

DETROIT FINANCIAL REVIEW COMMISSION

CITY REGULAR MEETING

Monday, December 19, 2016 at 1:00 p.m.
Cadillac Place, Suite L-150
3062 West Grand Boulevard
Detroit, MI 48202

AGENDA

I. Call to Order

II. Roll Call

III. Approval of Proposed Minutes from the November 21, 2016 City Meeting

IV. Executive Director's Report

V. Old Business - None

VI. New Business

- a. Presentation of the City's Monthly Financial Report
- b. Update on 10 Year Plan
- c. Update on HR Payroll IT Initiative
- d. Consideration of City's Time Extension Request for its Fiscal Year 2016 Comprehensive Annual Financial Report to March 31, 2017 (FRC Resolution 2015-22)
- e. Consideration of the City's December 2016 budget amendment requests per MCL 141.1637(c) (FRC City Resolution 2016-23)
- f. Consideration of the City's December 2016 contract approval requests per MCL 141.1636(6) (FRC City Resolution 2016-24)

VII. Public Comment

VIII. Next Meeting Date

- a. City Regular Meeting: Monday, January 30, 2017 at 1:00 p.m. at Cadillac Place, 3062 West Grand Boulevard, Suite L-150, Detroit, MI 48202

IX. Adjournment

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CITY OF DETROIT

Office of the Chief Financial Officer

Financial Report for the Four Months ended October 31, 2016

December 19, 2016



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Executive summary

- City Council approved contracts last month with Polaris and Magnet Consulting to continue the OCFO restructuring process and with Ernst & Young to develop a ten-year financial model and pro forma projections.
- October YTD actuals indicate that FY 2017 results are expected to be in line with budget.
 - Revenues are based on the September 2016 Consensus Revenue Estimating Conference results. There was no significant change in revenue projections based on YTD results.
 - Payroll and benefits related expenditures are trending below budget as a result of low headcount. However, General City headcount has increased by 562 compared to the prior year. (page 3 and page 9)
- October YTD cash flow activity indicates that liquidity remains stable. (page 4)
 - Beginning cash balance in FY 2017 was approximately \$160m higher than the prior year primarily due to the collection of remaining 2012 Refunding/Self Insurance bond proceeds, higher tax revenues and lower operating expenditures.
 - YTD net cash flow is lower than the prior year primarily due to higher personnel related expenditures as a result of increasing headcount and delayed payment of expenditures attributable to the prior year. October cash receipts included a Distributable State Aid payment that did not occur until November in the prior year.
- October YTD property tax collection rate continues to exceed the prior year. The summary table now includes a breakdown by residential, commercial, and industrial properties. (page 6)
- October accounts payable not on hold decreased by \$11.8m (56%) compared to the prior month. (page 7)
- With respect to Exit Financing projects, there was a net increase in expenses incurred of \$1.6m from the prior month. (page 8)
- Compared to the prior month, the Police Department increased by 50 heads, and the General Services Department decreased by 125 heads (primarily due to the departure of seasonal employees). (page 9)
- There was a net increase of \$75.8m in total active grants and donation, including \$69.3m in state and federal grants (primarily Housing and Revitalization and Transportation formula grants) and \$6.5m in private donations (Strategic Neighborhoods Fund). (page 10)



FY 2017 year-to-date general ledger actuals and annualized projection

\$ in millions

	YTD ANALYSIS						ANNUALIZED PROJECTION ANALYSIS							
	BUDGET			ACTUAL + ACCRUAL + ENCUMBRANCE			VARIANCE (BUDGET VS. ACTUAL)		BUDGET		PROJECTION		VARIANCE (BUDGET VS. PROJECTION)	
	YTD			ACCUAL + ENCUMBRANCE (3)			YTD		ANNUAL		ANNUAL		ANNUAL	
	ADJUSTED (1)	ACTUAL (2)	ENCUMBRANCE (3)	TOTAL	(\$) F = E-B	% G = (F/B)	ADJUSTED	ESTIMATED (4)	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
B	C	D	E = C + D			H	I	(J) J = I-H		K = (J/H)				
REVENUES:														
Municipal Income Tax	\$ 74.4	\$ 81.2	\$ -	\$ 81.2	\$ 6.8	9.1%	\$ 266.6	\$ 273.4	\$ 6.8	2.6%				
Property Taxes	51.9	61.4	-	61.4	9.5	18.3%	117.0	117.0	-	-				
Wagering Taxes	57.0	45.7	13.7	59.4	2.4	4.2%	175.2	175.9	0.7	0.4%				
Utility Users' Tax	12.3	6.2	-	6.2	(6.1)	(49.6%)	37.0	35.0	(2.0)	(5.4%)				
State Revenue Sharing	65.5	33.3	32.8	66.1	0.6	0.9%	196.5	195.9	(0.6)	(0.3%)				
Sales and Charges for Services	41.1	26.0	-	26.0	(15.1)	(36.7%)	123.4	120.1	(3.3)	(2.7%)				
Licenses, Permits, and Inspection Charges	3.7	2.2	-	2.2	(1.5)	(40.5%)	11.2	11.3	0.1	0.9%				
Contributions and Transfers	31.0	-	67.9	67.9	36.9	119.0%	93.0	93.0	-	-				
Fines, Forfeits and Penalties	7.4	6.2	-	6.2	(1.2)	(16.2%)	22.2	22.8	0.6	2.7%				
Revenues from Use of Assets	0.4	0.4	-	0.4	-	-	1.3	1.0	(0.3)	(23.1%)				
Other Taxes, Assessments, and Interest	3.0	8.2	-	8.2	5.2	173.3%	9.1	7.8 (5)	(1.3)	(14.3%)				
Sales of Assets and Compensation for Losses	4.8	-	-	-	(4.8)	(100.0%)	14.4	9.3	(5.1)	(35.4%)				
Miscellaneous	3.4	1.3	-	1.3	(2.1)	(61.8%)	10.3	13.6	3.3	32.0%				
Funding to Support Prior Year Encumbrances (6)	27.8	-	27.8	27.8	-	-	27.8	27.8	-	-				
TOTAL (L)	\$ 383.7	\$ 272.1	\$ 142.2	\$ 414.3	\$ 30.6	8.0%	\$ 1,105.0	\$ 1,103.9	\$ (1.1)	(0.1%)				
EXPENDITURES: (6)														
Salaries and Wages	\$ (138.2)	\$ (117.1)	\$ -	\$ (117.1)	\$ 21.1	15.3%	\$ (402.7)	\$ (380.9)	\$ 21.8	5.4%				
Employee Benefits	(64.6)	(25.8)	-	(25.8)	38.8	60.1%	(186.9)	(177.5)	9.4	5.0%				
Professional and Contractual Services	(38.4)	(6.8)	(24.5)	(31.3)	7.1	18.5%	(82.4)	(83.8)	(1.4)	(1.7%)				
Operating Supplies	(15.8)	(7.9)	(24.9)	(32.8)	(17.0)	(107.6%)	(34.7)	(36.4)	(1.7)	(4.9%)				
Operating Services	(55.2)	(20.8)	(7.0)	(27.8)	27.4	49.6%	(154.3)	(158.8)	(4.5)	(2.9%)				
Capital Equipment	(2.5)	-	(2.0)	(2.0)	0.5	20.0%	(2.8)	(2.8)	-	-				
Capital Outlays	(10.3)	(1.8)	(2.7)	(4.5)	5.8	56.3%	(34.8)	(34.8)	-	-				
Debt Service	(25.1)	(0.2)	(30.6)	(30.8)	(5.7)	(22.7%)	(75.4)	(66.6)	8.8	11.7%				
Other Expenses	(44.2)	(27.0)	(0.4)	(27.4)	16.8	38.0%	(131.0)	(130.7)	0.3	0.2%				
TOTAL (M)	\$ (394.3)	\$ (207.4)	\$ (92.1)	\$ (299.5)	\$ 94.8	24.0%	\$ (1,105.0)	\$ (1,072.3)	\$ 32.7	3.0%				
DIFFERENCE (L - M)	\$ (10.6)	\$ 64.7	\$ 50.1	\$ 114.8	\$ 125.4	1183.0%	\$ -	\$ 31.6	\$ 31.6	N/A				

Notes

- (1) Adjusted monthly budget assumes pro rata as well as seasonal distribution of annual adjusted budget.
- (2) Year-to-date actuals reflect four months ending October 31, 2016.
- (3) Reflects pending accruals and encumbrances including prior year carryforwards as well as current year activities.
- (4) Revenues are based on the September 2016 Consensus Revenue Estimating Conference results. There was no significant change in revenue projections based on YTD results.
- (5) YTD revenue in this category has exceeded the estimate at the time of the September 2016 Consensus Revenue Estimating Conference.
- (6) Revenue of \$27.8m reflects funding to support prior year encumbrances of \$27.8m captured within expenditures.



