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**INTEROFFICE MEMORANDUM**

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**TO:** MEMBERS OF THE FINANCIAL REVIEW COMMISSION OF THE CITY OF DETROIT  
**FROM:** RONALD L. ROSE, EXECUTIVE DIRECTOR  
**SUBJECT:** CITY OF DETROIT'S FOUR YEAR FINANCIAL PLAN  
**DATE:** APRIL 17, 2015  
**CC:** MARTHA KOPACZ, CHRIS PETERSON, ANN STORBERG

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The City of Detroit's Four Year Financial Plan (the FYP) must be approved or rejected at the FRC's April meeting. Ann Storberg and I, since it was presented to the FRC on March 23, 2015, have spent a great deal of time examining the FYP, and have worked very closely with the two firms retained by the Michigan Department of Treasury for the FRC. The analysis was to determine whether we could recommend that the FYP should be approved by the FRC.

At our request and under our direction, we requested that an analysis be performed by Phoenix Management Services, LLP, the firm in which Marta Kopacz is a member, to determine whether the FYP is in harmony with the City's Plan of Adjustment and that the FY 2016 portion of the FYP is consistent with the Emergency Manager's FY 2016 Budget as required by law. UHY LLP performed analyses to determine that the FYP complies with the Home Rule City Act requirements, reviewed the City's cash flow through March 27, 2015, and other analyses to determine that it found nothing in the operations of FY 2015 to date that would impact on the 2016 FYP and subsequent years. In addition to the work stated above, both Ann and I have had several meetings with various people to understand what is in the FYP, including John Hill, the city's CFO, Pam Scales, the city's chief budget officer, and Amanda Van Dusen, the city's bond counsel. We also participated in a preparatory meeting of the revenue consensus commission and its formal open meeting.

The Finance and ERP Subcommittee of the FRC discussed extensively whether something less than the FYP and items contained in Section A and B of the FYP can be approved. The answer is that the FYP must comply with the Home Rule City Act, Section 4(t). The parts of the FYP book that support Section 4(t) are found as follows:

- Requirement: Projection of all revenue and expenditures of the city for each fiscal year
  - Compliance 1: All of Section B contains the expenditures
  - Compliance 2: Pages A-11 to A-22 support the revenue projections by incorporating the official revenue consensus
- Requirement: Projection of cash flow for each fiscal year
  - Compliance: Page A-24
- Requirement: A projection for projected capital equipment for each fiscal year

-Compliance: Pages A-31 to A-41 (showing a listing of all Restructuring Initiatives)

- Requirement: Measures to assure that the projected employment levels, collective bargaining agreements, and other employee costs are consistent with projected expenditures and available revenue

-Compliance: John Hill's representation; City's statement (Page A-5) that "The FYP for each fiscal year includes funding for each position and other employee costs consistent with the collective bargaining agreements and are based on current cost levels. These costs were allocated based on available revenues." Finally, based on the reports from the FRC's professionals.

- Requirement: Measures to assure compliance with mandates under state and federal law consistent with projected expenditures and available revenue.

-Compliance: John Hill's representation; City's statement (Page A-5) that "The city continually reviews state and federal requirements to ensure compliance. The Financial Plan includes these requirements in the projections of revenues and expenditures." Finally, based on the reports from the FRC's professionals.

- Requirement: Measures to assure compliance with mandates under state and federal law consistent with projected expenditures and available revenue

-Compliance: John Hill's representation; City's Statement (Page A-5) that "The City continually reviews state and federal requirements to ensure compliance. The Financial Plan includes these requirements in the projections of revenues and expenditures." Finally, based on the reports from the FRC's professionals.

- Requirement: Measures to assure adequate reserves for mandated and other essential programs and activities in the event of an overestimation of revenue, an underestimation of expenditures, or both

-Compliance: Page A-23 supports that the City has created a 5% reserve as mandated by the POA and Emergency Manager and as required by the Home Rule City Act, section 4t(1)(c)(vi).

- Requirement: A statement of significant assumptions and methods of estimations used for projections included in the financial plan

-Compliance: The revenue consensus referred to above and details contained in all of Section B. The review performed by the FRC's professionals.

Based on all of the above, including the Phoenix and UHY reports attached to this Memorandum, I recommend that the FYP be approved as submitted.

Ronald L. Rose

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April 17, 2015

Ronald Rose, Executive Director  
Financial Review Commission for  
The City of Detroit  
Michigan Department of Treasury

Mr. Rose:

As you are aware, the State of Michigan selected UHY LLP to provide services in response to the State's Statement of Work ("SOW") No. 02711B0004025 in March 2015. The SOW includes our review and analysis of the City of Detroit's ("City") Four Year budget and financial plan for FY 2016 -2019.

The City issued its Four Year Financial Plan ("Plan") on March 23, 2015. UHY obtained a copy of the Plan and performed the following:

1. UHY read the entire document, including the CFO certification, approved resolutions, overviews (section A), departmental budget information (section B) and legal budget (section C), for accuracy and to gain an understanding of the content. We noted several math errors in the departmental budget summaries in section B of the original Plan. These errors were limited to the departmental budget summaries and did not affect the City's departmental line item budgets or the legal budget. The errors were subsequently corrected and an updated Plan was submitted on April 17, 2015.
2. UHY also verified that the Plan, in fact, complies in all material respects with the information requirements of the Home Rule City Act, Section 117.4t, Subsections 1 (b) and 1 (c). Those information requirements are presented in Attachment A to this report.
3. UHY reviewed the Other Post-Employment Benefits and Pension obligations included in the Plan and determined they were consistent with the Plan of adjustment.
4. UHY also reviewed significant assumptions and methods of estimation used for projections in the Plan and determined they were reasonable.

The Plan contains a 5 Year Cash Flow Forecast for FY 2015 – FY 2019, for the General Fund (page A-24). UHY reviewed this information and the City's weekly cash flow analysis for the 39 weeks ended March 27, 2015. We prepared an analysis of the actual cash flow for the City's General Fund for the 39 weeks ended March 27, 2015 which included the 52 week cash flow forecast for FY 2015 and actual cash flow for FY 2014. Our analysis is presented in Attachment B to this report.

UHY LLP  
Mr. Ronald Rose  
April 17, 2015

Based on our analysis it appears the actual cash flow for the City's General Fund for 39 weeks ended March 27, 2015 is trending favorably after three quarters of FY 2015. It does not appear at this time, barring any unforeseen circumstances, that there any significant adverse trends that would impact the FY 2016 information presented in the Plan.

UHY believes continuing work should be performed with respect to FY 2015 actual and forecasted expenditures on the Restructuring Initiatives. The aforementioned SOW also engaged us to review implementation plan and track the timeline for the City's new Enterprise Resource Planning ("ERP") system. Our review of the ERP system implementation is ongoing.

Sincerely,

*UHYLLP*

## ATTACHMENT A

Section 117.4t, Subsection 1 (b) of the Home Rule City Act states the financial plan shall include all the following information for each of the 4 fiscal years covered by the financial plan:

- I. A projection of all revenues and expenditures of the city for each fiscal year, including debt services.
- II. A projection of cash flow for each fiscal year.
- III. A schedule of projected capital commitments for each fiscal year. (Included)
- IV. Measures to assure that projected employment levels, collective bargaining agreements, and other employee costs are consistent with projected expenditures and available revenue.
- V. Measures to assure compliance with mandates under state and federal law consistent with projected expenditures and available revenue.
- VI. Measures to assure adequate reserves for mandated and other essential programs and activities in the event of an overestimation of revenue, an underestimation of expenditures, or both.
- VII. A statement of significant assumptions and methods of estimation used for projections included in the financial plan.
- VIII. Any other information the mayor, governing body, or chief financial officer of the city considers appropriate.

Under Section 117.4t, Subsection 1(c) of the Home Rule City Act states the financial plan adopted under Section 117.4t, Subsection 1(b) shall comply with all of the following requirements:

- I. Projected revenues and expenditures for each fiscal year covered by the financial plan shall result in a balanced budget according to generally accepted accounting principles, including compliance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.
- II. Include contributions necessary to assure that pension systems for employees and retirees of the city are adequately funded.
- III. Provide for the issuance of or incurring of debt by the city only in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the Michigan financial review commission act, if applicable.
- IV. Provide for the payment in full of debt services on all debt issues or incurred by or on behalf of the city.
- V. Provide for operations of the city to be conducted with projected cash resources based upon projected cash flow for each fiscal year.
- VI. Include a general reserve fund for each fiscal year to cover potential reductions in projected revenues or increases in projected expenditures equal to not less than 5% of the projected expenditures for the fiscal year.
- VII. For each fiscal year, provide for the elimination of any deficit incurred in the prior fiscal year according to generally accepted accounting principles.
- VIII. Rely upon revenue and expenditure projections based upon reasonable and appropriate assumptions and methods of estimation.
- IX. Rely upon cash flow projections based upon reasonable and appropriate assumptions as to sources and uses of cash, including timing.

**ATTACHMENT B**

**City of Detroit**

**General Fund - Cash Flow Forecast for FY 2015**

**\$ in millions**

	<b>per Four Year Financial Plan</b>		
	<b>Actual</b>	<b>Forecast</b>	<b>Comparative - Actual</b>
	<b>39 weeks, to 3/27/15 (9 months)</b>	<b>52 weeks, FY 2015</b>	<b>52 weeks, FY 2014</b>
<b>Receipts</b>			
Property tax collections (all taxing authorities)	\$ 474.1	\$ 539.2	\$ 457.6
Income taxes	191.7	273.7	268.3
Utility taxes	16.8	25.0	22.7
Gaming taxes, Municipal service fees-Casinos	133.0	184.7	193.0
Distributable state aid	162.4	195.3	186.8
Other	238.9	247.1	370.9
Financing/ escrow proceeds	97.5	231.5	-
<b>Total Receipts</b>	<b>1,314.4</b>	<b>1,696.5</b>	<b>1,499.3</b>
<b>Disbursements</b>			
Property tax distributions	(363.4)	(447.4)	(257.4)
Income tax refunds	(4.0)	(19.7)	(20.8)
Payroll, taxes, & deductions	(256.5)	(365.1)	(337.1)
Benefits	(54.0)	(86.0)	(163.7)
Pension contributions - actives	-	(29.6)	-
Subsidy payments	(26.4)	(87.6)	(40.2)
A/P vendors & other	(247.9)	(391.9)	(405.7)
Professional fees	(87.6)	(127.6)	(49.4)
<b>Operating Disbursements</b>	<b>(1,039.8)</b>	<b>(1,554.9)</b>	<b>(1,274.3)</b>
<b>Operating Surplus, before Debt &amp; Restructuring Initiatives</b>	<b>274.6</b>	<b>141.6</b>	<b>225.0</b>
<b>Debt &amp; Restructuring Initiatives</b>			
Debt-related payments	(149.0)	(191.1)	(79.4)
Reinvestment Expenditures	(40.8)	-	-
Other	(4.8)	-	-
	<b>(194.6)</b>	<b>(191.1)</b>	<b>(79.4)</b>
<b>Net Cash Flow</b>	<b>\$ 80.0</b>	<b>\$ (49.5)</b>	<b>\$ 145.6</b>

**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 April 20, 2015 Meeting**

Prepared By: Boysie Jackson, Chief Procurement Officer - 4/10/2015

**City Council and Water Board Approvals Through April 7, 2015**

	Department	Contract Number	Description	Competitively Bid	Lowest Bid	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
<b>CONTRACTS GREATER THAN \$750K</b>								
1	FINANCE	2905188	<b>Contract Amount: \$1,533,600.00</b> <b>Contract Period: 4/1/15 - 10/1/15</b> Source: 100% Quality of Life Funding Purpose: To Provide ERP Data Cleanup and Verification Contractor: Pierce, Monroe & Associates, Inc. Location: 535 Griswold Street, Suite 2200, Detroit, MI 48226	Emergency Manager Order No. 39	Emergency Manager Order No. 39	CFO Approved 4/1/15	04/01/15	Temporary Contract to support ERP Implementation. Contractor already worked on ERP Implementation.
2	FINANCE	2905189	<b>Contract Amount: \$895,050.00</b> <b>Contract Period: 4/1/15 - 10/1/15</b> Source: 100% Quality of Life Funding Purpose: To Provide Staff Augmentation to the Office of The Chief Financial Officer (OCFO), Restructuring Contractor: Pierce, Monroe & Associates, Inc. Location: 535 Griswold Street, Suite 2200, Detroit, MI 48226	Emergency Manager Order No. 41	Emergency Manager Order No. 41	CFO Approved 4/1/15	04/01/15	This is a continuation of the Office of the Chief Financial Officer's Restructuring Plans. The Contractor led efforts under the Emergency Manager approved contract 2895089 dated 11/18/14 as Advisor in the Chief Financial Officer's Restructuring Initiative and to establish the Office of Grants Management.
3	GENERAL SERVICES	2906403	<b>Contract Amount: \$1,687,077.77</b> <b>Contract Period: 4/20/15 - 3/30/16</b> Source: 100% Block Grant Funding Purpose: To Provide Park Renovations and Improvements at Various Parks Contractor: W3 Construction Company Location: 7601 Second Avenue, Detroit, MI 48202	YES	YES	04/07/15	04/20/15	
4	ITS	2896739	<b>Contract Amount: \$2,877,639 (Adding dollars to existing contract)</b> <b>Contract Period: 10/1/14 - 9/30/16</b> Source: 100% City Funding Purpose: To Provide Computer Programming, Coding and Analysis, Implementation Services and Technical Support. Contractor: Futurenet Group, Inc. Location: 12801 Auburn Street, Detroit, MI 48223	YES	YES	03/31/15	04/20/15	Original Contract \$6,091,200
5	POLICE	2905694	<b>Contract Amount: \$4,000,000</b> <b>Contract Period: 12/1/14 - 6/30/16</b> Source: 100% City Funding Purpose: To Provide A Service Agreement To Maintain the 800 MHZ Radio System Contractor: Motorola Solutions Inc. Location: 1303 E. Algonquin Road, Schaumburg, IL 60196	Piggy Back Off State Contract	Piggy Back Off State Contract	04/07/15	04/20/15	This Contract adds Service and Maintenance Agreement to support the Motorola Contract (State MiDeal Contract previously Approved By FRC).
6	MUNICIPAL PARKING	2805136	<b>Contract Amount: \$2,500,000 (Adding dollars only to existing contract)</b> <b>Contract Period: 3/1/15 - 2/28/16</b> Source: 100% City Funding Purpose: To Provide Complete Management and Operation of Vehicle Towing, Storing, Inventory, Auctioning, Disposal of Abandoned Vehicles and Cost Recovery for the Municipal Parking Department. Contractor: Pierce, Monroe & Associates, Inc. Location: 535 Griswold Street, Suite 2200, Detroit, MI 48226	YES	YES	03/17/15	04/20/15	Original Contract Amount: \$10,494,295



	Department	Contract Number	Description	Competitively Bid	Lowest Bid	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
7	PUBLIC WORKS	2875784	<b>Contract Amount: \$800,000</b> <b>Contract Period: 3/1/15 - 2/28/16 (Time Extension From 2/28/15 Due To Renewal Option)</b> Source: 100% State Funding Purpose: To Provide Hauling and Disposal of Street Debris Contractor: Homrich Wrecking, Inc. Location: 65 Cadillac Square, Suite 2701, Detroit, MI 48226	YES	YES	03/24/15	04/20/15	
8	PUBLIC WORKS	2902708	<b>Contract Amount: \$6,550,803.04 (New Contract)</b> <b>Contract Period: 3/24/15 - 12/31/16</b> Source: 100% City (Street) Funding Purpose: To Provide Bituminous Surface Removal and Resurfacing of Curbs, Sidewalks and ADA Ramp Replacement Contractor: Giorgi Concrete, LLC/Major Cement Co., Inc., a Joint Venture Location: 20450 Sherwood, Detroit, MI 48234	YES	YES	03/24/15	04/20/15	Contract will be awarded after FRC approval.
9	TRANSPORTATION	2897049	<b>Contract Amount: \$1,246,385.50</b> <b>Contract Period: 12/1/14 - 3/31/15 (Time Extension From 11/30/14 to 12/1/14)</b> Source: 100% City Funding Purpose: To Provide Paratransit Services To Elderly, Disabled and Low Income Residents Contractor: Enjoi Transportation Location: 2866 E. Grand Blvd., Detroit, MI 48202	YES	YES	03/31/15	04/20/15	Temporary Contract in place to pay company for work done already. Department of Transportation releasing New RFP in May to cover Paratransit Services.
10	TRANSPORTATION	2903745	<b>Contract Amount: \$6,500,000.00</b> <b>Contract Period: 7/1/14 - 6/30/15</b> Source: 100% City Funding Purpose: To Provide Disbursement of City Funds designated for the Operation and Maintenance of the Detroit People Mover by the Detroit Transportation Corporation Contractor: Detroit Transportation Corporation Location: 535 Griswold, Suite 400, Detroit, MI 48226	Intergovernmental Agreement	Intergovernmental Agreement	03/24/15	04/20/15	Agreement by City Council to provide a subsidy to Detroit Transportation Corporation in the futherance of benefiting the citizens of Detroit and the general public.

	Department	Contract Number	Description	Competitively Bid	Lowest Bid	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
<b>CONTRACTS GREATER THAN 2 YEARS</b>								
11	FIRE	2905511	<b>Contract Amount: \$246,000.00</b> <b>Contract Period: 4/15/15 - 3/31/18</b> Source: 100% City Funding Purpose: To Provide Occupational Health Care Services; Pre-Employment Exams, Physical Drug Testing Contractor: Henry Ford Health Systems Location: One Ford Place, Suite 2F, Detroit, MI 48202	YES	YES	03/31/15	04/20/15	
12	POLICE	2906271	<b>Contract Amount: \$184,963.68</b> <b>Contract Period: 3/24/15 - 3/23/18</b> Source: 100% State Funding Purpose: To Provide A Lease and Maintenance Agreement for 10 Vehicles For The Detroit Police Department Contractor: Enterprise Fleet Management Location: 29301 Grand River Ave., Farmington Hills, MI 48336	YES	YES	03/31/15	04/20/15	
13	RECREATION	2617781	<b>Contract Amount: \$0.00 (No Funding)</b> <b>Contract Period: 11/19/14 - 11/20/2019</b> Source: No Funding Purpose: To Provide Management, Operate and Maintain Campus Martius Park Grounds. Contractor: Detroit 300 Conservancy Location: One Campus Martius, 3W, Detroit, MI 48226	Exercising Renewal Option	Exercising Renewal Option	03/17/15	04/20/15	Contractor handles all operating expenses, staffing, utilities, maintenance, etc.
14	RECREATION	2899715	<b>Contract Amount: \$0.00 (No Funding)</b> <b>Contract Period: 11/1/14 - 12/31/2029</b> Source: No Funding ( <b>Contractor to reopen the Center and pay all facility charges incurred</b> ) Purpose: To Provide Management, Maintain and Operate Tindal Recreation Center Contractor: Healthy Kidz, Inc. Location: 227 Iron Street, #121, Detroit, MI 48207	Comparative Bid	Comparative Bid	03/17/15	04/20/15	Contractor handles all operating expenses, staffing, utilities, maintenance, etc.
15	MUNICIPAL PARKING	2904749	<b>Contract Amount: \$24,960.00</b> <b>Contract Period: 3/2/15 - 2/28/18 (With (3) 1 Year Renewals)</b> Source: 100% City Funding Purpose: To Provide Operating Supplies and Parts for the Single Space Solar Parking Power Meters Contractor: IPS Group Location: 5601 Oberlin Drive, Suite 100, San Diego, CA 92121	SOLE SOURCE	SOLE SOURCE	03/24/15	04/20/15	Service Parts Compatible With OEM Equipment.

	Department	Contract Number	Description	Competitively Bid	Lowest Bid	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
<b>WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K</b>								
16	GENERAL SERVICES	2888170	<b>Contract Amount: \$465,712 (Adding dollars to an existing contract for renewal option)</b> <b>Contract Period: 3/17/15 - 12/31/15</b> Source: 100% City Funding Purpose: Temporary Mechanical Staffing Services For General Services Contractor: Aquarius Professional Staffing, LLC Location: 11800 Conrey Road, Suite 100, Cincinnati, OH 45249	SOLE SOURCE	Market Survey show prices are In line with Market Rates	03/17/15	04/20/15	Original Contract Amount: \$1,460,000 Staffing supplier noted for Out-sourced Fleet Services personnel Specializing in Mechanical and Maintenance of Refuse Collection, Public Lighting, Fire and Police Vehicles. Contract approved by the Emergency Manager in 2014 to make improvements in Fleet Management.
17	GENERAL SERVICES	2888387	<b>Contract Amount: \$438,272 (Adding dollars and time for renewal option)</b> <b>Contract Period: 3/1/15 - 6/30/15</b> Source: 100% City Funding Purpose: To Provide A Contract Increase and Time Extension For Construction Work/Renovations Needed At 900 Merrill Plaisance Building Due To Unforeseen Storm Damage Contractor: Construction & Design Services Group Location: 2655 Oakley Park Rd., Commerce, MI 48390	Exercising Renewal Option	Exercising Renewal Option	04/07/15	04/20/15	Original Contract Amount: \$818,378 Original Expiration Date: 2/28/15
18	GENERAL SERVICES	2898442	<b>Contract Amount: \$186,544.00 (Adding dollars and time to existing contract)</b> <b>Contract Period: 1/1/15 - 4/30/15</b> Source: 100% City Funding Purpose: To Provide Building/Office Renovations to 8th and 9th Floors at Coleman A. Young Municipal Center Contractor: W3 Construction Company Location: 7601 Second Avenue, Detroit, MI 48202	YES	YES	04/07/15	04/20/15	Original Contract Amount: \$545,320 Original Expiration Date: 12/31/14
19	GENERAL SERVICES	2889445	<b>Contract Amount: \$549,625 (Adding dollars to an existing contract)</b> <b>Contract Period: 2/21/14 - 4/30/17 (Original Date)</b> Source: 100% City Funding Purpose: To Provide Cleaning of the Municipal Parking Garages Contractor: Kristel Group, Inc. Location: 136 South Rochester Road, Clawson, MI 48017	YES	YES	03/24/15	04/20/15	Original Contract Amount: \$2,963,796
20	POLICE	2827322	<b>Contract Amount: \$370,000.00 (Adding dollars and time to existing contract)</b> <b>Contract Period: 4/1/15 - 8/31/16</b> Source: 100% City Funding Purpose: To Provide Body Armor Protective Vests Contractor: CMP Distributors, Inc. