13	0.00	10,153.00	125,260.13
Total Dept: 000	135,413.13	0.00	10,153.00	125,260.13
Fund: 275	135,413.13	0.00	10,153.00	125,260.13
Fund: 290 - PEG COMMISSION				
Dept: 000				
001.000 Cash	19,646.65	0.68	3,416.67	16,230.66
Total Dept: 000	19,646.65	0.68	3,416.67	16,230.66
Fund: 290	19,646.65	0.68	3,416.67	16,230.66
Fund: 296 - RAMSDELL THEATRE				
Dept: 000				
001.000 Cash	84,318.72	31,581.64	15,535.89	100,364.47
004.000 Cash - Petty	200.00	0.00	0.00	200.00
Total Dept: 000	84,518.72	31,581.64	15,535.89	100,564.47
Fund: 296	84,518.72	31,581.64	15,535.89	100,564.47
Fund: 297 - FRIENDS OF THE RAMSDELL				
Dept: 000				
001.000 Cash	-20.68	100.00	0.00	79.32
Total Dept: 000	-20.68	100.00	0.00	79.32
Fund: 297	-20.68	100.00	0.00	79.32
Fund: 430 - CAPITAL IMPROVEMENT FUND				
Dept: 000				
001.000 Cash	301,969.37	403.04	5,350.82	297,021.59
Total Dept: 000	301,969.37	403.04	5,350.82	297,021.59
Fund: 430	301,969.37	403.04	5,350.82	297,021.59
Fund: 490 - RENAISSANCE PARK				
Dept: 000				
001.000 Cash	1,099.16	0.00	1,871.96	-772.80
Total Dept: 000	1,099.16	0.00	1,871.96	-772.80
Fund: 490	1,099.16	0.00	1,871.96	-772.80
Fund: 508 - BOAT RAMP FUND				
Dept: 000				
001.000 Cash	29,280.15	1,010.61	15,764.29	14,526.47
004.000 Cash - Petty	1,001.00	0.00	1,000.00	1.00
Total Dept: 000	30,281.15	1,010.61	16,764.29	14,527.47
Fund: 508	30,281.15	1,010.61	16,764.29	14,527.47

CASH TRANSACTIONS REPORT

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MONTH: OCTOBER
City of Manistee

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Account Number	Beginning Balance	Debit	Credit	Ending Balance
Fund: 573 - WATER & SEWER UTILITY				
Dept: 000				
001.000 Cash	438,438.42	460,892.97	170,899.18	728,432.21
001.002 Cash - Escrow	35,200.00	900.00	1,700.00	34,400.00
004.000 Cash - Petty	300.00	0.00	0.00	300.00
017.000 MBIA Mi Class Inv	488,991.40	39.42	0.00	489,030.82
Total Dept: 000	962,929.82	461,832.39	172,599.18	1,252,163.03
Fund: 573	962,929.82	461,832.39	172,599.18	1,252,163.03
Fund: 594 - MARINA FUND				
Dept: 000				
001.000 Cash	79,993.26	68,460.25	26,925.72	121,527.79
Total Dept: 000	79,993.26	68,460.25	26,925.72	121,527.79
Fund: 594	79,993.26	68,460.25	26,925.72	121,527.79
Fund: 661 - MOTOR POOL FUND				
Dept: 000				
001.000 Cash	471,700.39	26,270.76	5,445.00	492,526.15
Total Dept: 000	471,700.39	26,270.76	5,445.00	492,526.15
Fund: 661	471,700.39	26,270.76	5,445.00	492,526.15
Fund: 703 - CURRENT TAX COLLECTION				
Dept: 000				
001.000 Cash	68,860.88	50,676.76	88,190.74	31,346.90
Total Dept: 000	68,860.88	50,676.76	88,190.74	31,346.90
Fund: 703	68,860.88	50,676.76	88,190.74	31,346.90
Fund: 704 - PAYROLL CLEARING FUND				
Dept: 000				
001.000 Cash	25,087.91	603,485.39	594,953.40	33,619.90
001.005 Cash - NEW Flex \ HRA	11,535.04	2,489.13	1,275.76	12,748.41
001.007 Cash - Federal & State Taxes	68.52	85,267.00	85,266.76	68.76
Total Dept: 000	36,691.47	691,241.52	681,495.92	46,437.07
Fund: 704	36,691.47	691,241.52	681,495.92	46,437.07
Fund: 705 - DELINQUENT TAX COLLECTION				
Dept: 000				
001.000 Cash	200.01	1,522.36	1,093.94	628.43
Total Dept: 000	200.01	1,522.36	1,093.94	628.43
Fund: 705	200.01	1,522.36	1,093.94	628.43
Grand Totals:	5,425,943.21	2,292,499.62	2,212,153.88	5,506,288.95



CITY HALL

ADMINISTRATION
FAX 231.723.1546

CITY MANAGER
231.398.2801

CITY ASSESSOR
231.398.2802

BUILDING INSPECTOR
231.398.2806

PLANNING & ZONING
231.398.2805

CLERK/TREASURER
FAX 231.723.5410

CITY CLERK
231.398.2803

CITY TREASURER/
FINANCE DIRECTOR
231.398.2804

WATER BILLING
231.723.2559

POLICE DEPARTMENT
231.723.2533
FAX 231.398.2012

FIRE DEPARTMENT
281 First Street
231.723.1549
FAX 231.723.3519

DEPT. OF
PUBLIC WORKS
280 Washington St.
• Street Dept.
• Parks Dept.
• Water Maintenance
280 Washington St.
231.723.7132
FAX 231.723.1803

WASTEWATER PLANT
15 Ninth St.
231.723.1553

Date: November 14, 2014
Memo To: Mitch Deisch *M. Deisch*
From: Chief Bachman
Re: Agenda Item
BYRNE Grant Funding *D. B.*

Mitch:

The Michigan State Police annually solicit grant funding to partially pay the salaries and benefits of the officers assigned to the SSCENT drug team. When the full grant amount is known they determine the local share for each jurisdiction split equally among the participants. The grant amount for this State fiscal year is \$8,467.00 to the City of Manistee for our officer assigned.