FY 2017 year-to-date net cash flows

For 4 Months Ended October 31, 2016

\$ in millions

General Fund

	Actual 4 Months	Prior Year	
		4 Months	Change
General Fund Property Taxes	\$ 62.6	\$ 69.0	\$ (6.4)
Net Income taxes	86.2	78.6	7.6
Utility taxes	6.0	5.7	0.3
Gaming taxes	59.4	56.5	2.9
Distributable State Aid	97.8 (1)	64.2	33.6
Other / Misc.	69.6	67.4	2.2
Total Receipts	381.6	341.4	40.2
Payroll, taxes, & deductions	(134.7)	(125.2)	(9.5)
Benefits	(25.8)	(17.3)	(8.5)
Pension contributions	-	-	-
Subsidy payments	(17.3)	(8.3)	(9.0)
Materials, contracts & other	(129.1)	(97.9)	(31.2)
Total Disbursements	(306.9)	(248.7)	(58.2)
Operating Surplus (before Reinvestment)	74.7	92.7	(18.0)
Financing Adjustments	(33.8)	(58.8) (2)	25.0
Non-Financing Adjustments	(26.6) (3)	-	(26.6)
Total Adjustments to arrive at Net Cash Flow	(60.4)	(58.8)	(1.6)
Net Cash Flow (4)	\$ 14.3	\$ 33.9	\$ (19.6)
Beginning cash balance (net of distribution) (5)	\$ 372.1	\$ 211.0	
Net Cash Flow (4)	14.3	33.9	
Lockbox reserves	-	-	
Ending cash balance (net of distribution owed) (5)	\$ 386.4	\$ 244.9	

Notes:

- (1) Distributable State Aid payment was received earlier this year compared to prior year (October instead of November).
- (2) Includes \$30m principal repayment on Exit financing made in August 2015.
- (3) Includes \$30m set aside for future legacy pension contribution net of \$3.4m inflow of excess self-insurance requirements.
- (4) Net Cash Flow is based on General Fund cash activity adjusted for known deposits in transit, prior period adjustments and classification differences.
- (5) The main operating account contains cash balances of the Risk Management Fund, Construction Fund, Street Fund, Solid Waste Fund, General Grants and Motor Vehicle Fund.



Differences between cash and general ledger mostly due to the period in which activity is recorded

For 4 Months Ended October 31, 2016

\$ in millions

General Fund	Cash Activity			General Ledger				Difference
	Actuals	Adjustments	Adjusted	Posted	To Be Posted	(1)	Total	
General Fund Property Taxes	\$ 62.6	\$ 3.9	\$ 66.5	(2)	\$ 65.3	\$ 1.2	\$ 66.5	\$ -
Net Income taxes	86.2	(14.2)	72.0	(3)	81.2	(9.2)	72.0	-
Utility taxes	6.0	0.2	6.2	(4)	6.2	-	6.2	-
Gaming taxes	59.4	-	59.4	(3)	45.7	13.7	59.4	-
Distributable State Aid	97.8	(64.8)	33.0	(3)	33.3	(0.3)	33.0	-
Other / Misc.	69.6	(22.3)	47.3	(5)	40.2	7.1	47.3	-
Total Receipts	\$ 381.6	\$ (97.2)	\$ 284.4		\$ 271.9	\$ 12.5	\$ 284.4	\$ -
Payroll, taxes, & deductions	\$ (134.7)	\$ 17.6	\$ (117.1)	(6)	\$ (117.1)	\$ -	\$ (117.1)	\$ -
Benefits	(25.8)	7.1	(18.7)	(7)	(18.7)	-	(18.7)	-
Pension contributions	-	(7.1)	(7.1)	(8)	(7.1)	-	(7.1)	-
Subsidy payments	(17.3)	-	(17.3)		(12.9)	(4.4)	(17.3)	-
Materials, contracts & other	(129.1)	78.1	(51.0)	(9)	(51.0)	-	(51.0)	-
Total Disbursements	\$ (306.9)	\$ 95.7	\$ (211.2)		\$ (206.8)	\$ (4.4)	\$ (211.2)	\$ -
Operating Surplus (before Reinvestment)	\$ 74.7	\$ (1.5)	\$ 73.2		\$ 65.1	\$ 8.1	\$ 73.2	\$ -
Financing Adjustments	\$ (33.8)	\$ 3.0	\$ (30.8)	(10)	\$ (0.1)	\$ (30.7)	\$ (30.8)	\$ -
Non-Financing Adjustments	(26.6)	26.6	-	(11)	-	-	-	-
Total Adjustments to arrive at Net Cash Flow	\$ (60.4)	\$ 29.6	\$ (30.8)		\$ (0.1)	\$ (30.7)	\$ (30.8)	\$ -
Net Surplus /(Deficit)	\$ 14.3	\$ 28.1	\$ 42.4		\$ 65.0	\$ (22.6)	\$ 42.4	\$ -

- (1) To be posted amounts represent collections and disbursements that have not yet been reconciled.
- (2) \$3.9m estimated remaining TIF payment.
- (3) \$14.2 of Net Income Taxes, \$64.8m of DSA, and \$0.8m of Gaming Taxes in FY2017 related to FY2016 activity. Gaming is offset by \$0.8m of Gaming Revenue collected in November for the month of October.
- (4) \$4m of Utility Taxes collected in FY2017 related to activity in FY2016 is offset by \$4.2m collected by trustee for Public Lighting Authority debt service.
- (5) \$5.2m of revenues collected in FY2017 related to activity in FY2016. \$13.2m of collections are cash specific transactions, \$3.9m are non-General Fund receipts.
- (6) Approximately \$12.7m of the difference relates to FY2016 activity and the balance is non-General Fund disbursements.
- (7) Approximately \$1.0m of Benefits paid in FY2017 relates to FY2016 and the balance relates to the timing of payments within this fiscal year.
- (8) Represents \$7.1m of pension accrual to be paid at the end of FY2017.
- (9) Approximately \$12.5m of disbursements are non-General Fund, \$39m related to prior period, \$26.5m are cash specific transactions.
- (10) Cash adjustment is \$3m exit financing.
- (11) Includes \$30m set aside for future legacy pension contribution net of \$3.4m inflow of excess self-insurance requirements.



The year-to-date collection rate for City property taxes was higher than the prior year

For 4 Months Ended October 31, 2016

\$ in millions

	FY 2017			FY 2016		
	Adjusted Tax Roll	Collections YTD (1)	Collection Rate	Adjusted Tax Roll	Collections YTD (1)	Collection Rate
General City Residential	\$ 50.1	\$ 19.6	39.1%	\$ 56.9	\$ 21.0	36.9%
General City Commercial	56.7	31.9	56.3%	55.3	30.1	54.4%
General City Industrial	14.2	8.5	59.9%	17.2	9.5	55.2%
Subtotal General City	121.0	60.0	49.6%	129.4	60.6	46.8%
Debt Residential	24.6	9.7	39.4%	27.9	10.4	37.3%
Debt Commercial	29.2	16.3	55.8%	28.7	15.7	54.7%
Debt Industrial	8.5	5.0	58.8%	11.7	6.3	53.8%
Subtotal Debt Service	62.3	31.0	49.8%	68.3	32.4	47.4%
Solid Waste	62.6	19.6	31.3%	57.4	18.4	32.1%
Total City (2)	\$ 245.9	\$ 110.6	45.0%	\$ 255.1	\$ 111.4	43.7%

General City Cash Activity

	FY 2017	FY 2016
Current year collections (from above)	\$ 60.0	\$ 60.6
Wayne County settlements (3)	4.4	10.2
TIF estimated distributions (4)	(4.3)	(4.4)
Admin Fee & Unspread Penalty	2.5	2.6
Total General City	\$ 62.6	\$ 69.0

Notes:

- (1) Amounts do not include collections from Wayne County settlement checks as a result of foreclosure and auction activity.
- (2) Amounts are net of property taxes collected by the City on behalf of Detroit Public Schools, State Education Trust, Wayne County and other non-City taxing authorities.
- (3) Wayne County settlement checks related to the return of historical chargebacks from foreclosure and auction activity.
- (4) Distributions related to Tax Increment Financing districts that are estimated to be 7.2% of General City Collections.



