



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

CITY RESOLUTION 2017-17

**INCREASING THE AGGREGATE AMOUNT FOR WHEN MULTIPLE
CONTRACTS REQUIRE THE COMMISSION'S APPROVAL**

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, Section 3(a) of the Act includes in its definition of applicable contracts "multiple contracts for less than \$750,000.00, or the higher amount determined by the commission, with 1 entity that, in the aggregate, exceed \$750,000.00, or a higher amount as determined by the commission, within a 12-month period"; and

WHEREAS, the Commission wishes to exercise its authority to determine a higher aggregate amount within a 12-month period for defining when multiple City contracts for less than \$750,000, with 1 entity, are defined as applicable contracts requiring the Commission's approval, subject to certain conditions and limitations.

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

1. That the aggregate amount within a 12-month period, for defining when multiple City contracts for less than \$750,000, with 1 entity, are defined as applicable contracts requiring the Commission's approval, is hereby increased from \$750,000 to \$2,000,000, subject to the following conditions and limitations:
 - a. This higher aggregate threshold for multiple contracts shall only apply to City contracts for less than \$250,000;
 - b. This higher aggregate threshold for multiple contracts shall only apply to City contracts that are competitively bid;
 - c. For demolition contracts within a 12-month period, for defining when multiple City contracts for less than \$750,000, with 1 entity, are defined as applicable contracts requiring the Commission's approval, is hereby increased from \$750,000 to \$3,000,000, subject to the following conditions:
 - i. This higher aggregate threshold for multiple demolition contracts shall only apply to City contracts for less than \$750,000;
 - ii. This higher aggregate threshold for multiple demolition contracts shall only apply to City contracts that are competitively bid
 - d. The City shall provide monthly reports, in a form acceptable to the Commission, of all approved contracts that otherwise would have required the Commission's approval but for this Resolution.
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.

IN WITNESS WHEREOF, the eligible voting members of the Commission, or their designees, have signed and adopted this Resolution.

DETROIT FINANCIAL REVIEW COMMISSION

By _____
Darrell Burks, Detroit Financial Review Commission
Member

By _____
Michael Duggan, Detroit Financial Review Commission
Member

By _____
Stacy Fox, Detroit Financial Review Commission
Member

By _____
David Nicholson, Detroit Financial Review Commission
Member

By _____
Brenda Jones, Detroit Financial Review Commission
Member

By _____
Nick A. Khouri, State Treasurer and Detroit Financial
Review Commission Member

By _____
William Martin, Detroit Financial Review Commission
Member

By _____
Al Pscholka, Detroit Financial Review Commission
Member

Date: _____
Detroit, Michigan