

CITY OF DETROIT

Office of the Chief Financial Officer

Financial Report for the Four Months ended October 31, 2017

December 18, 2017



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Executive summary

- City departments are working with the OCFO's Office of Departmental Financial Services to complete their budget submissions for the FY 2019-2022 Four-Year Financial Plan.
- The City's fieldwork on the FY 2017 audit is nearly complete with remaining component units expected to be completed by the end of the calendar year. The City expects to request an audit filing extension from the State Treasurer to January 31, 2018.
- The OCFO has evaluated proposals for a tender offer and refunding of its Series 2014 B and C Notes. The OCFO expects to finalize its debt restructuring strategy and seek approval in Q1 of 2018.
- The City closed on the \$15M sale of the Premier Parking Garage on December 4, in connection with the redevelopment project at the downtown Hudson's site. The entire proceeds are being used to pay down principal on the City's Series 2014 C Notes, resulting in lower debt service costs.
- FY 2018 is currently projected to end with an operating surplus of approximately \$27.5M.
 - Revenue projections remain in line with the September 2017 Revenue Estimating Conference results, which are above the February 2017 revenue estimates used for the adopted budget. (page 3)
 - Payroll and employee benefit expenditures are trending below budget as a result of position vacancies. (page 3)
 - The General City active employee count decreased in October due to the departure of seasonal employees. (page 4)
- The October YTD General City property tax collection rate of 50.8% has improved slightly over the prior year. Only a portion of the tax roll has come due to date. (page 7)
- Accounts Payable as of October had a net decrease of \$1.7 M compared to September. Net AP not on hold had a net decrease of \$2.3M. The number of open invoices not on hold increased by 1,258, of which 584 were current. The report excludes a \$14.3M DWSD payable to the Great Lakes Water Authority, which has been open since June and remains under negotiation. (page 8)
- In October the City received \$42M in new federal and state funds, primarily made up of one non-competitive award for DHD and one competitive grant increase for DDOT. (page 10)



FY 2018 year-to-date general ledger actuals and annualized projection

GENERAL FUND

\$ in millions

REVENUE:

Municipal Income Tax	\$ 90.6	\$ 99.6	\$ -	\$ 99.6	\$ 9.0	9.9%	\$ 283.3	\$ 292.1	\$ 8.9
Property Taxes	55.1	58.1	-	58.1	3.0	5.4%	124.0	124.0	-
Wagering Taxes	57.8	56.1	3.4	59.5	1.7	2.9%	177.8	179.0	1.2
Utility Users' Tax	11.7	7.3	3.7	11.0	(0.6)	(5.3%)	35.0	38.9	3.9
State Revenue Sharing	32.9	33.3	0.7	34.0	1.2	3.5%	196.7	198.8	2.0
Sales and Charges for Services	42.8	13.2	-	13.2	(29.6)	(69.2%)	121.1	120.6	(0.4)
Licenses, Permits, and Inspection Charges	4.9	2.5	-	2.5	(2.5)	(50.1%)	11.7	12.3	0.7
Contributions and Transfers (5)	16.2	10.3	-	10.3	(5.9)	(36.1%)	68.1	68.1	(0.0)
Grants and Other Revenues	0.6	0.3	-	0.3	(0.4)	(58.9%)	0.8	0.9	0.2
Fines, Forfeits and Penalties	8.4	6.6	-	6.6	(1.9)	(22.1%)	25.3	25.0	(0.3)
Revenues from Use of Assets	1.1	0.9	-	0.9	(0.2)	(19.0%)	3.3	3.4	0.1
Other Taxes, Assessments, and Interest	2.4	4.7	-	4.7	2.2	92.7%	7.3	6.8	(0.5)
Sales of Assets and Compensation for Losses	1.9	0.1	-	0.1	(1.7)	(93.5%)	5.6	1.9	(3.7)
Miscellaneous	7.7	2.7	3.0	5.6	(2.1)	(27.4%)	15.9	13.3	(2.6)
Adjust for Prior Year Carry-forward (6)	90.0	-	90.0	90.0	-	-	90.0	90.0	-

TOTAL (L)

	YTD ANALYSIS					
	BUDGET	ACTUAL + ADJUSTMENTS + ENCUMBRANCE			VARIANCE (BUDGET VS. ACTUAL)	
	YTD	ACTUAL (2)	ADJUSTMENTS + ENCUMBRANCE (3)	TOTAL	YTD	
	AMENDED (1)				(\$) F = E-B	% G = (F/B)
B	C	D	E = C + D			
	\$ 424.1	\$ 295.6	\$ 100.8	\$ 396.3	\$ (27.7)	(6.5%)

EXPENDITURES:

Salaries and Wages	\$ (149.7)	\$ (126.8)	\$ -	\$ (126.8)	\$ 22.9	15.3%	\$ (429.6)	\$ (419.3)	\$ 10.3
Employee Benefits	(156.9)	(138.9)	-	(138.9)	18.1	11.5%	(278.7)	(271.5)	7.2
Professional and Contractual Services	(28.3)	(14.6)	(24.8)	(39.4)	(11.2)	(39.6%)	(79.2)	(79.0)	0.2
Operating Supplies	(13.6)	(12.7)	(26.1)	(38.8)	(25.2)	(185.1%)	(39.2)	(39.6)	(0.5)
Operating Services	(38.6)	(26.4)	(8.2)	(34.7)	3.9	10.2%	(115.6)	(115.3)	0.3
Capital Equipment	(0.1)	0.7	(1.0)	(0.3)	(0.2)	(142.2%)	(0.4)	(0.4)	-
Capital Outlays	(9.6)	(3.4)	(4.8)	(8.2)	1.4	14.1%	(28.8)	(28.9)	(0.1)
Debt Service	(20.4)	-	(19.0)	(19.0)	1.4	6.9%	(61.3)	(61.3)	-
Other Expenses	(47.2)	(54.7)	(2.7)	(57.5)	(10.2)	(21.6%)	(133.1)	(132.4)	0.7

TOTAL (M)

	\$ (464.5)	\$ (376.9)	\$ (86.7)	\$ (463.5)	\$ 1.0	0.2%
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VARIANCE (N = L + M)

	\$ (40.4)	\$ (81.3)	\$ 14.1	\$ (67.2)	\$ (26.8)	N/A
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ANNUALIZED PROJECTION ANALYSIS

BUDGET	PROJECTION	VARIANCE (BUDGET VS. PROJECTION)
ANNUAL	ANNUAL	ANNUAL
AMENDED	ESTIMATED (4)	ESTIMATED
H	I	(J) J = I-H
\$ 1,165.7	\$ 1,175.1	\$ 9.4
\$ (1,165.7)	\$ (1,147.6)	\$ 18.1
\$ -	\$ 27.5	\$ 27.5

Notes

- (1) Amended monthly budget assumes pro rata as well as seasonal distribution of annual amended budget.
- (2) Year-to-date actuals reflect four months ending October 31, 2017.
- (3) Reflects encumbrances and pending adjustments.
- (4) Projected revenues are based on the City's September 2017 Revenue Estimating Conference results.
- (5) This revenue line also includes the use of fund balance totaling \$50M to support one-time spending on capital (\$20M) and blight (\$30M).
- (6) This revenue line reflects fund balance assigned to support prior year encumbrances and carry-forwards, for which equivalent amounts are captured within expenditures.



Monthly active employee count compared to budget

	MONTH-OVER-MONTH ACTUAL ⁽¹⁾			BUDGET VS. ACTUAL		
	Actual September 2017	Actual October 2017	Change Oct. 2017 vs. Sept. 2017	Amended Budget FY 2018 ⁽²⁾	Variance Under/(Over) Budget vs. October 2017	
Public Safety						
Police	3,061	3,053	(8)	3,121	68	2%
Fire	1,160	1,171	11	1,274	103	8%
Total Public Safety	4,221	4,224	3	4,395	171	4%
Non-Public Safety						
Office of the Chief Financial Officer	430	426	(4)	482	56	
Public Works - Regular	371	374	3	419	45	
Public Works - Seasonal	28	26	(2)	26	0	
Health	65	63	(2)	76	13	
Human Resources	98	95	(3)	108	13	
Housing and Revitalization	72	77	5	91	14	
Innovation and Technology	92	95	3	134	39	
Law	114	108	(6)	118	10	
Mayor's Office (includes Homeland Security)	72	71	(1)	72	1	
Planning and Development	29	31	2	41	10	
Recreation - Regular	274	276	2	326	50	
Recreation - Seasonal	0	0	0	264	264	
General Services - Regular	309	330	21	504	174	
General Services - Seasonal	254	149	(105)	219	70	
Legislative ⁽³⁾	256	246	(10)	259	13	
36th District Court	317	315	(2)	331	16	
Other ⁽⁴⁾	108	107	(1)	110	3	
Total Non-Public Safety	2,889	2,789	(100)	3,580	791	22%
Total General City	7,110	7,013	(97)	7,975	962	12%
Enterprise						
Airport	4	4	0	4	0	
BSEED	194	204	10	230	26	
Transportation	930	915	(15)	927	12	
Municipal Parking	95	91	(4)	95	4	
Water and Sewerage	486	506	20	579	73	
Library	296	296	0	332	36	
Total Enterprise	2,005	2,016	11	2,167	151	7%
Total City	9,115	9,029	(86)	10,142	1,113	11%

Notes:

- (1) Actuals are based on active employees only (both permanent and temporary) and include full-time, part-time, seasonal employees and PSCs if funded by vacant budgeted positions.
- (2) Amended Budget reflects amendments and other adjustments impacting approved position counts compared to the original budget. It excludes personal services contractors (PSCs).
- (3) Includes: Auditor General, Inspector General, Zoning, City Council, Ombudsperson, City Clerk, and Elections.
- (4) Includes: Civil Rights Inclusion & Opportunity, Administrative Hearings, Public Lighting Department, and Non-departmental.



FY 2018 year-to-date net cash flows

For 4 Months Ending October 31, 2017

\$ in millions

Cash Flows - General Pool Cash

	FY18 Actual 4 Months	FY17 Actual	
		4 Months	Change
Property Taxes	\$ 72.4	\$ 71.7	\$ 0.7
Municipal Income Taxes	100.3	86.2	14.1
Utility Users Taxes	7.5	6.0	1.5
Wagering Taxes	59.8	59.4	0.4
State Revenue Sharing	67.3	97.8	(30.5) (1)
Other / Misc.	75.8	69.6	6.2 (2)
Total Receipts	383.1	390.7	(7.6)
Salaries and Wages	(147.9)	(134.7)	(13.2) (3)
Employee Benefits	(43.8)	(55.8)	12.0 (4)
Materials, Contracts & Other	(132.4)	(146.4)	14.0 (5)
Total Disbursements	(324.1)	(336.9)	12.8
Operating Surplus (before Reinvestment)	59.0	53.8	5.2
Debt Service	(28.5)	(33.8)	5.3 (6)
Non-Financing Adjustments	0.0	3.4	(3.4) (7)
Total Adjustments to arrive at Net Cash Flow	(28.5)	(30.4)	1.9
Net Cash Flow	\$ 30.5	\$ 23.4	\$ 7.1
Beginning cash balance	\$ 186.3 (8) (9)		
Net Cash Flow	30.5		
Ending cash balance	216.8 (8)		
Budget Reserve Fund	62.3 (10)		
Total Cash Balance	\$ 279.1		

Notes:

- (1) June 2016 State Revenue Sharing cash receipt arrived in early FY17 instead of during FY16.
- (2) FY18 includes \$19.5m MDOT receipt for Gordie Howe Municipal Bridge Project.
- (3) Increase in FY18 payroll attributed to salary increases and additional positions filled.
- (4) The YTD amount set aside for the Retiree Protection Trust Fund was less in FY18 than in FY17. FY18 was \$15 million vs. \$30 million in FY17.
- (5) Variation between FY18 largely attributed to additional AP Disbursements in FY17.
- (6) The August 2016 refunding of the 2010 Distributable State Aid notes resulted in reduced outflow for debt service.
- (7) In FY17 the General Fund received a \$3.4m inflow of excess self-insurance dollars.
- (8) The main operating pool contains cash balances of the Risk Management Fund, Street Fund, Solid Waste Fund, General Grants and Motor Vehicle Fund.
- (9) Beginning balance has been reduced to reflect the removal of Fund 7003 (Prop Tax Distributions) and State of MI Trust Fund Balance because the balances in these accounts are not available General Fund dollars.
- (10) The Budget Reserve Fund is in excess of 5% of the annual budget and in a segregated account.



FY 2018 year-to-date cash flow to general ledger reconciliation

For 4 Months Ending October 31, 2017

\$ in millions

Cash Flows	Cash Activity				General Fund General Ledger				Difference
	General Pool	Adjustments	General Fund		Posted	To Be Posted	(1)	Total	
Property Taxes	\$ 72.4	\$ (14.3)	\$ 58.1	(2)	\$ 58.1	\$ -		\$ 58.1	\$ 0.0
Municipal Income Taxes	100.3	(0.7)	99.6	(3)	99.6	-		99.6	0.0
Utility Users Taxes	7.5	(0.2)	7.3	(4)	7.3	-		7.3	0.0
Wagering Taxes	59.8	(0.3)	59.5	(5)	56.1	3.4		59.5	0.0
State Revenue Sharing	67.3	(33.3)	34.0	(6)	33.3	0.7		34.0	0.0
Other / Misc.	75.8	(35.3)	40.5	(7)	41.2	(0.7)		40.5	0.0
Total Receipts	383.1	(84.1)	299.0		\$ 295.6	3.4		299.0	0.0
Salaries and Wages	(147.9)	21.1	(126.8)	(8)	(126.8)	-		(126.8)	0.0
Employee Benefits	(43.8)	(95.1)	(138.9)	(9)	(138.9)	-		(138.9)	0.0
Materials, Contracts & Other	(132.4)	21.2	(111.2)	(10)	(111.2)	-		(111.2)	0.0
Total Disbursements	(324.1)	(52.8)	(376.9)		(376.9)	-		(376.9)	0.0
Operating Surplus (before Reinvestment)	59.0	(136.9)	(77.9)		(81.3)	3.4		(77.9)	0.0
Debt Service	(28.5)	9.5	(19.0)	(11)	-	(19.0)		(19.0)	0.0
Non-Financing Adjustments	-	-	-		-	-		-	-
Total Adjustments to arrive at Net Cash Flow	30.5	(127.4)	(96.9)		(81.3)	(15.6)		(96.9)	0.0
Net Inflows /(Outflows)	\$ 30.5	\$ (127.4)	\$ (96.9)		\$ (81.3)	\$ (15.6)		\$ (96.9)	\$ 0.0

Notes:

- (1) To be posted amounts represent collections and disbursements that were not recorded as of October 31, 2017.
- (2) \$26m pertains to FY17 offset by \$11.7m of Q1 revenue either received in November or pending distribution to the General Fund.
- (3) \$0.7m relates to FY17 activity.
- (4) \$0.2m of Utility Users Tax collected in FY2018 pertained to FY17.
- (5) \$1.0m of Wagering Taxes collected in FY2018 pertained to FY17 offset by \$0.7m collected in November.
- (6) \$33.3m State Revenue Sharing receipt pertained to FY17.
- (7) \$20.8m non-General Fund 1000 receipts, \$7m of collections are cash specific, and \$7.5 Municipal Services Fee pertained to FY17.
- (8) Approximately \$18.3m of the difference relates to FY17 activity and the balance is non-General Fund disbursements.
- (9) Approximately \$1.4m of Benefits is FY17 activity & \$17.4m attributed to the timing of payments offset by \$90m relating to prior years RPTF set aside & \$23.9m FY18 Pension obligation (recorded but not disbursed).
- (10) Approx. \$23.9m of disbursements are non-General Fund, \$17.8m related to FY17 & \$3.6m is cash specific offset by \$24.1m Risk Management & insurance premium non-cash transfers.
- (11) \$4.5m represents Pledged Income Tax Trustee Capture Interest, \$5m State Revenue Sharing debt set aside.



FY 2018 year-to-date property tax collections

For 4 months ended October 31, 2017

\$ in millions

	FY 2018			FY 2017		
	Adjusted Tax roll	Collections YTD (1)	Collection Rate YTD	Adjusted Tax roll	Collections YTD (1)	Collection Rate YTD
General Ad Valorem		\$ 57.1		\$ 58.2		
General Special Acts		1.7		1.7		
General Total	\$ 115.7	\$ 58.8	50.82%	\$ 120.7	\$ 59.9	49.63%
Debt Service Total	\$ 51.1	\$ 26.1	51.08%	\$ 62.0	\$ 30.9	49.84%
Solid Waste Total	\$ 52.8	\$ 19.8	37.50%	\$ 54.8	\$ 17.0	31.02%

		FY 2018	FY 2017
General City Ad Valorem Collections YTD	(2)	\$ 57.1	\$ 58.2
Delinquent Tax Revolving Fund (DTRF) Collections YTD	(3)	1.0	4.4
Total Property Tax Collections (Ad Val + DTRF)		\$ 58.1	\$ 62.6
Admin Fee, Interest, Penalty YTD	(4)	\$ 2.3	\$ 2.3

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 DPS, State Education Trust, Wayne County and other non-City taxing authorities.
- (3) Wayne County monthly DTRF settlement checks.
- (4) Special Act, Admin Fee, Interest and Penalty are recorded in Budget's Other Taxes, Assessments, and Interest category.



Accounts payable summary

- Accounts Payable as of October had a net decrease of \$1.7 M compared to September. Net AP not on hold had a net decrease of \$2.3M. The number of open invoices not on hold increased by 1,258, of which 584 were current. The report below excludes a \$14.3M DWSD payable to the Great Lakes Water Authority, which has been open since June and remains under negotiation.

All Funds
\$ in millions

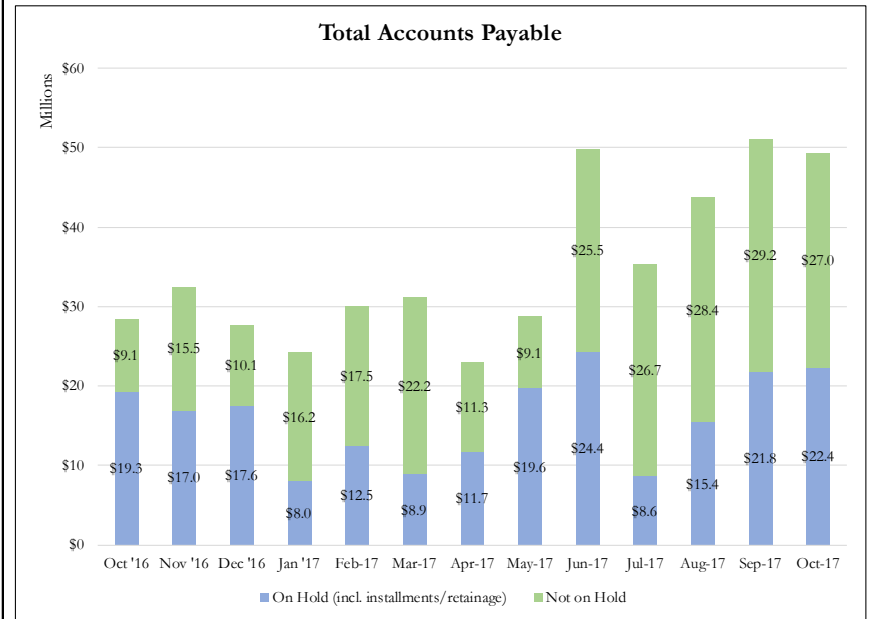
Accounts Payable (AP) as of Oct-17	
Total AP (Sep-17)	\$ 51.1
Plus: Oct-17 invoices processed	102.4
Less: Oct-17 Payments made	(104.1)
Total AP month end (Oct-17)	\$ 49.4
Less: Invoices on hold (1)	\$ (21.6)
Less: Installments/Retainage Invoices(2)	(0.8)
Net AP not on hold	\$ 27.0

AP Aging (excluding invoices on hold)

	Net AP	Current	Days Past Due		
			1-30	31-60	61+
Oct-17. Total	\$ 27.0	\$ 16.1	\$ 7.8	\$ 1.3	\$ 1.8
% of total	100%	60%	29%	5%	7%
Change vs. Sep-17	\$ (2.3)	\$ 2.8	\$ (6.4)	\$ 0.8	\$ 0.6
Total Count of Invoices	2,235	1,331	548	129	227
% of total	100%	60%	25%	6%	10%
Change vs. Sep-17	1,258	584	444	100	130
Sep-17. Total	\$ 29.2	\$ 13.3	\$ 14.2	\$ 0.5	\$ 1.2
% of total	100%	46%	49%	2%	4%
Total Count of Invoices	977	747	104	29	97
% of total	100%	76%	11%	3%	10%

Notes:

- Invoices with system holds are pending validation. Some reasons include: pending receipt, does not match purchase order quantity/price and legal holds
- Invoices on retainage are on hold until the supplier satisfies all contract obligations
- Invoices are processed and aged based on the invoice date. If the invoices were aged based on the date received the aging would show improved current category values
- DWSD amount of \$14.3M payable to Great Lakes Water Authority, which remains under negotiation, is excluded above.