Accounts payable summary

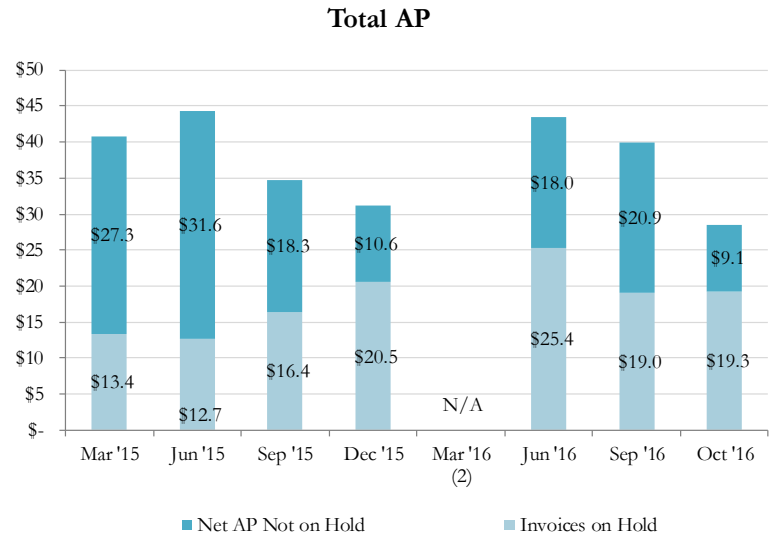
- In the month of October, accounts payable not on hold decreased by \$11.8m (56%) compared to the prior month.

\$ in millions

Accounts Payable (AP) as of 10/31/16	
Total AP	\$ 28.4
Less: Invoices on hold (1)	(19.3)
Net AP not on hold	\$ 9.1

AP Aging (excluding invoices on hold)

	Net AP	Current	Days Past Due		
			1-30	31-60	61+
Oct. Total	\$ 9.1	\$ 4.2	\$ 1.9	\$ 0.6	\$ 2.5
% of total	100%	46%	21%	6%	27%
Sept. Total	\$ 20.9	\$ 2.4	\$ 15.2	\$ 1.4	\$ 1.8
% of total	100%	11%	73%	7%	9%



Notes:

- (1) Invoices typically placed on a system hold are pending validation.
- (2) Aging information was not available as the City was in the process of transitioning financial systems



Exit financing utilized to jump start technology, neighborhoods, and public safety improvements

- In the month of October, there was a net increase in expenses incurred of \$1.6m from the prior month.

<i>\$ in millions</i>	Number of Projects	Amount Approved	Expenses Incurred
Available Exit financing proceeds		\$ 233.2	
Project Allocation:			
Dept. of Innovation and Technology (1)	5	\$ (41.5)	\$ (42.0)
General Services	14	(32.1)	(17.3)
Blight	7	(29.7)	(25.7)
Police	6	(29.0)	(19.1)
Fire	9	(22.0)	(14.7)
Office of the Chief Financial Officer	7	(15.8)	(15.3)
BSEED	1	(4.4)	(2.4)
Law	1	(2.2)	(1.2)
Transportation	1	(1.8)	(1.8)
Recreation	1	(1.2)	(1.2)
Human Resources	2	(0.8)	(0.8)
Other	3	(0.5)	(0.1)
Total	57	\$ (181.0)	\$ (141.6)
Interest/Fees		(2.8)	(2.8)
Amount reserved for projects under review		\$ 49.4	

Notes:

- (1) Expenses incurred subject to reclassification or amendment to business case.



General City headcount is stable compared to the prior month and remains under budget

		Actual Oct'15	Actual Sep'16	Actual Oct'16	Budget FY 2017	Budget vs. Actual Oct'16	
						Variance	% Variance
Public Safety							
Police		2,766	2,838	2,888	3,127	239	8%
Fire		1,234	1,187	1,169	1,332	163	12%
Total Public Safety		4,000	4,025	4,057	4,459	402	9%
Non-Public Safety							
Budget		8	0	0	0	0	
Finance		182	0	0	0	0	
Office of the Chief Financial Officer		0	383	388	453	65	
Dept. of Public Works	(1)	360	349	351	376	25	
Health & Wellness		8	24	28	51	23	
Human Resources	(2)	81	98	97	65	(32)	
Housing & Revitalization / Planning & Development	(2)	96	109	118	81	(37)	
Dept. of Innovation and Technology		33	51	65	134	69	
Law		94	101	98	108	10	
Mayor		56	70	62	73	11	
Public Lighting Department		5	5	5	6	1	
Recreation	(1)	176	253	224	285	61	
General Services	(1)	299	479	354	574	220	
Legislative	(3)	104	227	230	252	22	
36th District Court		353	353	353	326	(27)	
Other	(4)	62	60	49	78	29	
Total Non-Public Safety		1,917	2,562	2,422	2,862	440	15%
Total General City		5,917	6,587	6,479	7,321	842	12%
Enterprise							
Airport		3	3	4	4	0	
BSEED		178	179	177	204	27	
Transportation	(5)	999	1,110	1,129	900	(229)	
Parking		85	76	78	89	11	
Water and Sewerage		1,310	517	483	488	5	
Library		297	280	289	325	36	
Total Enterprise		2,872	2,165	2,160	2,010	(150)	-7%
Total City		8,789	8,752	8,639	9,331	692	7%

Notes:

- (1) Budget was adjusted to convert FTE to a headcount equivalent.
- (2) Budget reflects the reduction of funding for positions due to reorganizations, which are still in process resulting in the difference between actual and budgeted headcount.
- (3) Includes: Auditor General, Zoning, City Council, Ombudsperson, City Clerk, and Elections. Board of Zoning includes 8 board of review members who are contract staff.
- (4) Includes: Human Rights, Administrative Hearings, Homeland Security, and Non-departmental.
- (5) Actuals include non-active employees that are out on disability.



The City is leveraging funding from external sources

- In the month of October, there was a net increase of \$75.8m in total active grants and donation. Federal and State grants increased \$69.4m, primarily due to \$41m in annual formula-based federal grants for Housing and Revitalization and \$24m in formula-based grants for Transportation. Private grants and donations increased \$6.5m, primarily due to \$6.5m in Strategic Neighborhoods Fund donations (supports development activities in Detroit's neighborhoods).

<i>\$ in millions</i>	Amount Awarded (1)	Number of Grants
Department		
Transportation	\$ 357.3	22
Housing & Revitalization	250.0	22
Health & Wellness Promotion	32.9	5
Public Works	30.6	20
Fire Department	29.2	10
Police	22.1	33
Recreation	4.3	16
Coleman A. Young Airport (Airport)	3.1	4
Homeland Security and Emergency Management (HSEM)	2.1	9
General Services	1.5	2
Other (2)	1.2	7
Active Federal/State grants (3)	\$ 734.3	150
Active private grants	28.2	32
Active private donations	56.5	53
Total active grants and donations	\$ 819.0	235

Notes:

(1) Reflects original amount awarded and amendments. Amount available to be spent will be lower for most departments.

(2) Other includes BSEED and Historic Designation.

(3) Federal/State grants do not include Hardest Hit Fund, which is reflected in the Land Bank Authority.