Over the years the grant funds have diminished to this amount which has been the same for 3 years I believe. In order to offset the loss of grant revenue the SSCENT board has in the past given money to the jurisdictions from the drug forfeiture funds. As a board member I expect that we will visit the issue again in the upcoming months and send additional money to the city to help offset employee costs.

This grant agreement before council requires your signature, mine and the finance director. I request and recommend that council approve the motion and allow us to enter into the agreement.

You no doubt recall that we assigned an officer to SSCENT almost 4 years ago in an effort to avoid a police officer lay off. At the time we were annually paying the team \$30,000 to provide drug enforcement in the city. When we added a member to the team that payment stopped and we are reimbursed part of the salary. On top of that the level and quality of drug enforcement in town has risen significantly. Having one of our own on the team with responsibilities for local investigations has paid huge dividends. It is my hope that we can continue our partnership on the team

**BYRNE JUSTICE ASSISTANCE (BYRNE JAG) GRANT or
RESIDENTIAL SUBSTANCE ABUSE TREATMENT (RSAT) GRANT**

**Subcontract Agreement
between**

CONTRACTOR: Michigan Department of State Police

Federal I.D. Number: 38-6000134

and

SUBCONTRACTOR: Manistee Police Department

Federal I.D. Number: 38-6004570

Project Title: S.S.C.E.N.T.

MSP Contract Number: 201570889

MSP Project Number: 70889-7-S.S.C.E.N.T.-15

CFDA Number: 16.738

CFDA Title: Formula Edward Byrne Memo

Federal Agency Name: U.S. Department of Justice, Bureau of Justice Assistance

Federal Grant Award Number: 2013-MU-BX-0051

Federal Program Title: Byrne JAG State FY 2015

I. Period of Agreement:

This Agreement shall commence on October 1, 2014 and terminate on September 30, 2015.

This Agreement is in full force and effect for the period specified in this section and must be signed prior to the initiation of any associated subcontract activity unless an exception is explicitly granted by the Michigan State Police (MSP).

All projects must be initiated within 30 days of the start date of this Agreement.

II. Agreement Amount and Budget:

The agreed upon Project Budget for this Agreement is described in this section. Any changes to the Project Budget, by either the Contractor or Subcontractor, must be in writing and signed by both parties. Budget deviation allowances are not permitted.

Salary and Wages & Fringe Benefits	\$ 8,467.00
Travel Expenses	\$ <u>0.00</u>
Supplies and Materials	\$ <u>0.00</u>
Equipment Expenses	\$ <u>0.00</u>
Other Expenses	\$ <u>0.00</u>
Total Agreement Amount	\$ 8,467.00

III. Project Budget Detail:

The agreed upon Project Budget Detail for this Agreement is described in this section. Any change to the Project Budget Detail, by either the Contractor or Subcontractor, must be in writing and signed by both parties.

Detailed budget item descriptions:

SALARY AND WAGES & FRINGE BENEFITS: List the positions and cost for each position. Also indicate the total number of hours or percentage of time each position will be assigned to grant activities. List the fringe benefits costs for each position.

One full time police officer assigned 100% to grant activities including overtime and fringe benefits that include: health and dental insurance, retirement, workers compensation, life insurance, SUTA, Medicare.

TRAVEL EXPENSES: This includes cost for mileage, per diem, lodging, lease vehicles, registration fees, approved seminars or conferences and other approved travel costs incurred by the subcontractor.

N/A

SUPPLIES & MATERIALS: This category is used for all consumable and short-term items, and equipment items costing less than \$5,000.

N/A

EQUIPMENT EXPENSES: Individual line items greater than \$5,000.

N/A

OTHER EXPENSES: Communication, space and allowable expenses not covered by other line items.

N/A

IV. Statement of Work:

The Subcontractor agrees to undertake, perform and complete the services described in this section. Any changes to the Statement of Work, by either the Contractor or Subcontractor, must be in writing and signed by both parties. The Subcontractor may not assign the performance under this Agreement to any other entity or person who is not an employee of the Subcontractor except with prior written approval of the Contractor. All provisions and requirements of this Agreement shall apply to any agreements the Subcontractor may enter into in furtherance of its obligations under the contract and shall be responsible for the performance of any contracted work.

Detailed description of services/deliverables:

One full time police officer assigned 100% to grant activities.

V. Project Timeline:

The Subcontractor agrees to undertake, perform and complete the services described in Section III within the timeline described in this section. Any changes to the Project Timeline, by either the Contractor or Subcontractor, must be in writing and signed by both parties.

Detailed timeline:

10-1-2014 through 9-30-2015

VI. Publication Rights:

The Subcontractor shall give proper recognition in any and all publications, papers and presentations arising from the program (including from subcontractors) herein by placing the following disclaimer on any and all publications, papers and presentations:

"This project was supported by Federal Grant Award Number 2013-MU-BX-0051, awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice (DOJ), and administered by the Michigan State Police (MSP). Points of view or opinions contained within this document do not necessarily represent the official position or policies of the MSP or DOJ."

The MSP shall, in return, give recognition to the Contractor and/or Subcontractor when applicable.

Where activities supported by this Agreement produce books, films, or other such copyrightable materials issued by the Contractor or Subcontractor, the Contractor or Subcontractor may copyright such but shall acknowledge that the MSP reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials and to authorize others to reproduce and use such materials. This cannot include service recipient information or personal identification data.