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

- In October, no new projects were approved. Business cases for additional projects are under review.

\$ in millions

	Open and Closed Projects		
	Number of Projects	Amount of Approved and Authorized Projects	Total Amount Expensed
Available Exit Financing Proceeds		\$233.2	
Project Allocation:			
Department of Innovation and Technology	6	(41.3)	(36.6)
Blight	7	(25.2)	(25.2)
Police	6	(25.1)	(21.1)
Fire	11	(35.7)	(20.6)
General Services	14	(28.6)	(25.3)
Office of the Chief Financial Officer	12	(25.0)	(17.6)
Building, Safety Engineering & Environmental Department	1	(4.4)	(2.6)
Law	1	(1.1)	(1.1)
Detroit Department of Transportation	1	(1.8)	(1.8)
Recreation	1	(1.2)	(1.2)
Human Resources	2	(0.7)	(0.7)
Other	4	(0.3)	(0.3)
Subject to Reconciliation	–	–	(0.1)
Subtotal Projects	66	(\$190.6)	(\$154.2)
Post-Petition Financing Interest and Other Fees	–	(2.8)	(2.8)
Totals	66	(\$193.4)	(\$157.0)
AMOUNT RESERVED FOR PROJECTS UNDER REVIEW		\$39.8	

Note: 48 Closed Projects as of 10/31/17. Unaudited amounts subject to reconciliation.

Source: Oracle Cloud Financials, Office of Financial Planning & Analysis



The City is leveraging funding from external sources

- In October the City received \$42M in new federal and state funds, primarily made up of one non-competitive award for DHD and one competitive grant increase for DDOT.

<i>\$ in millions</i>	Amount Awarded (1)		Number of Grants
	Appropriation Approved (2)	Appropriation Pending (2)	
Department/Agency			
Transportation	398.6	-	21
Housing & Revitalization	207.9	-	17
Health	34.9	-	4
Fire	30.8	-	11
Public Works	30.6	-	20
Police	20.3	-	34
Homeland Security and Emergency Management	2.8	-	8
Recreation	1.7	-	5
Other (3)	1.7	-	8
Active Federal/State grants	\$ 729.3	\$ -	128
Active private grants and donations	69.1	-	96
Total active grants and donations (4)	\$ 798.4	\$ -	224

Notes:

- Reflects original amounts awarded and amendments for active grants as of September 30, 2017. Remaining amount available to be spent will be lower for most departments.
- The amounts awarded as of September 30 are separated between grant appropriations already approved and any that may be pending approval as of the date this report is presented.
- Other includes departments and agencies totaling less than \$1M.
- The City also partners with third-party agencies to directly pursue and implement grants aligned with the City's priorities. Such grants are included above for private funds but not federal/state grants.



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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 2017-29

**APPROVING THE CITY'S DECEMBER 2017 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 18, 2017, 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 2017 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 18, 2017 Meeting

FY 2017 - 2018 Grant Budget Amendments

No.	Department	Grantor	Grant / Program	Brief Description	Amount		
					Revenue	Expense	Appr. #
1	Recreation	Michigan Department of Education	Summer Food Program	This grant ensures access to nutritional meals for lower income children.	220,000.00	220,000.00	20249
Recreation Total					220,000.00	220,000.00	
2	Police	Michigan State Police	Auto Theft Prevention - South East Auto Theft Team grant	To reduce Appropriation 20227 -SE Auto Theft Team Grant	(78,877.00)	(78,877.00)	
				To establish Appropriation 20436 - ATPA SEATT Grant	87,344.00	87,344.00	
Police Total					8,467.00	8,467.00	
3	Health	Michigan Department of Health and Human Services (MDHHS)	Local Maternal and Child Health (MCH) Program	This grant will allow the department to continue programs intended to improve the health and well-being of women (particularly mothers) and children.	100,000.00	100,000.00	20367
Health Total					100,000.00	100,000.00	
4	Fire	Michigan State Police	ATPA - Combating Vehicle Arson Fraud grant	This grant will be used to pay overtime to investigate suspicious vehicle fires.	210,855.00	210,855.00	20432
Fire Total					210,855.00	210,855.00	
5	Mayor's Office (Department of Neighborhoods)	Various Corporations / Donors	Volunteer Coordinator Program	To appropriate donations for the Department of Neighborhoods for the purpose of funding a Volunteer Coordinator position.	90,000.00	90,000.00	20249
Mayor's Office Total					90,000.00	90,000.00	
6	Transportation	Detroit Economic Growth Association (DEGA)	TIGER Grant Project	These funds will be used to provide consultant support for the City's TIGER grant application. The TIGER grant will be used for the construction of the Inner Circle Greenway.	29,657.00	29,657.00	20437
Transportation Total					29,657.00	29,657.00	
GRAND TOTAL					658,979.00	658,979.00	

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 18, 2017 Meeting

FY 2017 - 2018 Non-Grant Budget Amendments

No.	Department	Brief Description	Budget Amendment Amount		
			Revenue	Expense	Appr. #
To appropriate revenues anticipated as the result of an agreement where Palace Sports and Entertainment, LLC will invest in the construction, renovation and refurbishment of over 60 community recreation basketball facilities.					
1	Recreation	Establish the Pistons Basketball Court Improvements Appropriation	2,500,000.00	2,500,000.00	20435
		Net Change	2,500,000.00	2,500,000.00	
This budget amendment recommends corrections of appropriation deficits under the provisions of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440					
2	Office of the Chief Financial Officer (Office of Budget)	Increase Police Grant Contributions		250,000.00	00380
		Increase Police Communications Bureau		4,983,965.91	13712
		Increase Airport Operations Administration		2,000,000.00	00223
		Decrease Police Support Services Bureau		(5,233,965.91)	00119
		Decrease DoIT Data Processing		(2,000,000.00)	00024
		Net Change			0.00



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

CITY RESOLUTION 2017-30

APPROVING THE CITY'S DECEMBER 2017 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 18, 2017, 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 2017, 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.