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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2016-22

**CONSENTING TO THE CITY’S TIME EXTENSION FOR ITS ANNUAL
AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the “Act”), allows for the creation of the Detroit Financial Review Commission (the “Commission”) within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the “City”) beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 6(3) of the Act requires the Commission to ensure that the City complies with the requirements of, among other things, MCL 141.427(4); and

WHEREAS, MCL 141.427(4) requires that the City file with the State Treasurer its annual audit report for the fiscal year ended June 30, 2016 no later than December 31, 2016; and

WHEREAS, the City has requested the State Treasurer to extend the date by which it must file its annual audit report for the fiscal year ended June 30, 2016 from December 31, 2016 to no later than March 31, 2017, and the State Treasurer is willing to consent to such extension pursuant to MCL 141.427(4); and

WHEREAS, the City has requested this Commission to similarly extend the date to file its annual audit report to no later than March 31, 2017.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Commission hereby consents to the extension of time for the City to complete and file its annual audit report for the fiscal year ended June 30, 2016 with the State Treasurer from December 31, 2016 to no later than March 31, 2017.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., SUITE 1100
DETROIT, MICHIGAN 48226
PHONE: 313-628-2535
FAX: 313-224-2135
WWW.DETROITMI.GOV

December 7, 2016

Mr. Nick Khouri, Treasurer
State of Michigan
Department of Treasury
P.O. Box 30716
Lansing, MI 48909

Dear Treasurer Khouri:

We are aware that the State of Michigan Uniform Budget and Accounting Act requires that an audit report shall be filed within 6 months after the fiscal year end of a local unit of government. The City of Detroit's most recent fiscal year ended on June 30, 2016. Accordingly, under the Act the audit report for the City is required to be filed by December 31, 2016. The Act also provides that the Chief Administrative Officer of a local unit may request an extension of the filing date from the State Treasurer, and the State Treasurer may grant the request for reasonable cause. The Act also requires that the Chief Administrative Officer who requests an extension shall, within 10 days of making the request, inform the governing body in writing of the requested extension. Staff of the City's Office of the Chief Financial Officer have been working with its independent auditor, Plante Moran, and have made considerable progress on the audit for the fiscal year ended June 30, 2016; however a number of open matters preclude our ability to finalize the audit by December 31, 2016. The financial statements of certain component units are not expected to be finalized until after December 31, 2016 (Detroit Building Authority, Detroit Land Bank Authority, Detroit Housing Commission and Detroit Public Library). These financial statements are required elements of the City's Comprehensive Annual Financial Report. In addition, the City and Great Lakes Water Authority officials are still working through some technical accounting issues related to the split of operations of the Detroit Water and Sewerage Department into the regional authority and the local system.

Based primarily upon these issues, we request an extension of time to file the audit report until March 31, 2017.

Sincerely,

Michael E. Duggan
Mayor, City of Detroit

John W. Hill
Chief Financial Officer

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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

CITY RESOLUTION 2016-23

**APPROVING THE CITY'S DECEMBER 2016 BUDGET AMENDMENT
REQUESTS**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the "City") beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve the City's proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, Section 6(3) of the Act further requires the Commission to ensure that the City complies with the requirements of the Uniform Budgeting and Accounting Act; and

WHEREAS, the Uniform Budgeting and Accounting Act prevents the City from deviating from its original general appropriations act without amending it and requires the City to amend its general appropriations act as soon as it becomes apparent that a deviation from the original general appropriations act is necessary and the amount of the deviation can be determined; and

WHEREAS, at the Commission meeting on December 19, 2016, the City presented budget amendment requests, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the City's December 2016 budget amendment requests, attached as **Exhibit A** to this Resolution but excluding any budget amendments a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT For December 19, 2016 MEETING
2016 - 2017 GRANT BUDGET AMENDMENTS

FRC Resolution 2016-23

Exhibit A

No.	Department	Grantor	Grant / Program	Description	Amount		
					Revenue	Expense	Appr. #
1	Health	U.S. Department of Housing and Urban Development	Housing Opportunities for Persons with AIDS Grant	The purpose of this grant is to provide housing assistance and related supportive services to low-income persons living with HIV/AIDS and their families.	595,671.00	595,671.00	20223
2	Health	Michigan Department of Health and Human Services (MDHHS)	Medicaid Elevated Blood Lead Case Management Program	This grant will provide funding for home visit case management for children receiving Medicaid benefits with elevated blood lead levels.	1,423,558.00	1,423,558.00	20332
3	Health	Michigan Department of Health and Human Services (MDHHS)	Local Tobacco Reduction Program	This grant will provide support for smokers who want to quit; promote smoke free air spaces and reduce underage tobacco use.	58,786.00	58,786.00	20333
4	Health	Michigan Department of Health and Human Services (MDHHS)	HIV Ryan White Part B Program	This grant will provide funding to support access to drug therapies.	175,335.00	175,335.00	20216
5	Health	Michigan Department of Health and Human Services (MDHHS)	Infant Safe Sleep	The purpose of this grant is to provide funding for education and training on ways to keep babies safe while sleeping.	45,000.00	45,000.00	20218
6	Health	U.S. Department of Housing and Urban Development	HIV Emergency Relief Project Grants	The purpose of this grant is to provide funding to develop or enhance access to high quality, community based care for low-income individuals and families with HIV.	349,173.00	349,173.00	20149
Health Department Amendment Total					2,647,523.00	2,647,523.00	
7	Fire	Federal Emergency Management Agency (FEMA)	Assistance to Firefighter Grant	This grant will provide funding to purchase equipment and supplies, including air compressors, to combat fires and fire-related hazards.	744,085.00	744,085.00	20292
8	Fire	Michigan State Police	Automobile Theft Prevention Authority Grant (2016)	This grant will support motor vehicle theft and fraud initiatives.	139,732.00	139,732.00	20291
9	Fire	Federal Emergency Management Agency (FEMA)	Assistance to Firefighter Grant	This grant will provide funding that will allow the department to purchase smoke detectors for distribution to and installation for needy high risk residents.	367,264.00	367,264.00	20335
10	Fire	Michigan State Police	Automobile Theft Prevention Authority Grant (2017)	This grant will support motor vehicle theft and fraud initiatives.	206,898.00	206,898.00	20291
Fire Department Amendment Total					1,457,979.00	1,457,979.00	
11	Transportation	U.S Department of Transportation	Urbanized Area Formula Grant	This grant will be utilized to implement preventive maintenance, employee education/training and general development planning. Twelve (12) replacement articulated buses will be purchased as well.	24,494,706.00	24,494,706.00	20287
12	Transportation	U.S Department of Transportation	SEMCOG Unified Work Plan Grant	This grant will provide funding to conduct and support transit planning efforts.	462,100.00	462,100.00	20296
13	Transportation	U.S Department of Transportation	Congestion Mitigation and Air Quality (CMAQ) Improvement Program	This grant will be utilized to support the fixed-route bus service and includes funding for the replacement of seven (7) 40 ft. buses and the replacement of four (4) articulated buses.	5,224,174.00	5,224,174.00	20298
Transportation Department Total					30,180,980.00	30,180,980.00	
14	Recreation	Wayne County	Wayne County Parks Millage Fund (FY 2013 - 2014)	This funding will allow the City of Detroit to provide improvements to the landscape and structures at various parks. The parks must be located in the following Wayne County districts, #2, #5, #6 and #7. The Commissioner representing each district shall review and approve the park selection.	154,000.00	154,000.00	20304
15	Recreation	Wayne County	Wayne County Parks Millage Fund (FY 2014 - 2015)	This funding will allow the City of Detroit to provide improvements to the landscape and structures at four (4) parks. One park must be located within each of the four (4) following Wayne County districts, #2, #5, #6 and #7. The parks that have been selected include Pingree Park, Chene Park, Lollo park, Diack Park. the selection of a park in District 7 is pending.	182,000.00	182,000.00	20305
16	Recreation	St John Providence Health System	St. John Providence Mission Fund	This grant will support the purchase of equipment and scholarships for the Learn to Swim Program.	5,000.00	5,000.00	20302
Recreation Department Total					341,000.00	341,000.00	

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For December 19, 2016 MEETING
2016 - 2017 GRANT BUDGET AMENDMENTS

No.	Department	Grantor	Grant / Program	Description	Amount		
					Revenue	Expense	Appr. #
17	Police	Black Family Development Inc. (via U.S. Department of Justice)	Violent Gang and Gun Crime Reduction Program / Project Safe Neighborhoods Grant	The purpose of this grant is to expand and maintain programming to prevent and respond to gang and gun crime. The funding will cover the cost of a Program Coordinator, police officer overtime and supplies.	154,567.41	154,567.41	20309
18	Police	U.S. Department of Justice	COPS Hiring Program (CHP)	This grant will provide reimbursement of personnel costs for fifteen (15) Police Officers	2,455,296.00	2,455,296.00	20308
19	Police	U.S. Department of Justice	Community Based Violence Prevention Program (Ceasefire)	This grant supports the gun violence prevention program that seeks to reduce gun violence in disadvantaged communities.	682,000.00	682,000.00	13568
20	Police	Michigan State Police	Automobile Theft Prevention Authority Grant - Oakland County	This grant will allow DPD to support motor vehicle theft prevention initiatives with law enforcement partners including Hazel Park, Royal Oak, Farmington Hills and Oakland County (Including Pontiac).	10,335.00	10,335.00	20228
21	Police	Michigan State Police	Automobile Theft Prevention Authority Grant	This grant will support motor vehicle theft prevention initiatives.	574,362.00	574,362.00	20226
22	Police	Michigan State Police	Underage Enforcement Grant	This grant will be used to decrease the consumption of alcohol by minors and identify non-compliant alcohol licensees by conducting alcohol compliance checks.	10,000.00	10,000.00	20232
23	Police	U.S. Department of Justice	Smart Policing Initiative: Smart Policing Innovation Grant	This grant will be used to implement a data driven, police-community partnership pilot project to help significantly reduce shootings and armed robberies at geographic hotspots in the city.	699,929.00	699,929.00	20307
Police Department Amendment Total					4,586,489.41	4,586,489.41	
24	Mayor's Office (Homeland Security)	U.S. Department of Homeland Security (Through Fiduciary County of Macomb)	Hazard Mitigation Grant Program	This grant will be used to assist the Police Department with installing back-up generators at the First, Third and Seventh Precinct.	424,200.00	424,200.00	20302
Mayor's Office (Homeland Security) Total					424,200.00	424,200.00	
Grand Total					39,638,171.41	39,638,171.41	

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For December 19, 2016 MEETING

2016 - 2017 Non-Grant Budget Amendments

No.	Department	Brief Description	Budget Amendment Amount		
			Revenue	Expense	Appr. #
The purpose of this amendment is to recognize and appropriate Fire Insurance Escrow funds transferred from the Buildings, Safety, Engineering and Environmental Department (BSEED) to the Housing and Revitalization Department (HRD) (Formerly known as Planning and Development Department (PDD)).					
		Increase Revenues	131,993.00	-	14098
Housing and Revitalization		Increase Appropriations	-	131,993.00	
		Net Change	131,993.00	131,993.00	

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO

THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT

For December 19, 2016 MEETING

GENERAL OBLIGATION (GO) BOND BUDGET AMENDMENT

No.	Department	Brief Description	Budget Amendment Amount		
			Revenue	Expense	Appr. #
The purpose of this amendment is to reprogram prior year General Obligation Bond appropriations plus interest earnings. (Exhibit A)					
1	Office of the Chief Financial Officer (OCFO)	Increase various appropriations	49,897,236.63	49,897,236.63	Various
		Net Change	49,897,236.63	49,897,236.63	

CITY OF DETROIT BUDGET AMENDMENTS
 THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
 THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
 For December 19, 2016 MEETING
GENERAL OBLIGATION (GO) BOND BUDGET AMENDMENT
EXHIBIT A

Appropriation Name	Fund #1	Appro. #1	Amount		Fund #2	Appro. #2	Amount		Total	
			Expense	Revenue			Expense	Revenue	Expense	Revenue
Charles H. Wright GO Bond Projects	4520	20311	\$561,972.30	(\$561,972.30)	N/A	N/A	\$0.00	\$0.00	\$561,972.30	(\$561,972.30)
Detroit Historical Museum GO Bond Projects	4521	20312	\$480,087.59	(\$480,087.59)	N/A	N/A	\$0.00	\$0.00	\$480,087.59	(\$480,087.59)
COD Municap Facilities GO Bond Projects	4522	20314	\$3,126,692.09	(\$3,126,692.09)	N/A	N/A	\$0.00	\$0.00	\$3,126,692.09	(\$3,126,692.09)
COD cultural Facilities GO Bond Projects	4523	20314	\$517,541.06	(\$517,541.06)	4513	20324	\$2,221,489.35	(\$2,221,489.35)	\$2,739,030.41	(\$2,739,030.41)
COD Neighborhood Redev. and Housing Rehab GO Bond Projects	4524	20315	\$13,617,830.07	(\$13,617,830.07)	N/A	N/A	\$0.00	\$0.00	\$13,617,830.07	(\$13,617,830.07)
COD Public Lighting Improvements GO Bond Projects	4525	20316	\$480,087.59	(\$480,087.59)	4513	20325	\$1,698,154.17	(\$1,698,154.17)	\$2,178,241.76	(\$2,178,241.76)
COD Public Lighting Service Extensions GO Bond Projects	4526	20317	\$480,087.59	(\$480,087.59)	4513	20326	\$849,077.08	(\$849,077.08)	\$1,329,164.67	(\$1,329,164.67)
COD Public Safety Facilities GO Bond Projects	4527	20318	\$4,830,872.95	(\$4,830,872.95)	4513	20327	\$1,385,534.43	(\$1,385,534.43)	\$6,216,407.38	(\$6,216,407.38)
COD Public Safety Facilities DOJ GO Bond Projects	4528	20319	\$3,674,552.99	(\$3,674,552.99)	4513	20328	\$1,465,645.26	(\$1,465,645.26)	\$5,140,198.25	(\$5,140,198.25)
COD Public Safety Facilities Other GO Bond Projects	4529	20320	\$5,277,869.75	(\$5,277,869.75)	4513	20329	\$1,385,534.43	(\$1,385,534.43)	\$6,663,404.18	(\$6,663,404.18)
COD Cultural Facilities GO Bond Projects	4530	20321	\$554,994.52	(\$554,994.52)	4513	20330	\$4,089,088.78	(\$4,089,088.78)	\$4,644,083.30	(\$4,644,083.30)
COD Transportation Facilities Vehicle Procurement GO Bond Projects	4531	20322	\$1,840,062.69	(\$1,840,062.69)	4513	20331	\$627,909.55	(\$627,909.55)	\$2,467,972.24	(\$2,467,972.24)
COD Transportation Facilities GO Bond Projects	4532	20323	\$732,152.39	(\$732,152.39)	N/A	N/A	\$0.00	\$0.00	\$732,152.39	(\$732,152.39)
GRAND TOTAL			\$36,174,803.58	(\$36,174,803.58)			\$13,722,433.05	(\$13,722,433.05)	\$49,897,236.63	(\$49,897,236.63)

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For December 19, 2016 MEETING

2016 - 2017 DWSD BUDGET AMENDMENTS

No.	Department	Brief Description	Budget Amendment Amount		Appr. #
			Revenue	Expense	
The purpose of this amendment is to transfer funds in the amount of \$2,025,000 to the department's new water assistance program, Water Residential Assistance program (WRAP).					
		Increase Appropriations - SDWSD-R Operating	-	1,215,000.00	20184
		Decrease Appropriations - SDWSD-R - Finance	-	(1,215,000.00)	20180
	Department of Water and Sewerage	Increase Appropriations - WDWSD-R Operating	-	810,000.00	20173
		Decrease Appropriations - WDWSD-R -Finance	-	(810,000.00)	20169
		Net Change	0.00	0.00	

The Great Lakes Water Authority (GLWA) pays the DWSD for the leasing of both Sewer Facilities (\$27,500,000) and Water Facilities (\$22,500,000). The purpose of this amendment is to appropriate the payments.

	Department of Water and Sewerage	Increase Revenues & Appropriations	50,000,000.00	50,000,000.00	Pending
		Net Change	50,000,000.00	50,000,000.00	



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

CITY RESOLUTION 2016-24

APPROVING THE CITY'S DECEMBER 2016 CONTRACT REQUESTS

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the "City") beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 6(6) of the Act provides that during the period of oversight, the Commission review and approve the City's applicable contracts, as defined by Section 3(a) of the Act, and that an applicable contract does not take effect unless approved by the Commission; and

WHEREAS, at the Commission meeting on December 19, 2016, the City presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the City's December 2016 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

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CITY OF DETROIT CONTRACT SUBMISSION TO FINANCIAL REVIEW COMMISSION
THE FOLLOWING CONTRACTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
SECTION 6, SUBSECTION 6 OF THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For December 19, 2016 Meeting

Prepared By: Boysie Jackson, Chief Procurement Officer

City Council and Water Board Approvals Through December 14, 2016

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a New contract, was the original contract competitively bid?	Highest Ranked or Lowest Bid? If not a New contract, was the original contract the lowest bid?	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
CONTRACTS GREATER THAN \$750K (Yes = Lowest Bid Unless Specified)									
1	FIRE	6000467	Contract Amount: \$840,003.70 Contract Period: Upon FRC Approval through 12/31/17 Source: 100% City Funding Purpose: To Provide Two (6) Ambulances for use at the Three Detroit Casinos Contractor: DMC Care Express Location: 6420 East Lafayette, Detroit, MI 48207	New	Yes	Yes	12/14/2016	12/19/2016	
2	GENERAL SERVICES	6000479	Contract Amount: \$8,497,155.76 Contract Period: Upon FRC Approval through 12/31/19 Source: 100% City Funding Purpose: To Provide Security Guard Services for the City of Detroit Buildings and Garages Contractor: LaGarda Security Location: 2123 S. Center Road, Burton, MI 48519	New	Yes	Yes	12/14/2016	12/19/2016	
3	HOUSING AND REVITALIZATION	6000438	Contract Amount: \$3,000,000.00 Contract Period: 1/1/17 through 12/31/18 Source: 100% Federal Funding Purpose: To Increase by \$3,000,000.00 in CDBG funds to Provide 0% Loans for Home Rehabilitation for Home Owners. Develop and Assist in Managing a Loan Pool for Housing Rehabilitation for Existing Homeowners. (Zero Per Cent Interest Home Loan Repair Program). Matching Funds of \$4,000,000.00 Already Raised by Local Initiatives Support Corporation (LISC). Request for Increase in Funds and Extension of Current Contract Contractor: Local Initiatives Support Corporation Location: 660 Woodward Avenue, Suite 1600, Detroit, MI 48226	Amendment	HRD Agreement with Local Initiatives Support Corporation	HRD Agreement with Local Initiatives Support Corporation	11/22/2016	12/19/2016	Original contract of \$6,600,000.00 was approved by City Council in November 2014
4	INNOVATIVE AND TECHNOLOGY	6000435	Contract Amount: \$3,500,000.00 Contract Period: Upon FRC Approval through 11/30/19 Source: 100% City Funding Purpose: To Provide Procurement of Telecommunications Equipment, Maintenance Services, Engineering Support and Supply Cabling Services and Level 1 Tech Support Contractor: Groundwork0 Location: 2000 Brush St., #267, Detroit, MI 48226	New	Yes	Yes	Recess Approval 11/28/16	12/19/2016	
5	MUNICIPAL PARKING	6000173	Contract Amount: \$8,749,811.56 Contract Period: 1/1/17 through 12/30/19 Source: 100% City Funding Purpose: To Provide Municipal Parking Complete Management and Operation of Vehicle Tow, Storing, Inventorying, Auctioning and Disposal of Abandoned Vehicles Contractor: Pierce, Monroe & Associates, LLC Location: 535 Griswold St., Suite 2200, Detroit, MI 48226	New	Yes	Highest Ranked	11/22/2016	12/19/2016	

Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a New contract, was the original contract competitively bid?	Highest Ranked or Lowest Bid? If not a New contract, was the original contract the lowest bid?	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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CONTRACTS GREATER THAN \$750K--continued

6	OFFICE OF THE CHIEF FINANCIAL OFFICER	2916755	Contract Amount: \$995,000.00 Contract Period: 1/1/17 through 6/30/17 Source: 100% City Funding Purpose: To Provide a 10 year Pro Forma Financial Projection and Supplier Financial Assessments Contractor: Ernst & Young LLP Location: 777 Woodward Avenue, Detroit, MI 48226	Amendment	No	No	Approved Special City Council Session 11/30/16	12/19/2016	Total Contract Amount: \$4,400,000.00 This Amendment is for increase of funds and extension of time. The original contract amount is \$3,405,000.00 and the original contract period is December 12, 2015 through December 31, 2016.
7	POLICE	3007911	Contract Amount: \$993,020.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Thirty-Five (35) Investigative Vehicles Contractor: Gorno Ford Location: 22025 Allen Road, Woodhaven, MI 48183	New	Yes	Yes	Recess Approval 12/7/16	12/19/2016	Used for Field Operations
8	POLICE	3008324	Contract Amount: \$2,564,655.50 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide a Fifty (50) Marked Scout Vehicles Contractor: Lafontaine CDJR Location: 6131 Pennsylvania Avenue, Lansing, MI 48911	New	Yes	Yes	Recess Approval 12/14/16	12/19/2016	Used for Neighborhood Patrol and 911
9	POLICE	3008327	Contract Amount: \$1,265,650.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Twenty-Five (25) Completed Semi-Marked B&E Scout Vehicles Contractor: Lafontaine CDJR Location: 6131 Pennsylvania Avenue, Lansing, MI 48911	New	Yes	Yes	Recess Approval 12/14/16	12/19/2016	Used for Cease Fire Vehicles
10	POLICE / DOIT	2915504	Contract Period: \$3,052,411.00 Contract Period: 10/27/15 through 10/26/17 Source: 100% City Funding Purpose: To Provide Computer Aided Dispatch and Record Management System Software/Hardware and Implementation Services Contractor: SunGard Public Sector, Inc. Location: 1000 Business Center Drive, Lake Mary, FL 32746	Amendment	Yes	Yes	Recess Approval 12/7/16	12/19/2016	Total Amount: \$9,119,422.00 This Amendment is for increase of funds and Scope of Services. The original contract amount is \$6,067,011.00.
11	PUBLIC WORKS	6000262	Contract Amount: \$2,687,786.00 Contract Period: Upon FRC Approval through 12/31/18 Source: 100% City (Street) Funding Purpose: To Provide Bituminous Resurfacing of Class C Streets Contractor: Cadillac Asphalt LLC Location: 2575 S. Haggerty Road, Suite 100, Canton, MI 48188	New	Yes	Yes	Recess Approval 11/28/16	12/19/2016	
12	PUBLIC WORKS	6000341	Contract Amount: \$2,027,319.36 Contract Period: Upon FRC Approval through 12/31/19 Source: 57% State, 43% Street Fund Purpose: To Provide Construction, Engineering and Inspection Services Contractor: Hubbell, Roth & Clark, Inc. Location: 535 Griswold, Suite 1680, Detroit, MI 48226	New	Yes	Highest Ranked	Recess Approval 11/28/16	12/19/2016	

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a New contract, was the original contract competitively bid?	Highest Ranked or Lowest Bid? If not a New contract, was the original contract the lowest bid?	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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CONTRACTS GREATER THAN \$750K--continued

13	PUBLIC WORKS	6000397	Contract Amount: \$2,037,997.00 Contract Period: 11/22/16 through 8/31/17 Source: 100% City Funding Purpose: To Provide Rock Salt Contractor: Detroit Salt Company LC Location: 12841 Sanders Street, Detroit, MI 48217	New	Yes	Yes	Recess Approval 11/22/16	12/19/2016	Piggyback off MiDeal, negotiated each year.
14	TRANSPORTATION	6000410	Contract Amount: \$8,940,000.00 Contract Period: One Time Purchase Source: 80% Federal, 20% State Funding Purpose: To Provide the Purchase of Twenty (20) Transit Coaches Contractor: New Flyer Industries Canada ULC Location: 711 Kernaghan Avenue, Winnipeg, MB R2C 34 Canada	New	Yes	Yes	Recess Approval 12/7/16	12/19/2016	

CONTRACTS GREATER THAN 2 YEARS

15	MUNICIPAL PARKING	6000127	Contract Amount: \$112,500.00 Contract Period: Upon City Council Approval through 7/31/19 Source: 100% City Funding Purpose: To Provide Boot and Towing Services Contractor: B & G Towing Location: 8100 Lynch Road, Detroit, MI 48234	New	Yes	Yes	Recess Approval 11/22/2016	12/19/2016	We were waiting for all three to be approved by City Council before placing on FRC Agenda.
16	MUNICIPAL PARKING	6000128	Contract Amount: \$112,500.00 Contract Period: Upon FRC Approval through 7/31/19 Source: 100% City Funding Source: To Provide Vehicle Towing and Boot Services Contractor: Bobby's Towing Location: 10401 Lyndon, Detroit, MI 48238	New	Yes	Yes	Recess Approval 11/22/2016	12/19/2016	We were waiting for all three to be approved by City Council before placing on FRC Agenda.
17	MUNICIPAL PARKING	6000129	Contract Amount: \$112,500.00 Contract Period: Upon City Council Approval through 7/31/19 Source: 100% City Funding Purpose: To Provide Boot and Towing Services - Contractor: Gene's Towing Location: 7900 Dix, Detroit, MI 48209	New	Yes	Yes	Recess Approval 11/22/2016	12/19/2016	We were waiting for all three to be approved by City Council before placing on FRC Agenda.
18	MUNICIPAL PARKING	6000130	Contract Amount: \$112,500.00 Contract Period: Upon City Council Approval through 7/31/19 Source: 100% City Funding Purpose: To Provide Vehicle Boot and Towing Services Contractor: Javion & Sam's Towing Inc. Location: 2411 Vinewood, Detroit, MI 48216	New	Yes	Yes	11/9/2016	12/19/2016	We were waiting for all three to be approved by City Council before placing on FRC Agenda.
19	TRANSPORTATION	6000254	Contract Amount: \$515,325.00 Contract Period: Upon FRC Approval through 10/31/19 Source: 100% Federal Funding Purpose: To Provide and Install New Transit Bus Shelters and Benches at various Bus Stops Contractor: Brasco International, Inc. Location: 32400 Industrial Drive, Royal Oak, MI 48071	New	Yes	Yes	Recess Approval 11/29/2016	12/19/2016	

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a New contract, was the original contract competitively bid?	Highest Ranked or Lowest Bid? If not a New contract, was the original contract the lowest bid?	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K									
20	HOUSING AND REVITALIZATION	3001564	Contract Amount: \$622,003.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Residential Demolition of 45 Properties, FIE.29 Contractor: Adamo Demolition Co. Location: 320 E. Seven Mile Road, Detroit, MI 48203	New	Yes	Yes	11/15/2016	12/19/2016	41 Properties, spread all districts 1, 2, 3, 4, 5, 6 and 7. Numerous contracts for this entity totaling over \$200K within 12 months.
21	HOUSING AND REVITALIZATION	3001566	Contract Amount: \$305,000.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Commercial Demolition of 8 Properties, Group #41 Contractor: Dore & Associates Contracting, Inc. Location: 900 Harry S. Truman Parkway, Bay City, MI 48706	New	Yes	Yes	11/15/2016	12/19/2016	8 Properties in District 4. Numerous contracts for this entity totaling over \$450K within 12 months.
22	HOUSING AND REVITALIZATION	3006814	Contract Amount: \$417,381.19 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Residential Demolition: 8.18.16 Group F Contractor: Able Demolition, Inc. Location: 5675 Auburn Road, Shelby Township, MI 48317	New	Yes	Yes	11/9/2016	12/19/2016	28 Properties in District 5. Numerous contracts for this entity totaling over \$400K within 12 months.
23	HOUSING AND REVITALIZATION	3006815	Contract Amount: \$278,600.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Commercial Demolition Group #45 Contractor: Blue Star, Inc. Location: 21950 Hoover, Warren, MI 48089	New	Yes	Yes	11/9/2016	12/19/2016	9 Properties in Districts 6 and 7. Numerous contracts for this entity totaling over \$600K within 12 months.
24	OFFICE OF THE CHIEF FINANCIAL OFFICER	6000374	Contract Amount: \$374,930.00 Contract Period: 11/1/16 through 6/30/17 Source: 100% City Funding Purpose: To Provide Structured Screening Interviews, Content Validity of all Interviewees Evaluations, Provide Project Coordination Between the City of Detroit and Magnet Contractor: Magnet Consulting Location: 455 South Livernois Road, Suite B24, Rochester Hills, MI 48307	Amendment	No	No	Approved Special City Council Session 11/30/16	11/30/2016	Numerous contracts totaling over \$400K within 12 months
25	POLICE	3007910	Contract Amount: \$431,536 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Eight (8) Completed Raid Vans Contractor: Gorno Ford Location: 22025 Allen Road, Woodhaven, MI 48183	New	Yes	Yes	Recess Approval 12/7/16	12/19/2016	
26	PUBLIC WORKS	6000456	Contract Amount: \$640,925.00 Contract Period: 12/1/16 through 11/30/18 Source: 100% (Street Funding) Purpose: To Provide Snow Removal Services (Residential Streets) for Districts 6 and 7 Contractor: J.E. Jordan Landscaping Location: 19415 W. McNichols, Detroit, MI 48219	New	Yes	Highest Ranked	Recess Approval 12/14/16	12/19/2016	Combined Contracts total over \$750,000. Contract #6000179 for \$312,000.00 City Council Approved 7/19/16
27	PUBLIC WORKS	6000458	Contract Amount: \$727,200.00 Contract Period: 12/1/16 through 11/30/18 Source: 100% (Street Funding) Purpose: To Provide Snow Removal Services (Loading and Hauling) Contractor: Boulevard and Trumbull Location: 2411 Vinewood, Detroit, MI 48216	New	Yes	All 3 Bids were Recommended	Recess Approval 12/14/16	12/19/2016	Combined Contracts total over \$750,000. Contract #2890667 for \$50,000.00 (City Council Approved 4/12/16)

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a New contract, was the original contract competitively bid?	Highest Ranked or Lowest Bid? If not a New contract, was the original contract the lowest bid?	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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DEPARTMENT OF WATER AND SEWAGE CONTRACTS

CONTRACTS GREATER THAN \$750,000.00

			No Contracts Submitted for this Category						
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CONTRACTS GREATER THAN 2 YEARS

			No Contracts Submitted for this Category						
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WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K

			No Contracts Submitted for this Category						
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: December 15, 2016
TO: Financial Review Commission Members
FROM: Romaneir Johnson, Executive Director, Financial Review Commission
Ron L. Rose, Executive Director, Financial Review Commission
Drew Van de Grift, Administrative Law Specialist
SUBJECT: Contract Summary - December 2016 City of Detroit FRC Meeting

The City has submitted 27 contracts for review at the December 19, 2016 commission meeting. These contracts have been vetted by the FRC Advisory Subcommittee on Contracts and Procurement. Additionally, all of these contracts have been approved by the Office of the Chief Financial Officer. Each contract is summarized below:

Contract 1 – New Contract for Ambulance Service to Detroit Casinos

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
DMC Care Express	New Contract	December 14, 2016	\$840,003.70	Yes	Only Bid	General Fund

This Contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. The Subcommittee and city officials discussed how the city receives complete reimbursement from the casinos for ambulance services. This contract was competitively bid however only DMC responded. The city intends to rebid this contract next year with the hope of attracting more responding firms. If approved, this contract will continue through December 31, 2017.

Contract 2 – New Contract for Security Services for City Buildings

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
LaGarda Security	New Contract	December 14, 2016	\$8,497,155.76	Yes	Both	Airport, Municipal Parking, DPW, and General Security Funds

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000 and because the contract term exceeds two years. Included in this contract are armed guards, unarmed guards, and six vehicles. This contract was competitively bid and 11 firms responded. LaGarda is both the lowest bid and the highest ranked proposal. If approved, this contract will continue through December 31, 2019.

Contract 3 – Contract Amendment to Extend Term and Increase CDBG Funding for Home Repair Loans

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Local Initiatives Support Corporation	Amendment to Existing Contract	November 22, 2016	\$3,000,000 Increase; Original Contract Value was \$6,600,000	N/A	N/A	Federal CDBG Funds

This contract amendment is subject to FRC review because it exceeds the statutory threshold of \$750,000. The terms of this agreement increases the contract cost by \$3M in CDBG funds and also extends the contract period two additional years. The contractor provides homeowner financing to enable the repair and renovation of homes so that the properties meet code. These loans are interest free. Because of the nature of this existing contract, this matter was not competitively bid. If approved, this contract will continue through December 31, 2018.

Contract 4 – New Contract for Telecommunications Equipment and Support

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Groundwork0	New Contract	November 28, 2016	\$3,500,000	Yes	Lowest Bid	General Fund; Data Processing Fund

This three year contract is subject to FRC review because it exceeds the statutory threshold of \$750,000 and because the contract term exceeds two years. Telecommunications hardware, onsite technicians, IT network technicians, and systems engineer services are included in this contract. This contract was competitively bid and two firms responded. Groundwork0 was the lowest bid. If approved, this contract will continue through November 30, 2019.

Contract 5 – New Security Services Contract for City Buildings

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Pierce, Monroe, and Associates, LLC.	New Contract	November 22, 2016	\$8,749,811.56	Yes	Highest Ranked	General Fund; Parking Violations

This three year contract is subject to FRC review because it exceeds the statutory threshold of \$750,000 and because the contract term exceeds two years. The contract provides for various parking functions and parking violation services such as vehicle storage, processing of parking tickets, and metering. This new system will integrate with a license plate recognition system for further efficiencies. This contract was competitively bid and 11 firms responded. Contractor was not the lowest bid, however it was the highest ranked respondent. If approved, this contract will continue through December 30, 2019.

Contract 6 – Contract Amendment for Financial Projections and Assessments

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid ?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Ernst & Young LLP	Contract Amendment	November 30, 2016	\$995,000 for a Total Contract Value of \$4,400,000	No	No	General Fund; Restructuring

This contract amendment is subject to FRC review because it exceeds the statutory threshold of \$750,000. The services performed under this contract concern multi-year financial projections and a reconciliation to the existing four year financial plan. The underlying contract was approved by emergency manager order #41 and so it was not competitively bid. This amendment extends the contract six months and increases the cost of the contract by \$995,000. If approved, this contract will continue through June 30, 2017.