VII. Performance Measurement Data and Reporting:

The Subcontractor agrees to provide all applicable performance measurement data related to this Agreement in a timely manner in order for the Contractor to meet its reporting obligations with the MSP. The failure of the Subcontractor to comply with this requirement may result in the withholding of funds and or termination of the Subcontract.

Detailed performance measurement data requirements description (if applicable):

N/A

VIII. Payment Processing:

The Contractor, in accordance with the general purposes, objectives and terms and conditions of this Agreement, will provide payment to the Subcontractor based upon appropriate reports, records and documentation maintained by the Subcontractor. Any billing or request for reimbursement for Subcontract costs must be supported by adequate source documentation on costs and services. Payment requests must be submitted to the Contractor in a timely manner such that the Contractor can subsequently request reimbursement from the MSP within the required monthly reimbursement period. The Subcontractor will be paid within 30 days of receipt of reimbursement by the Contractor.

IX. Program Income:

The Department of Justice regulations allow the Contractor to keep funds (program income) derived from grant activities, so long as these funds are used for the same purposes as the grant project. In the absence of such regulations, these funds would be required to be returned to the Department of Justice. Program income is the gross income earned by the Contractor and/or Subcontractor during the Agreement period as a direct result of the grant project. All income generated as a direct result of an MSP-funded project shall be

deemed program income. Program income may be used to further program objectives under this Agreement or may be refunded to the MSP. Program income must be used for the purposes of and under the conditions applicable to the award specified in the Agreement between the Contractor and the MSP. Program income may only be used for allowable program costs. Asset forfeiture and treatment/lab fees are the most prominent program income derived from grant activity. Department of Justice regulations require that program income be held in the custody of a governmental entity, with reporting on those funds to the state administrative agency (the MSP). The Subcontractor must report any and all generated program income to the Contractor on a quarterly basis in order for the Contractor to comply with the MSP reporting and tracking requirements.

X. Unobligated Funds:

Any unobligated balance of funds held by the Subcontractor at the end of the Agreement period will be returned to the Contractor, which will then be returned to the MSP, or treated in accordance with instructions provided by the MSP.

XI. Equipment Purchases and Title:

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

All purchases supported in whole or in part through this Agreement must use procurement procedures that conform to the Subcontractor's local requirements.

XII. Employee Time Certifications:

It is the Subcontractor's obligation to notify the Contractor immediately when a Byrne JAG-funded employee:

- Is disabled or deceases while having been assigned to a grant-funded position;
- Is removed or reassigned from a grant-funded position; and/or,
- Is unable to report to work due to injury or illness not related to job performance (and is not replaced within 30 days by another employee).

All Agreement-funded employees will complete and submit to the Contractor an executed ADM-214 Employee Time Certification form supplied by the Contractor. The failure to comply with notification to the Department and/or submit Employee Time Certification forms could result in loss of position funding.

XIII. Record Maintenance/Retention:

The Subcontract agrees to maintain adequate program and fiscal records and files, including source documentation to support program activities and all expenditures made under the terms of this Agreement, as required. The Subcontractor must assure that all terms of this Agreement will be appropriately adhered to and that records and detailed documentation for the project or program identified in this Agreement will be maintained (may be off site) for a period of not less than four years from the date of grant closure or until any pending litigation and/or audit findings have been resolved. All retention record guidelines set by the Contractor and/or Subcontractor must be adhered to if they require additional years beyond retention guidelines stated herein.

XIV. Authorized Access:

The Subcontractor must permit, upon reasonable notification and at reasonable times, access by authorized representatives of the Contractor, MSP, Program Evaluators (contracted by the MSP), Federal Grantor Agency, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, files and documentation related to this Agreement, to the extent authorized by applicable state or federal law, rule or regulation.

The Contractor and/or the MSP may conduct on-site monitoring visit(s) and/or grant audit(s) any time during

the grant period. All grant records and personnel must be made available during any visit, if requested.

The Contractor and/or the MSP may request that a funded program be evaluated by a contracted outside evaluation team. Subcontractors shall work cooperatively with the evaluation team in such a manner that the program be able to be fully reviewed and assessed.

XV. Subcontractor/Vendor Monitoring:

The Subcontractor must comply with the Single Audit Act of 1984, as amended, 31 USC 7501 et seq. requirements and must forward all single audits covering grant funds administered through this Agreement to the Contractor. The Contractor is responsible for reviewing all single audit adverse findings, issuing management decisions on audit findings and ensuring that corrective actions are implemented in accordance of OMB Circular A-133.

The Contractor is responsible for ensuring that the Subcontractor is expending grant funds appropriately as as specified through this Agreement, and shall conduct monitoring activities to ensure compliance with all associated laws, regulations and provisions as well as ensure that performance goals are achieved. The Contractor shall ensure compliance for for-profit subcontractors as required by OMB Circular A-133, Section .210(e). The Contractor must ensure that transactions with vendors comply with laws, regulations, and provisions of contracts or grant agreements in compliance with OMB Circular A-133, Section .210(f).

XVI. Notification of Criminal or Administrative Investigations/Charges:

If any employee of the Subcontractor that is associated with this Agreement project becomes aware of a criminal or administrative investigation or charge that directly or indirectly involves grant funds referenced in this Agreement, the Subcontractor shall immediately notify the Contractor, in writing, that such an investigation is ongoing or that a charge has been issued.

XVII. Agreement Suspension/Termination:

The Contractor and/or the Subcontractor may suspend and/or terminate this Agreement without further liability or penalty to the Contractor for any of the following reasons:

- A. This Agreement may be suspended by the Contractor if any of the terms of this Agreement are not adhered to. Suspension requires immediate action by the Subcontractor to comply with this Agreement terms; otherwise, termination by the Contractor may occur.
- B. Failure of the Subcontractor to make satisfactory progress toward the goals, objectives, or strategies set forth in the Agreement.
- C. Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been selected for funding.
- D. Filing false certification in this Agreement or other report or document.
- E. This Agreement may be terminated by either party by giving 15 days written notice to the other party. Such written notice will provide valid, legal reasons for termination along with the effective date.
- F. This Agreement may be terminated immediately if the Subcontractor, an official of the Subcontractor or an owner is convicted of any activity referenced in Section XVI of this Agreement during the term of this Agreement or any extension thereof.