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 18, 2017

Prepared By: Boiesie Jackson, Chief Procurement Officer

City Council and Water Board Approvals Through December 14, 2017

	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?	BOWC or City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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CONTRACTS GREATER THAN \$750K (Yes = Lowest Bid Unless Specified)

1	DoIT	6001116	Contract Amount: \$754,369.00 Contract Period: 12/22/17 through 12/21/20 Source: 100% City Funding Purpose: To Provide IT Service Management Software (ITSM) to Facilitate Better Service Desk (FKA Help Desk) Functionality Contractor: Creative Enterprise Solutions Location: 60 E. Rio Salado Parkway, Suite 900, Tempe, AZ 85281	New	Yes	Highest Ranked	12/14/17	12/18/2017	
2	DoIT	6001119	Contract Amount: \$2,250,000.00 Contract Period: 1/1/18 through 12/31/20 Source: 100% City Funding Purpose: To Provide a Citywide IT Service For Hardware, Software Equipment Services Contractor: Civitas IT LLC Location: 625 Kenmoor Ave., Ste 301, Grand Rapids, MI 49546	New	Yes	Yes	12/14/17	12/18/2017	
3	HOUSING AND REVITALIZATION	6001097	Contract Amount: \$2,116,936.10 Contract Period: 12/19/17 through 11/20/18 Source: 100% City Funding Purpose: To Provide Hazardous Regulated Materials Survey and Phase I Environmental Site Assessment Contractor: Professional Service Industries Inc., PSI Location: 985 East Jefferson, Suite 200, Detroit, MI 48207	New	Yes	Highest Ranked	11/21/2017	12/18/2017	
4	PUBLIC WORKS	6001039	Contract Amount: \$997,440.00 Contract Period: Upon City Council and FRC Approval through 10/31/18 Source: 100% City Funding Purpose: To Provide Snow Loading and Hauling Services for the City of Detroit Contractor: Oakland Equipment LLC Location: 2300 Edinburgh, Waterford, MI 48328	New	Yes	Yes	11/30/2017	12/18/2017	

CONTRACTS GREATER THAN 2 YEARS

5	AIRPORT	3019342	Contract Amount: \$70,125.00 Contract Period: Upon City Council and FRC Approval through 11/29/20 Source: 100% Airport Operation and Maintenance Fund Purpose: To Provide an Airport Electrician, who will Provide Maintenance and Repair for All Facilities, Terminal Buildings, Hangars and Exterior Lighting Including Airfield Taxiway, Runway and Signage Lighting Contractor: Tremper Building Services LLC Location: 3711 Jarvis Ave., Warren, MI 48091	New	Yes	Yes	12/14/17	12/18/2017	
6	DoIT	2901809	Contract Amount: \$0.00 Contract Period: Upon City Council and FRC Approval through 12/7/22 Source: 100% City Funding Purpose: To Continue with the Implementation, Licensing and Hosting for Web Based HR Systems Contractor: Ultimate Software Group Location: 2000 Ultimate Way, Weston, FL 33326	Amendment	Yes	Yes	12/14/17	12/18/2017	This Amendment is for extension of time. The original contract period is December 8, 2014 through December 7, 2017 and the original contract amount is \$8,997,498.00

	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?	BOWC or City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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CONTRACTS GREATER THAN 2 YEARS -- continued

7	HOUSING AND REVITALIZATION	6001095	Contract Amount: \$294,272.00 Contract Period: Upon City Council and FRC Approval through 6/30/22 Source: 100% City Funding Purpose: To Provide Leasing of Office and Parking Space for the Bridging Neighborhoods Program Contractor: CD Leasing, LLC Location: 1017 Springwells St., Detroit, MI 48209	New	No	No	11/21/2017	12/18/2017	
8	HOUSING AND REVITALIZATION	6001150	Contract Amount: \$660,000.00 Contract Period: Upon City Council and FRC Approval through 6/30/22 Source: 100% City Funding Purpose: To Provide Renovation of Blighted Residential Properties and Give Certain Homeowners Affected by the Gordie Howe International Bridge Project the Opportunity to Relocate to Another Home within the City of Detroit Contractor: Detroit Land Bank Authority	New	No	No	12/14/2017	12/18/2017	Intergovernmental Agreement
9	POLICE	6001141	Contract Amount: \$134,779.32 Contract Period: 12/21/17 through 12/20/20 Source: 100% City Funding Purpose: To Furnish Genetec Licenses for Real Time Crime Center (RTCC), which includes Maintenance for all Camera License Plate Readers, Hardware and Software Contractor: Accurate Networks, LLC Location: 140 Manor Dr., Middleville, MI 49333	New	Yes	2nd Lowest Bid	12/8/2017	12/18/2017	
10	PUBLIC WORKS	6001062	Contract Amount: \$198,921.69 Contract Period: Upon City Council and FRC Approval through 10/30/20 Source: 100% City Funding Purpose: To Provide Retroreflective Sign Sheeting Rolls and Accessories Contractor: Osburn Associates, Inc. Location: 11931 State Route, 93N, Logan, OH 43138	New	Yes	Yes	11/21/2017	12/18/2017	
11	PUBLIC LIGHTING	6001061	Contract Amount: \$0.00 Contract Period: Upon City Council and FRC Approval through 11/19/23 Source: REVENUE Purpose: To Provide a License Agreement for use of certain City of Detroit Utility Pole(s) and/or Underground Conduit for purposes of installing certain small Cell Telecommunications Equipment. Revenue dependent upon the number of City assets used under the agreement Contractor: New Cingular Wireless PCS, LLC Location: 575 Morosgo Drive NE, Atlanta, GA 30324	New	Yes	Yes	11/14/2017	12/18/2017	
12	PUBLIC WORKS	6001063	Contract Amount: \$352,858.00 Contract Period: 12/1/17 through 11/30/20 Source: 100% City Funding Purpose: To Provide Pre-Stenciled Traffic Control Signs Contractor: MDSolutions, Inc. Location: 8225 Estates Parkway, Plain City, OH 43064	New	Yes	Yes	11/30/2017	12/18/2017	

PREVIOUS CONTRACTS WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K

13	GENERAL SERVICES	3018701	Contract Amount: \$150,000.00 Contract Period: One Time Purchase Source: 100% City Funding Purpose: To Provide Emergency Purchase of Ford Vehicle Body Repair Services Contractor: Jorgensen Ford Sales, Inc. Location: 8333 Michigan Avenue, Detroit, MI 48210	New	Yes	Yes	11/30/2017	12/18/2017	
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	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?	BOWC or City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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PREVIOUS CONTRACTS WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K -- continued

14	GENERAL SERVICES	6000775	Contract Amount: \$106,661.81 Contract Period: 6/26/17 through 6/25/19 Source: 100% City Funding Purpose: To Provide Design and Build Project for the 4th Floor CAYMAC Building Contractor: KEO & Associates, Inc. Location: 18286 Wyoming Avenue, Detroit, MI 48221	Amendment	Yes	Yes	11/30/2017	12/18/2017	
15	GENERAL SERVICES	6001100	Contract Amount: \$150,000.00 Contract Period: 12/30/17 through 12/29/19 Source: 100% City Funding Purpose: To Provide Repair Services for Vehicle Snow Equipment Contractor: Cannon Engineering & Equipment Co., LLC Location: 51761 Damview Technology Ct., Shelby Township, MI 48315	New	Yes	Yes	11/30/2017	12/18/2017	
16	HOUSING AND REVITALIZATION	3018858	Contract Amount: \$68,377.00 Contract Period: 10/16/17 through 4/1/18 Source: 100% City Funding Purpose: To Provide Residential Demolition of: 12836 Mack, 12842 Mack and 17215 Riopelle Contractor: Able Demolition, Inc. Location: 5675 Auburn, Utica, MI 48317	New	Yes	Yes	11/30/2017	12/18/2017	
17	HOUSING AND REVITALIZATION	3018146	Contract Amount: \$37,560.00 Contract Period: 10/3/17 through 4/30/18 Source: 100% City Funding Purpose: To Provide Emergency Demolition of 13217 Strathmoor and 4430 Maxwell Contractor: Den-Man Contractors, Inc. Location: 14700 Barber Avenue, Warren, MI 48088	New	Yes	Yes	11/21/2017	12/18/2017	
18	HOUSING AND REVITALIZATION	3018336	Contract Amount: \$72,830.00 Contract Period: 10/23/17 through 10/23/18 Source: 100% City Funding Purpose: To Provide Emergency Demolition: (4 Properties: 5042 Ivanhoe, 6025 Northfield, 7163 Holmes and 12926 Sorrento) Contractor: Den-Man Contractors, Inc. Location: 14700 Barber Avenue, Warren, MI 48088	New	Yes	Yes	11/21/2017	12/18/2017	
19	HOUSING AND REVITALIZATION	3018846	Contract Amount: \$108,746.00 Contract Period: 10/28/17 through 4/1/18 Source: 100% City Funding Purpose: To Provide Demolition of Residential Structures: 12021 Wilfred, 6652 Fisher, 1535 McClellan and 10138 Sterritt Contractor: Den Man Contractors, Inc. Location: 14700 Barber Avenue, Warren, MI 48088	New	Yes	Yes	11/30/2017	12/18/2017	
20	HOUSING AND REVITALIZATION	3018849	Contract Amount: \$89,000.00 Contract Period: 10/30/17 through 4/1/18 Source: 100% City Funding Purpose: To Provide Residential Demolition: 9156 Norcross, 12811 French Road, 2993 25th Street Contractor: Dore & Associates Contracting, Inc. Location: 900 Harry S. Truman Parkway, Bay City, MI 48706	New	Yes	Yes	11/30/2017	12/18/2017	
21	HOUSING AND REVITALIZATION	3017637	Contract Amount: \$29,766.00 Contract Period: 9/19/17 through 3/31/18 Source: 100% City Funding Purpose: To Provide Commercial Demolition of 6950 Sarena Contractor : Homrich Location: Cadillac Tower, 65 Cadillac Square, Suite 2701, Detroit, MI 48226	New	Yes	Yes	11/21/2017	12/18/2017	

	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?	BOWC or City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
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PREVIOUS CONTRACTS WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K -- continued

22	HOUSING AND REVITALIZATION	6001099	Contract Amount: \$271,357.45 Contract Period: 12/19/17 through 11/20/18 Source: 100% City Funding Purpose: To Provide 2018 Phase II Environmental Site Assessment Contractor: Professional Service Industries Inc., PSI Location: 985 East Jefferson, Suite 200, Detroit, MI 48207	New	Highest Ranked	Highest Ranked	11/21/2017	12/18/2017	
23	LAW	6001040	Contract Amount: \$100,000.00 Contract Period: 9/25/17 through 12/31/20 Source: 100% City Funding Purpose: To Provide Legal Services \ HUD Section 108 Loans and New Market Tax Credit Issues Contractor: Foley & Lardner LLP Location: 500 Woodward Avenue, Suite 2700, Detroit, MI 48226	New	No	No	11/30/2017	12/18/2017	
24	LAW	6001126	Contract Amount: \$125,000.00 Contract Period: 9/1/17 through 12/31/20 Source: 100% City Funding Purpose: To Provide Legal Services to the City of Detroit in Connection with Labor Matters as Assigned by the Corporation Counsel. Contractor: The Allen Law Group, P.C. Location: 3011 W. Grand Blvd., Suite 2500, Fisher Building, Detroit, MI 48202	New	No	No	11/30/2017	12/18/2017	
25	PUBLIC WORKS	6001069	Contract Amount: \$420,000.00 Contract Period: 11/20/17 through 11/19/19 Source: 100% City Funding Purpose: To Provide Debris Hauling and Disposal Services Contractor: Homrich Location: P.O. Box 09370, Detroit, MI 48209	New	Yes	Yes	11/21/2017	12/18/2017	

	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?	BOWC or 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

26	WATER AND SEWAGE	3016415	Contract Amount: \$775,000.00 Contract Period: Spot Buy 8/23/17 Source: 100% Improvements and Extensions (I&E) Funded Purpose: To Provide Emergency Water Meters during the solicitation of a new Meter Contract Contractor: Badger Meter Location: DWSD Meter Operations throughout the City	Spot Buy	Yes	Yes Lowest Bid	Oct. 2017	12/18/2017	Emergency Spot Buy to support operations while bid for new specs is being developed.
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WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K

27	WATER AND SEWAGE	6000875	Contract Amount: \$300,000.00 Contract Period: 7/31/17 through 7/31/19 Source: 100% Operations and Maintenance (O&M) Funded Purpose: To Provide Functionality of Current DWSD HVAC System Contractor: Johnson Controls Location: All DWSD Facilities	Change Order #1	Original Contract	Yes Lowest Bid	Nov. 2017	12/18/2017	Change Order #1 adding \$300,000.00 for parts. Original Contract \$1.9M
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STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: December 12, 2017
TO: Financial Review Commission Members
FROM: Patrick Dostine, Department Specialist – Financial Review Commission
SUBJECT: Contract Summary - December 2017 City of Detroit FRC Meeting

The City has submitted 27 contracts for review/approval at the December 18, 2017 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, and where required, City Council. Each contract is summarized below:

Contract 1 – Contract to Assess DoIT’s Current Organizational Structure, Staffing Roles, IT Library Infrastructure, etc.

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Creative Enterprise Solutions	New Contract	12/14/2017	\$754,369	Yes	Highest ranked	General Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000 and because the terms exceed two years. Contractor will work with the City to identify IT services to be included and to be used to create the IT Service Catalog, and configure Cherwill hosting software in accordance with recommendations. Contractor will, among other things, provide training for IT administrators and technicians. Bids received and evaluated from three vendors to provide Management Solutions for Help Desk tickets. Creative Enterprise Solutions was scored the highest, with a bid price of \$776,321.50 over a 3-year term.

Contract 2 – New Contract to Provide Citywide IT Service for Hardware, Software Equipment Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Civitas IT (see below)	New Contract	12/14/2017	\$ 2,250,000	Yes	Yes	General Fund across Depts.

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. Seven bids were received through BidSync. Contracts were recommended with four companies: Civitas IT, CDW Government (Chicago), Security Solutions (St. Clair Shores), and Sehi Computer (Rochester, MI). The four approved contractors will compete to provide equipment for city departments, agencies and offices. The city hopes to get better pricing for hardware and software through competition. FRC will see the other three contracts in subsequent months. Essentially, the city has a four-vendor list of qualified contractors, each of whom will have a not-to-exceed contract, and each of whom will compete to provide IT service for hardware and software equipment services citywide, going forward.

Contract 3 – New Contract to Provide Hazardous Regulated Materials Survey and Phase I Environmental Site Assessment

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Professional Service Industries	New	11/21/17	\$2,116,936.10	Yes	Highest Ranked	General Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. This contract provides Phase 1 environmental site assessment and hazardous material survey on future demolitions. Bids were solicited for Phase I environmental due diligence assessments/hazardous materials survey for residential and commercial properties, scheduled for demolition. Five bids were received and scored. Professional Service Industries scored the highest. This recommended contract includes 13 groups, and a total of 249 properties for \$2,116,936.10 (about \$8,501.75 per property).

Contract 4 – New Contract to Provide Snow Loading and Hauling Services for the City

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Oakland Equipment	New	11/30/17	\$997,440	Yes	Yes	General Fund

This contract is subject to FRC review because it exceeds the statutory threshold of \$750,000. Oakland Equipment will provide snow loading and hauling services for the city for four snow events. The service would be provided for the downtown area of the city. Four bids were received. Oakland Equipment was the lowest bidder.

Contract 5 – New Contract to Provide Airport Electrician

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Tremper Building Services	New	12/14/2017	\$70,125	Yes	Yes	General Fund

This contract is subject to FRC review because it is a three-year contract. This contract will provide a certified electrician to perform electrical repairs in accordance with the FAA regulations for the City Airport. This is a sole bid as twenty suppliers reviewed the bid, six downloaded and only one responded. Rates per hour are \$85.00 for straight time and overtime and parts at costs, plus 30 percent. This contract is only for labor.

Contract 6 – Contract Amendment to Continue the Implementation, Licensing and Hosting for Web Based HR Systems

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Ultimate Software Group	Amendment (to extend contract term only)	12/14/17	\$0 (\$8,977,498 is original contract price)	Yes (original)	Yes (original)	General Fund

This contract amendment is for an extension of time only. The original contract amount was \$8,997,498 and expires December 2017. The amendment extends the term until December 2022. It is subject to FRC review because it exceeds the statutory threshold of \$750,000 and the (extended) term exceeds two years. This contract provides the continued implementation, licensing and hosting for web based HR systems.

Contract 7 – New Contract to Provide Leasing of Office and Parking Space for the Bridging Neighborhoods Program

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
CD Leasing	New	11/21/2017	\$294,272	No	No	General Fund

This contract is subject to FRC review because it exceeds the statutory threshold of a two-year time period. This contract provides for the leasing of office and parking space for the Bridging Neighborhoods Program. The proposed lease is for approximately 3,100 square feet of building space at 1017 Springwells, and approximately 9,000 square feet of parking area at 7903 and 7912 Olivet. The city explained that it needed the location of the office to be in Del Ray to accommodate the residents in the area who will benefit from the Bridging Neighborhoods Program.

Contract 8 – Intergovernmental Agreement to Provide Renovation of Blighted Residential Properties and Relocate Homeowners Affected by the Gordie Howe International Bridge Project

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Detroit Land Bank Authority	Intergov Agreement	12/14/2017	\$660,000	No	No	General Fund

This intergovernmental agreement is subject to FRC review because the term exceeds two years. This agreement will be administered by the Housing & Revitalization department. Under the Bridging Neighborhoods Program, city residents (program buyers) directly affected by the Gordie Howe International Bridge project, in owner-occupied exchange-eligible homes, have the opportunity to purchase a program-renovated home from the DLBA for \$1.00 in exchange for the resident deeding the exchange-eligible home to the city. The city plans to demolish and clear the acquired properties for future non-residential uses, including green-space buffering and commercial/industrial use. Only those program buyers who wish to voluntarily take advantage of the program will deed their property to the city. The DLBA will provide housing stock and real estate services to support the program.

Contract 9 – Contract to Furnish Genetec Licenses for Real Time Crime Center (RTCC), including Maintenance for all Camera License Plate Readers, Hardware and Software

Contractor	Nature of Contract	City Council Approval Date	Contract Amendment Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Accurate Networks	Contract	12/08/2017	\$134,799.32	Yes	Yes (2 nd lowest, see below)	General Fund

This contract is subject to FRC review because the terms of the contract exceed two years. This contract provides for the Genetec licensing, maintenance and support of software for all cameras, license plate readers, computer software and hardware accessories related to the Detroit Police Department's Real Time Crime Center. Three bids were received. The lowest bidder and the original contract was approved August 21, 2017. That contract was cancelled for vendor noncompliance. The proposed contract before the FRC is for Accurate Networks, the second lowest bidder.

Contract 10 – Contract to Provide Pre-Stenciled Traffic Control Signs

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Osburn Assoc	New	11/21/2017	\$198,921.69	Yes	Yes	Street Fund

This contract is subject to FRC review because it exceeds a two-year time period. This contract will provide pre-stenciled traffic control signs. Three bids were received. Osburn Assoc was the lowest bid. Osburn's bid was \$157,308.75, but the cost of the contract is \$198,921 which reflects the department's budgeted amount for the purchase of sign sheeting over the three-year period.

Contract 11 –Contract to Provide a License Agreement for use of certain City of Detroit Utility Pole(s) and/or Underground Conduit

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
New Cingular Wireless	New	11/14/2017	\$ tbd	Yes	Yes	Revenue budgeted to General Fund

This contract or license agreement is before the FRC because the term is five years. This agreement enables New Cingular Wireless PCS to attach equipment to city assets including utility poles and/or underground conduits. The agreement generates revenue for the City. The fee

paid to the City for the use of an asset is: \$1,500 per utility pole per year; and \$4.30 per conduit duct-foot per year.

Contract 12 – Contract to Provide Pre-Stenciled Traffic Control Signs

Contractor	Nature of Contract	City Council Approval Date	Contract Amendment Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
MD Solutions	Contract	11/30/2017	\$352,858	Yes	Yes	Street Fund

This contract is subject to FRC review because the term exceeds two years. The contract will provide pre-stenciled traffic control signs. Three bids were received. MD Solutions was the low bidder.

Contract 13 – Contract to Provide Emergency Purchase of Ford Vehicle Body Repair Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Jorgensen Ford	New	11/30/2017	\$150,000	Yes	Emergency Procurement	General Fund

This emergency procured contract, approved by the Office of Contracting and Procurement Nov. 3, 2017, is subject to FRC review because of a previous contract with the entity within one year for a contract total that exceeds \$750,000. The contract provided emergency work on police vehicles that were involved in crashes. Bob Maxey Ford initially won the low bid but could not keep up with the number of vehicles needing repair. Jorgensen Ford's bid had the same hourly rate as Bob Maxey Ford, but with a slightly smaller discount on parts. The city is requesting approval of the emergency contract.

Contract 14 – Contract Amendment to Provide Design and Build Project for the 4th Floor CAYMAC Building

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
KEO & Associates, Inc	Amendment	11/30/2017	\$106,661.81	Yes	Yes	General Fund

This contract amendment is subject to FRC review because of a previous contract with KEO within one year and its total contract amount exceeds \$2 million. This amendment increases the cost of this contract by \$106,661.81 for a new total of \$635,128.81. This amendment includes the following additional costs: Furniture for Phase VII for \$96,965.28; fees for receive, deliver and install for \$9,696.53. The original contract was approved June 20, 2017.

Contract 15 – Contract to Provide Repair Services for Vehicle Snow Equipment

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Cannon Engineering & Equipment Co	New	11/30/2017	\$150,000	Yes	Yes	General Fund

This contract is subject to FRC review because of a previous contract to the entity within one year. This contract will provide repair services for vehicle snow equipment. Bids were solicited through BidSync. One bid was received from Cannon Engineering. The sole bid was evaluated by the city's procurement specialist and found to be reasonable and fair.

Contract 16 – To Provide Residential Emergency Demolition of: 12836 Mack, 12842 Mack and 17215 Riopelle

Contractor	Nature of Contract	City Council Approval Date	Contract Amendment Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Able Demolition	New	11/30/2017	\$68,377	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceed \$3 million. Five bids were received. Able Demolition was the low bidder to demolish commercial structures at 12836 and 12842 Mack, and the residential structure at 17215 Riopelle Street.

Contract 17 – Contract to Provide Emergency Demolition of 13217 Strathmoor and 4430 Maxwell

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Den-Man Contractors	New	11/21/2017	\$37,560	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$3 million. Five bids were received for these projects. Den-Man is low bidder for both emergency demolitions.

Contract 18 –Contract to Provide Emergency Demolition, Four Properties: 5042 Ivanhoe, 6025 Northfield, 7163 Holmes and 12926 Sorrento

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Den-Man Contractors	New	11/21/2017	\$72,830	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$3million. Several bids were received across these project sites. Den-Man is low bidder for the said demolition projects.

Contract 19 –Contract to Provide Emergency Demolition of Residential Structures: 12021 Wilfred, 6652 Fisher, 1535 McClellan and 10138 Sterritt

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Den-Man Contractors	New	11/30/2017	\$108,746	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$3 million. Several bids were received across these project sites. Den-Man is low bidder for the said demolition projects.

Contract 20 – Contract to Provide Emergency Residential Demolition: 9156 Norcross, 12811 French Road, 2993 25th Street, 7372 Wheeler Street and 7435 Hanover

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Dore & Associates	New	11/30/2017	\$89,000	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$3 million. Several bids were received across these project sites. Dore is low bidder for the said demolition projects.

Contract 21 –Contract to Provide Commercial Demolition of 6950 Sarena

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Homrich	New	11/21/2017	\$29,766	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceeds \$3 million. Five bids were received for this project site. Homrich is low bidder.

Contract 22 –Contract to Provide 2018 Phase II Environmental Site Assessment

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Professional Service Industries	New	11/21/2017	\$271,357.45	Yes	Highest Ranked	General Fund

This contract is subject to FRC review because there was a previous contract with Professional Service Industries within one year for an amount that exceeded \$750,000. Bids were solicited for Phase II environmental site assessments for commercial properties scheduled for demolition. This was an RFP for best value not just price. PSI's bid was highest ranked.

Contract 23 –Contract to Provide Legal Services for HUD Section 108 Loans and New Market Tax Credit Issues

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Foley & Lardner LLP	New	11/30/2017	\$100,000	No	No	General Fund

The contract is before the FRC because there was a previous contract with this vendor inside one year greater than \$750,000. This proposed contract provides services to act for and assist the law department with legal services regarding HUD Section 108 Loans and New Market Tax Credit issues. The contract was not bid. Procurement Ordinance allows Law department to select firms who have demonstrated expertise in specific areas of the law.

Contract 24 –Contract to Provide Legal Services to the City of Detroit in Connection with Labor Matters as Assigned by the Corporation Counsel.

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
The Allen Law Group	New	11/30/2017	\$125,000	No	No	General Fund

The contract is before the FRC because there was a previous contract with this vendor inside one year greater than \$750,000. This proposed contract is for litigation services in connection with labor matters, as assigned by Corporation Counsel. The first matter is Renita Johnson v City of Detroit. The contract was not bid. Procurement Ordinance allows Law department to select firms who have demonstrated expertise in specific areas of the law.

Contract 25 –Contract to Provide Debris Hauling and Disposal Services

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Homrich	New	11/21/2017	\$420,000	Yes	Yes	General Fund

This contract is subject to FRC review because the aggregate sum of the city's contracts with this contractor exceed \$750,000. Five bids were received for this service. The public works department recommends a contract to Homrich for removal of approximately 20,000 tons of debris per year generated by the milling and resurfacing program. Homrich was the lowest bid.

Contract 26 –Contract to Provide Emergency Water Meters during the solicitation of a new Meter Contract

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Badger Meter	Spot buy	10/2017	\$775,000	Yes	Yes	DWSD R Water Fund

This contract is subject to FRC review because the contract total exceeds \$750,000. This contract will provide emergency water meters during solicitation of a new water meter contract citywide. It was an emergency procurement which the city provided documentation, and an initial bid analysis sheet. Badger Meter was the lowest bid.

Contract 27 –Contract to Provide Functionality of Current DWSD HVAC System

Contractor	Nature of Contract	City Council Approval Date	Contract Value	Bid?	Lowest Bid or Highest Ranked?	Budgeted Funding Sources
Johnson Controls	Change Order #1	11/2017	\$300,000	Yes, original contract was bid	Yes, lowest bid	DWSD R Fund

This contract is subject to FRC review because there was a previous contract with Johnson Control within one year and the amount exceeds \$750,000. This request is for approval of a Change Order #1, to increase the costs by an additional \$150,000 per year, for a total of \$300,000, to a total contract amount of \$2,226,020. The contract amendment was approved by the Board of Water Commissioners on October 18, 2017. Initially, when these services were bid, five proposals were received and evaluated. Johnson Control was ranked the highest and awarded the contract. This change order is required because it was recently discovered that the cost of materials was NOT included in the original contract.