Contract 7 – New Contract for 35 Investigative Police Vehicles

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Gorno Ford	New Contract	December 7, 2016	\$993,020	Yes	Lowest Bid	Quality of Life Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. This contract was competitively bid and two firms responded. Contractor was the lowest bid. 35 vehicles will be delivered under this contract for use by the Detroit Police.

Contract 8 – New Contract for Delivery of 50 Marked Scout Vehicles

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
LaFontaine CDJR	New Contract	December 14, 2016	\$2,564,655.50	Yes	Lowest Bid	General Fund; Police Support

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. These vehicles will be used for patrol and for 911 response efforts. This contract was competitively bid and two firms responded. Contractor was the lowest bid.

Contract 9 – New Contract for Delivery of 25 Semi-Marked Scout Vehicles

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
LaFontaine CDJR	New Contract	December 14, 2016	\$1,265,650	Yes	Only Bid	General Fund; Police Support

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. These vehicles will be used in the city's Cease Fire operation. This contract was competitively bid but only the contractor responded.

Contract 10 – Contract Amendment for Dispatch and Record Management System

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
SunGuard Public Sector Inc.	Contract Amendment	December 7, 2016	Increase of \$3,052,411 for total of \$9,119,422	No	N/A	Quality of Life Fund

This contract amendment is subject to FRC review because it exceeds the statutory threshold of \$750,000. The original contract was approved by the Chief Information Officer under authority granted by emergency manager order. The increase of contract cost expands the scope of work for additional software and hardware for police and fire units. If approved, this contract will continue through October 26, 2017.

Contract 11 – New Contract for Street Repair

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Cadillac Asphalt LLC	New Contract	November 28, 2016	\$2,687,786	Yes	Lowest Bid	Local Street Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. Approximately seven miles of city street will be resurfaced under this contract. This contract was competitively bid and two firms responded. Contractor was the lowest bid. If approved, this contract will continue through December 31, 2018.

Contract 12 – New Contract for Construction Inspection Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Hubbell, Roth & Clark, Inc.	New Contract	November 28, 2016	\$2,027,319.36	Yes	Highest Ranked	57% State Funded; 43% Local Streets Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. Contractor will perform inspection services for construction and engineering projects in the city. This contract was competitively bid and eight firms responded. Contractor was not the lowest bid, however it was the highest ranked respondent. If approved, this contract will continue through December 31, 2019.

Contract 13 – New Contract for Delivery of Road Salt

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Detroit Salt Company LLC	New Contract	November 22, 2016	\$2,037,997	Yes, on MiDeal	MiDeal Vendor	Major Streets Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. The city has depleted existing stores of road salt and this contract will resupply the city's reserves. The contractor was identified using MiDeal and so this contract "piggybacks" off of the MiDeal system. If approved, this contract will continue through August 31, 2017.

Contract 14 – New Contract for Delivery of 20 Transit Coaches

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
New Flyer Industries Canada ULC	New Contract	December 7, 2016	\$8,940,000	Yes	Highest Ranked	80% Federal, 20% State Grants

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. This one time purchase was bid and three proposals were received. The city has had positive experiences with previous bus purchases from contractor. Contractor was not the lowest bid, however it was the highest ranked respondent. The city reports that this purchase will be funded entirely with grant monies.

Contract 15 – New Contract for Vehicle Towing Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
B&G Towing	New Contract	November 22, 2016	\$112,500	Yes	Agreed to City's Pricing	General Fund; Parking Violations

This contract is subject to FRC review because the contract term exceeds two years. The city solicited bids for towing services with a fixed fee of \$75 per tow. Four firms agreed to tow for that price and the city wishes to contract with all of them. These four contracts are numbered 15-18 in this memo. The city reasons that because all of the four firms agreed to work for the same per tow fee, all of them are the lowest respondent. If approved, this contract will continue through July 31, 2019.

Contract 16 – New Contract for Vehicle Towing Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Bobby's Towing	New Contract	November 22, 2016	\$112,500	Yes	Agreed to City's Pricing	General Fund; Parking Violations

See description for above Contract #15

Contract 17 – New Contract for Vehicle Towing Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Gene's Towing	New Contract	November 22, 2016	\$112,500	Yes	Agreed to City's Pricing	General Fund; Parking Violations

See description for above Contract #15

Contract 18 – New Contract for Vehicle Towing Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Javion & Sam Towing	New Contract	November 9, 2016	\$112,500	Yes	Agreed to City's Pricing	General Fund; Parking Violations

See description for above Contract #15

Contract 19 – New Contract for Bus Shelters and Benches

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Brasco International, Inc.	New Contract	November 29, 2016	\$515,325	Yes	Lowest bid	Federal Transportation Grant Monies

This contract is subject to FRC review because the contract term exceeds two years. This contract is for delivery and installation of 26 bus shelters and 45 bus benches. The matter was competitively bid and two firms responded. Contractor was the lowest bid and the city has previously successfully purchased bus shelters from this contractor. If approved, this contract will continue through October 31, 2019.

Contract 20 – New Contract for Demolition Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Adamo Demolition Co.	New Contract	November 15, 2016	\$622,003	Yes	Lowest Bid	Quality of Life Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$750,000. This contract provides for the demolition of 45 residential buildings. This contract was competitively bid and four firms responded. Contractor was the lowest bid. This is a one-time purchase of demolition services.

Contract 21 – New Contract for Demolition Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Dore and Associates	New Contract	November 15, 2016	\$305,000	Yes	Lowest Bid	Quality of Life Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$750,000. This contract provides for the demolition of eight commercial buildings. This contract was competitively bid and five firms responded. Contractor was the lowest bid. This is a one-time purchase of demolition services.

Contract 22 – New Contract for Demolition Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Able Demolition	New Contract	November 9, 2016	\$417,381.19	Yes	Lowest Bid	Quality of Life Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$750,000. This contract provides for the demolition of 29 residential buildings. This contract was competitively bid and six firms responded. Contractor was the lowest bid. This is a one-time purchase of demolition services.

Contract 23 – New Contract for Demolition Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Blue Star, Inc.	New Contract	November 9, 2016	\$278,600	Yes	Lowest Bid	Reinvestment Project - Blight

This contract is subject to FRC review because the aggregate sum of the city's recent contracts with this contractor exceeds \$750,000. This contract provides for the demolition of nine buildings. This contract was competitively bid and five firms responded. Contractor was the lowest bid. This is a one-time purchase of demolition services.

Contract 24 – Contract Amendment for Structured Interviewee Screening Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Magnet Consulting	Contract Amendment	November 30, 2016	\$374,930	No	No	Restructuring Consolidation Fund

This contract amendment is subject to FRC review because the aggregate sum of the city's contracts with this vendor exceeds \$750,000. This amendment extends the term of an existing contract for eight months. The contractor's services include screening interviews for the Office of the Chief Financial Officer, the Dept. of Innovation and Technology, Human Resources, and Planning and Development. The original contract was not competitively bid.

Contract 25 – New Contract for Delivery of Eight Police Raid Vans

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Gorno Ford	New Contract	December 7, 2016	\$431,536	Yes	Lowest Bid After other Bid was Disqualified	Drug Law Enforcement Fund

This contract is subject to FRC review because the aggregate sum of the city's contract with this contractor exceeds \$750,000. This contract provides for the purchase of eight police raid vans. The matter was competitively bid and two firms submitted four bids. A lower cost bid was disqualified after the police determined that the bid did not include required equipment. This is a one-time purchase of vehicles.

Contract 26 – New Contract for Residential Snow Plow Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
J.E. Jordan Landscaping	New Contract	December 14, 2016	\$640,925	Yes	Highest Ranked	Local Streets

This contract is subject to FRC review because the aggregate sum of the city's contract with this contractor exceeds \$750,000. This contract provides for the plowing of two city district for five snow events. This contract was competitively bid and 10 firms responded. Contractor was not the

lowest bid but was the highest ranked due in part to its capacity for this large job. If approved, this contract could continue through November 30, 2018.

Contract 27 – New Contract for Snow Plowing Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Boulevard and Trumbull	New Contract	December 14, 2016	\$727,200	Yes	All three bids were accepted	Major Street Fund

This contract is subject to FRC review because the aggregate sum of the city’s contract with this contractor exceeds \$750,000. This contract provides for the disposal and hauling of snow to a specified dumping site for six snow events. This contract was competitively bid and three firms responded. The city has accepted all three bids, however this is the only contract eligible for FRC review. If approved this contract could continue through November 30, 2018.