XVIII. Final Reporting Upon Termination:

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

XIX. Severability:

If any provision of this Agreement or any provision of any document attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this Agreement.

XX. Liability:

- A. All liability to third parties, loss or damage as a result of claims, demands, costs or judgments arising out of activities, such as the provision of policy and procedural direction, to be carried out by the Subcontractor in the performance of this Agreement shall be the responsibility of the Subcontractor, and not the responsibility of the Contractor, if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any Subcontractor employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity as provided by statute or court decisions.
- B. All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Contractor in the performance of this Agreement shall be the responsibility of the Contractor, and not the responsibility of the Subcontractor, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Contractor, anyone directly or indirectly employed by the Contractor, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Contractor or its employees by statute or court decisions.
- C. In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the Subcontractor and the Contractor in fulfillment of their responsibilities under this Agreement, such liability, loss, or damage shall be borne by the Subcontractor and the Contractor in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed as a waiver of any governmental immunity by the Subcontractor, the Contractor, or their employees, respectively, as provided by statute or court decisions.

XXI. Certifications and Assurances:

The Subcontractor must adhere to all applicable Certifications and Assurances. The failure to do so may result in the termination of grant funding or other remedies

A. **Certifications:**

Subcontractor should refer to the regulations cited below to determine the certification to which they are required to attest. Acceptance of this Agreement provides for compliance with certification requirements under 28 C.F.R. Part 69, "New Restrictions on Lobbying" and 28 C.F.R. Part 67, "Government-wide Debarment and Suspension (Non-procurement) and Government-wide Requirements for Drug-Free Workplace (Grants)."

B. **Lobbying:**

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 C.F.R. Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 C.F.R. Part 69, the Subcontractor certifies that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement;
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal grant or cooperative agreement, the contractor shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions; and,

C. **Debarment, Suspension and Other Responsibility Matters (Direct Recipient):**

As required by Executive Order 12549, Debarment and Suspension, and implemented at 2 C.F.R. Part

2867, for prospective participants in primary covered transactions, as defined at 28 C.F.R. Part 2867, Section 2867.20(a):

1. The Subcontractor certifies that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of federal benefits by a state or federal court, or voluntarily excluded from covered transactions by any federal department or agency;
 - b. Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Have not within a two-year period preceding this application been convicted of a felony criminal violation under any Federal law, unless such felony criminal conviction has been disclosed in writing to the Office of Justice Programs (OJP) at Ojpccompliancereporting@usdoj.gov, and, after such disclosure, the applicant has received a specific written determination from OJP that neither suspension nor debarment of the applicant is necessary to protect the interests of the Department and U.S. Government in this case.
 - d. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
 - e. Have not within a three-year period preceding this application had one or more public transactions (federal, state or local) terminated for cause or default.

D. Federal Taxes:

If the applicant is a corporation, the applicant certifies that either (1) the corporation has no unpaid federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, or (2) the corporation has provided written notice of such an unpaid tax liability (or liabilities) to OJP at Ojpccompliancereporting@usdoj.gov, and after such disclosure, the applicant has received a specific written determination from OJP that neither suspension nor debarment of the applicant is necessary to protect the interests of the Department and U.S. Government in this case.

E. Drug-Free Workplace:

1. As required by the Drug-Free Workplace Act of 1988, and implemented at 28 C.F.R. Part 83. The Subcontractor certifies that it will provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Subcontractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b. Establishing an on-going drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The Subcontractor's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation and employee assistance programs; and,
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a) of this section.

- d. Notifying the employee in the statement required by paragraph (a) of this section that, as a condition of employment under this Agreement, the employee will:
 - i. Abide by the terms of the statement; and,
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- e. Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d) (ii) of this section from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Department of Justice, Office of Justice Programs, Attn: Control Desk, 810 7th Street, N.W., Washington, D.C. 20531. Notice shall include the identification number(s) of each affected grant.
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(ii) of this section, with respect to any employee who is so convicted:
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or,
 - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f) above.

F. Standard Assurances:

The Subcontractor hereby assures and certifies compliance with all applicable federal statutes, regulations, policies, guidelines, and requirements, including OMB Circulars A-21, A-87, A-102, A-110, A-122, A-133; Executive Order 12372 (intergovernmental review of federal programs); and, 28 C.F.R. Parts 66 or 70 (administrative requirements for grants and cooperative agreements). The Subcontractor also specifically assures and certifies that:

1. It has the legal authority to apply for federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay any required non-federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. It will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
3. It will give the awarding agency or the general accounting office, through any authorized representative, access to and the right to examine all paper or electronic records related to the financial assistance. It will comply with all lawful requirements imposed by the awarding agency, specifically including any applicable regulations, such as 28 C.F.R. Parts 18, 22, 23, 30, 35, 38, 42, 61 and 63, and the award term in 2 C.F.R. § 175.15(b).
4. It will assist the awarding agency, if necessary, in assuring compliance with section 106 of the National Historic Preservation Act of 1966, 16 U.S.C. § 470, Executive Order 11593 (Protection and Enhancement of the cultural Environment), the Archeological and Historical Preservation Act of 1974, 16 U.S.C. § 469 *et seq.*, and the National Environmental Policy Act of 1969, 42 U.S.C. § 4321 *et seq.*
5. It will comply with Executive Order 13279, Executive Order 13559, and the DOJ regulations on the Equal Treatment for Faith-Based Organizations, 28 C.F.R. Part. 38, which prohibits recipients from using DOJ financial assistance on inherently (or explicitly) religious activities and from discriminating in the delivery of services on the basis of religion. Programs and activities must be carefully structured to ensure that DOJ financial assistance is not being used for literature, classes, meetings, counseling sessions, or other activities that support twelve-step programs, which are considered to be religious in nature. The twelve-step programs must take place at a separate time or location from

the activities supported with DOJ financial assistance and the participation of beneficiaries in twelve-step programs is strictly voluntary. It must make clear to any and all vendors and program participants that twelve-step programming is separate and distinct from DOJ-funded activities. It must also ensure that participants are not compelled to participate in twelve-step programs and cannot penalize a participant who chooses not to participate in a twelve-step program. It must ensure that employees fully funded by DOJ are not involved with twelve-step programs whereby they are instructing or indoctrinating clients on the twelve steps. Employees of the Subcontractor shall clearly document the number of hours spent on secular activities associated with the DOJ-funded program and ensure that time spent on twelve-step programs is completely separate from time spent on permissible secular activities. In addition, at least one secular program must be provided as an alternative to twelve-step programming.

6. It will provide meaningful access to grant-funded programs and activities to Limited English Proficient (LEP) persons in accordance with Title VI of the Civil Rights Act of 1964 and the Omnibus Crime Control and Safe Streets Act of 1968. For a detailed discussion of the requirement to provide meaningful access to LEP persons, refer to the guidance issued by the DOJ on this matter entitled, "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons," 67 FR 4155-01 (June 18, 2002).
7. It will comply and require any and all subcontractors to comply with any applicable statutorily-imposed nondiscrimination requirements, including the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. § 3789d; the Victims of Crime Act of 1984, 42 U.S.C. § 10604(e); the Juvenile Justice and Delinquency Prevention Act of 2002, 42 U.S.C. § 5672(b); Title IV of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*); the DOJ implementing regulations at 28 C.F.R. Part 42, Subpart C; the DOJ implementing regulations at 28 C.F.R. Part 42, Subpart D; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); the DOJ implementing regulations at 28 C.F.R. Part 42, Subpart G; Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132); the DOJ implementing regulations at 28 C.F.R. Part 35; the Rehabilitation Act of 1973, 29 U.S.C. § 794; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12131-34; Title IX of the Education Amendments of 1972, 20 U.S.C. §§1681, 1683, 1685-86; and, the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-07; The DOJ regulations on the Equal Treatment for Faith-Based Organizations, 28 C.F.R. Part 38; The Michigan Elliott-Larsen Civil Rights Act, MCL 37.2101 *et seq.*; and the Michigan Persons With Disabilities Civil Rights Act, MCL 37.1101 *et seq.*

a. Notification:

It may not discriminate in employment on the basis of race, color, national origin, religion, sex, and disability and may not discriminate in the delivery of services or benefits on the basis of race, color, national origin, religion, sex, disability, and age. These laws also prohibit retaliation against an individual for taking action or participating in action to secure rights protected by these laws. It shall notify all clients, customers, program participants, or consumers of the types of prohibited discrimination, as well as the complaint procedures, in writing. Notification may include placing posters in an area that may be easily viewed by all and/or providing a paper copy to each of the listed types of individuals. It shall forward all discrimination complaints to the Department as described in the complaint procedures in Attachment 6 Subcontractors, clients, customers, program participants or consumers may also report complaints to the Office of Justice Programs (OJP)/Office for Civil Rights (OCR) or the Michigan Department of Civil Rights (MDCR) directly, as outlined in Attachment 6, but the Contractor shall notify the Department of the complaint as soon as the complaint is known. In the event that a Federal or State court, or Federal or State Administrative Agency, makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, sex, or disability against the Subcontractor, the Contractor shall forward a copy of the finding to the OJP/OCR and the MSP.

b. Training:

Any and all DOJ-funded employees of the Subcontractor shall receive periodic training at least once every contract year regarding the responsibility of the entities to comply with applicable federal civil rights laws as a recipient of federal funds. The Contractor shall provide the Subcontractor with access to training developed by the OJP/OCR, which may be found at:

<http://www.nij.gov/ocr-training-videos/video-ocr-training.htm>. The DOJ-funded employees of the Subcontractor shall complete the required training within 90 days of the start date of this Agreement and certify that the required training has been completed by signing the OCR Compliance Training Form. New employees shall complete the required training and provide a signed OCR Compliance Training Form to the Contractor within 60 days of the date of hire.

c. Monitoring:

The Contractor shall ensure that the Subcontractor is complying with all applicable civil rights laws and procedures by completing the Civil Rights Compliance Questionnaire with the Subcontractor during site monitoring visits and desk audits.

8. It shall determine if an Equal Employment Opportunity Plan (EEOP) is required pursuant to 28 CFR 42.301 et seq. If the Subcontractor is not required to formulate an EEOP, a certification form shall be sent to the OJP/OCR, and the Office of Personnel Management (OPM) indicating that an EEOP is not required. If the Subcontractor is required to develop an EEOP, but is not required to submit the EEOP to the OCR, a certification form shall be sent to the OCR and the Department certifying that an EEOP is on file which meets the applicable requirements. If the Subcontractor is awarded a grant of \$500,000 or more, and has 50 or more employees, a copy of the EEOP shall be submitted to the OJP/OCR and OPM. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption (a copy of the form shall be submitted to the OPM). Additional information about the EEOP requirements may be found at http://www.ojp.usdoj.gov/about/ocr/eeop_comply.htm.
9. If the Subcontractor is a governmental entity, it will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, 42 U.S.C. § 4601 et seq., which governs the treatment of persons displaced as a result of federal and federally-assisted programs; and,
10. If the Subcontractor is a governmental entity, it will comply with requirements of 5 U.S.C. §§ 1501-08 and §§ 7324-26, which limit certain political activities of state or local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

G. Non-Supplanting:

It is imperative that the Subcontractor understand that the non-supplanting requirement mandates that grant funds may be used only to supplement (increase) the Subcontractor's budget, and may not supplant (replace) state, local or tribal funds that otherwise would have been spent on positions and/or any other items approved in this Agreement budget if it had not received a grant award.

This means that if your agency plans to:

1. Hire new positions (including filling existing vacancies that are no longer funded in your agency's budget), it must hire these additional positions on or after the official grant award start date, above its current budgeted (funded) level of positions.
2. Rehire personnel who have already been laid off (at the time of application) as a result of state, local, or tribal budget cuts, it must rehire the personnel on or after the official grant award start date, and maintain documentation showing the date(s) that the positions were laid off and rehired.
3. Maintain personnel who are (at the time of application) currently scheduled to be laid off on a future date as a result of state, local or tribal budget cuts, it must continue to fund the personnel with its own funds from the grant award start date until the date of the scheduled lay-off (e.g., if the grant award start date is July 1 and the lay-off is scheduled for October 1, then the grant funds may not be used to fund the officers until October 1, the date of the scheduled layoff), and maintain documentation showing the date(s) and reason(s) for the lay-off. [Please note that as long as your agency can document the date that the lay-off(s) would

occur if the grant funds were not available, it may transfer the personnel to the grant funding on or immediately after the date of the lay-off without formally completing the administrative steps associated with a lay-off for each individual personnel.]

4. Documentation that may be used to prove that scheduled lay-offs are occurring for local economic reasons that are unrelated to the availability of grant funds may include (but are not limited to) council or departmental meeting minutes, memoranda, notices, or orders discussing the lay-offs; notices provided to the individual personnel regarding the date(s) of the layoffs; and/or budget documents ordering departmental and/or jurisdiction-wide budget cuts. These records must be maintained with your agency's grant records.

H. Hatch Political Activity Act and Intergovernmental Personnel Act:

The Subcontractor will comply with the Hatch Act of 1939, 5 USC 1501-08, and the Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act of 1978, 42 USC 4728. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

I. Health Insurance Portability and Accountability Act of 1996:

To the extent that the Health Insurance Portability and Accountability Act of 1996 is pertinent to the services that the Subcontractor provides to the Contractor under this Agreement, the Subcontractor assures that it is in compliance with the HIPAA requirements including the following:

1. Subcontractor must not share any protected health data and information provided by the Contractor or the MSP that falls within the HIPAA requirements.
2. Subcontractor must only use the protected health data and information for the purposes of this Agreement.
3. Subcontractor must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Subcontractor's employees.
4. Subcontractor must have a policy and procedure to report to the Contractor any unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements of which the Subcontractor becomes aware.
5. Failure to comply with any of these contractual requirements may result in the termination of this Agreement in accordance with Section XVII, Agreement Suspension/Termination, above.
6. In accordance with the HIPAA requirements, the Subcontractor is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information received by the Subcontractor from the Contractor, the MSP, or any other source.

XXII. Unallowable Costs:

- Costs in applying for this grant (e.g., consultants, grant writers, etc.).
- Any expenses incurred prior to the date of this Agreement.
- Any administrative costs not directly related to the administration of this Agreement.
- Indirect costs rates or indirect administrative expenses (only direct costs permitted).
- Personnel, including law enforcement officers, not connected to the project for which you are applying.
- Lobbying or advocacy for particular legislative or administrative reform.
- Fund raising and any salaries or expenses associated with it.
- Legal fees.
- All travel including first class or out-of-state travel, unless prior approval by the Department is received.

- Promotional items, unless prior approval by the Department is received.
- One-time events, prizes, entertainment (e.g., tours, excursions, amusement parks, sporting events), unless prior approval by the Department is received.
- Honorariums.
- Contributions and donations.
- Management or administrative training, conferences, unless prior approval by the Department is received.
- Management studies or research and development (costs related to evaluation are permitted).
- Fines and penalties.
- Losses from uncollectible bad debts.
- Purchases of land.
- Memberships and agency dues, unless a specific requirement of the project, unless prior approval by the Department is received.
- Compensation to federal employees.
- Military type equipment such as armored vehicles, explosive devices, and other items typically associated with the military arsenal.
- Purchasing of vehicles, vessels or aircraft.
- Construction costs and/or renovation, including remodeling.
- Service contracts and training beyond the expiration of this Agreement.
- Informant fees, rewards or buy money.
- K9 dogs and horses, including any food and/or supplies relating to the upkeep of law enforcement animals.
- Livescan devices for applicant prints including any related supplies.
- Weapons, including tasers.
- Food, refreshments, snacks
 - Note: No funding can be used to purchase food and/or beverages for any meeting, conference, training, or other event. Exceptions to this restriction may be made only in cases where such sustenance is not otherwise available (e.g., extremely remote areas), or where a special presentation at a conference requires a plenary address where there is no other time for sustenance to be attained. Such an exception would require prior approval from the Department and the U.S. Department of Justice. This restriction does not apply to water provided at no cost, but does apply to any and all other refreshments, regardless of the size or nature of the meeting. Additionally, this restriction does not impact direct payment of per diem amounts to individuals in a travel status under your organization's travel policy.

XXIII. Conditions on Expenses:

Costs must be reasonable and necessary. If required by the local jurisdiction, costs must be sustained by competitive bids.

Individual consultant fees are limited to \$450 (excluding travel, lodging and meal costs) per day, which includes legal, medical, psychological and accountant consultants. If the rate will exceed \$450 for an eight-hour day, prior written approval is required from the Department. Compensation for individual consultant services is to be responsible and consistent with that paid for similar services in the marketplace.

XXIV. Conflict of Interest:

The Contractor and Subcontractor are subject to the provisions of 1968 PA 317, as amended, MCL 15.321 et seq, and 1973 PA 196, as amended, MCL 15.341 et seq.

XXV. Compliance with Applicable Laws and Agreements:

The Subcontractor will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this Agreement. The Subcontractor will also comply with all applicable general administrative requirements such as OMB Circulars covering cost principles, grant/agreement principles, and audits in carrying out the terms of this Agreement, as well as the terms of the Agreement between the MSP and Contractor. The Contractor shall supply the Subcontractor with a copy of said Agreement.

XXVI. Agreement Signatures:

The Subcontractor hereby accepts this Agreement in the amount and for the period indicated in the first page of this document on the basis of the application, assurances and supporting documents submitted by the

Contractor to the MSP. The Agreement becomes effective upon the return of the signed Subcontract to the Contractor. This award does not assure or imply continuation in funding beyond the funding period of this Subcontract. The Subcontractor agrees to provide the Contractor with a copy of the Single Audit Report of the Subcontractor's entity.

SUBCONTRACTOR: Address: 70 Maple Street City, State & Zip: Manistee, MI 49660 Phone: 231-723-2533 Fax: 231-723-2012	CONTRACTOR: Address: 333 Grand Ave. City, State & Zip: Lansing, MI 48909 Phone: 231-843-7045 Fax: 231-843-7567
Authorized Official Signature:	Authorized Official Signature:
Name: Mitchell Deisch Date:	Name: Captain David Roesler Date:
Project Official Signature:	Project Director Signature:
Name: Chief David Bachman Date:	Name: Lt. Matthew Kanitz Date:
Financial Official Signature:	
Name: Edward Bradford Date:	



MEMORANDUM

Planning & Zoning
Community Development
231.398.2805
Fax 231.723-1546
www.manisteemi.gov

TO: Mitch Deisch, City Manager *M Deisch*

FROM: Denise Blakeslee, Planning & Zoning Administrator *db*

DATE: November 24, 2014

RE: Michigan's Certified Local Government Program



Mitch, in 2013 application was made to the State Historic Preservation Office for the City of Manistee to be designated as a Michigan's Certified Local Government. There are benefits available to communities which are designated a Certified Local Government that otherwise are not available.

Since it has been over a year since the application was submitted an overview of the process is as follows:

In September 2012 a Placemaking and Historic Preservation Workshop was held at City Hall that was attended by members of the City Council, Historic District Commissioners, Planning Commissioners, Zoning Board of Appeals and staff. During the workshop State Historic Preservation Officer Brian Conway said that Manistee would benefit by becoming a Certified Local Government and that since we already have an established Historic District the process would be relatively simple.

After downloading the application Staff and the Historic District Commission discussed the program and felt that the benefits justified preparing an application. Staff prepared the necessary documents and the Commissioners worked on their resumes. At the February 7, 2013 Historic District Commission meeting the application was reviewed and it is ready to go to City Council for their consideration.

Staff presented the information to City Council at their Worksession on July 9, 2012. We are asking for Council's endorsement to make application to the State Historic Preservation Office for the City of Manistee to become a Certified Local Government. The application required a cover letter from the Mayor which was signed on July 16, 2013.

The application was sent in for review and has been on hold in the legal department. On November 24, 2014 I received a call from Scott Grammer, Council for Historic Preservation, Legal Affairs, MSHDA. Mr. Grammer said final review of our request has been completed and the only remaining component is the adoption of a resolution appointing a lead contact person. He supplied a sample resolution that was used to draft the resolution that is being forwarded to City Council for their consideration (attached).

JRR:djb

MEMO TO: Mayor Colleen Kenny
Members of City Council

FROM: Mitch Deisch, City Manager

DATE: November 24, 2014

SUBJECT: Assessing Services



City Manager's Office
231-398-2801

WHITE PAPER REVIEW

In March 2011 City Staff presented the Assessing White Paper to City Council. The report presented several options for providing future assessing services. The assessing budget in 2010-2011 was approximately \$112,962, and had 1.1 fulltime employees (FTEs). The 2009-2010 fiscal year assessing budget was \$179,580 and had 2.1 FTEs.

Identified in the 2011 Assessing White Paper were the following options:

1. Status Quo – Current staffing levels and budget.
2. Contract with Manistee County Equalization Department. The price provided by the Manistee County Equalization Department was \$93,723.
3. Contract with a private assessing firm. The actual cost would have been based upon a Request for Proposals.
4. Maintain assessing in-house and reduce assessor from Level 3 to Level 2. The estimated savings was \$20,000.

With the elimination of the Assistant Assessor position in the 2010-2011 fiscal year budget, Council chose to stay with the status quo and maintained assessing in-house using 1.1 FTEs. This was a savings of \$66,618 over the 2009-2010 budget.

Council was made fully aware of the reduction of office hours and other impacts upon the Assessor's Office when this decision was made.

For the past 3.5 years the Assessor's Office has operated under 1.1 FTEs, with the current budget for the assessing department at \$118,229 for the 2014-2015 fiscal year budget.

CURRENT SITUATION

City Assessor Julie Beardslee has informed City Council of her intention to separate services from the City of Manistee in 2015. When Ms. Beardslee was hired in 1990, she entered into an employment agreement with the City, that provided if she was terminated, a 25% severance package.

Ms. Beardslee has requested the opportunity to negotiate a separation agreement with the City; potentially allowing the City to move in a different direction for providing assessing services and also reduce the overall cost.

Currently Ms. Beardslee has indicated that if a separation agreement can be agreed upon, she would be willing to stay in her current position until mid-March 2015, sign off on the tax role on March 2, 2015 and complete the Board of Review on March 9-10, 2015. Ms. Beardslee has requested staffing support to assist with personal property data entry, which I support assisting her with either through temporary or internal staffing. The new tax/assessing season starts April 1, 2015, thus making this the perfect time for moving to a different assessing organizational model. Determining the organizational model of how assessing services will be provided in the future is a City Council decision.

Prior to Ms. Beardslee offering to enter into a separation agreement with the City, administration had internal discussion on offering retirement incentives to encourage turnover of employees eligible to retire, thus allowing for Council approved reorganization and potential positive financial impacts.

ASSESSING OPTIONS

Current options for assessing are similar to the March 2011 Assessing White Paper. These options include:

1. Status quo.
2. Contract with Manistee County Equalization Department.
3. Contract with a private firm.

The option not being considered further is the option for keeping assessing in-house and reducing it from a Level 3 Assessor to a Level 2 Assessor. The State of Michigan has replaced the Level 1-4 assessor certifications with a different certification system. There is simply not enough financial return on this approach to warrant further investigation.

STATUS QUO

The current budget for the assessing department for this fiscal year is \$118,229 which includes 1.1 FTEs. It should be assumed that if this organizational model was maintained the staffing and cost would remain the same. Current office hours are two days a week, Monday and Wednesday.

PROS	CONS
Current Service Level Maintained	More Expensive Than Other Options
Only Focus is on City Assessing	Does Not Take Advantage of Intergovernmental Cooperation Opportunities

CONTRACT WITH MANISTEE COUNTY EQUALIZATION DEPARTMENT

The Manistee County Equalization Department (MCED) has submitted a proposal for performing all assessing responsibilities for the City of Manistee for the annual amount of \$83,961, which is a potential savings for future fiscal years of \$34,268 from fiscal year 2014-2015. Their proposal is attached.

MCED would hire a new employee to adequately perform this role for the City of Manistee and have asked that a multiple year (five year) contract be agreed upon.

PROS	CONS
Intergovernmental Cooperation	Loss of Experience with Current Assessor
Saves General Fund Dollars	Dependent Upon Another Unit of Government
Both County and City are After Same Objective, Fair Tax Value	Elimination of City Assessor Requires 25% Severance Package to be Paid*
	Loss of Complete Control of Tax Base

* Paid for by remaining personnel funds in 2014-2015 fiscal year assessing budget.

CONTRACT WITH PRIVATE FIRM, WITH LICENSED ASSESSOR

Finance Director Ed Bradford and I have met with two private firms that provide contractual assessing services for the City of Ludington and City of Frankfort respectively.

The City of Ludington currently pays \$31,000 for a contracted assessor. The City of Ludington also has an existing employee that assists with assessing responsibilities. Ludington estimates \$30,000 is spent annually for their personnel costs. Thus, the total cost for assessing services for the City of Ludington (contract plus existing personnel) is estimated at \$60,000-\$65,000.

In addition, staff also met with the contract assessor for the City of Frankfort in Benzie County. This firm also performs assessing services for Arcadia Township and Filer Charter Township in Manistee County; among others. Their cost for assessing, based upon the current condition of the assessment role was between \$10 - \$14 per parcel. The City of Manistee has approximately 3,900 parcels, so the estimated cost would be \$39,000 - \$54,600. Wanting to be conservative on estimates, I believe if we estimated that the cost for contracting out assessing services at \$60,000, the potential savings for future fiscal years are approximately \$58,000 (\$118,229 - \$60,000 = \$58,229).

PROS	CONS
Saves General Fund Dollars	Possible Reduced Service Levels
Intergovernmental Cooperation if Jointly Performed with Pere Marquette Township*	Less Expensive than Current Assessor
	Severance Package of 25%**

- * Staff met with Pere Marquette Township (Mason County) whose assessor is also retiring. We discussed possibility of jointly bidding and contracting with a private contractor; with the goal to get more and better bids by increasing potential revenue to the contractor. They seemed quite receptive.
- ** Paid for by remaining personnel funds in fiscal year 2014-2015 assessing budget.

FINANCIAL COMPARISON

ORGANIZATIONAL MODEL	ESTIMATED COST
Status Quo In-House Assessing (1.1 FTE)	\$118,229
Contract with Manistee County Equalization Department	\$83,961
Contract with Private Firm	\$60,000*

- * Actual total cost would not be fully realized until the service was bid out and actual bids received.

CONCLUSION

Council is being asked to consider options to provide assessing functions for the City of Manistee and provide a direction for staff to pursue once Ms. Beardslee retires and for future fiscal years.

MDD:cl

DIRECTOR'S WORKSHEET 2015 COUNTY COST FOR CITY ASSESSMENT SERVICES

Personal Cost (Includes Wages & Benefits)

Property Description Manager/GIS	10% of Time.....	\$4,631
Answer phone, assist city property owners		
Appraiser	10% of Time.....	\$6,297
Assist Appraiser/City Assessor with fieldwork		
Answer phone, assist city property owners		
*Appraiser/City Assessor	90% of Time.....	\$56,669
Assessment Roll, Required Reports, Fieldwork,		
ECF's, Land Values, Board of Review		
Tax Appeals, Process PRE Exemptions,		
Personal Property Statements		
Director	10% of Time.....	\$9,564
Administration and assist Appraiser/City Assessor		
with Reports, ECF's, Land Values, Tax appeals		
Indirect Cost		
County Administrator, Personal, Payroll etc.		\$1,500
TOTAL PERSONAL COST		\$78,661

Operating Cost

Office Supplies	\$800	
Computer/phone service	\$1,500	
Travel/Training	\$1,000	
County Vehicle	\$1,500	
Membership & Dues	\$500	
TOTAL OPERATING COST		\$5,300
TOTAL COST FOR CITY ASSESSING SERVICES		<u>\$83,961</u>

Based on 3,918 Assessable Parcels = 21.43 per parcel
Based on 4,163 Assessed & Exempt Parcels = 20.17 per parcel

* Newly Created Job

11/6/2014

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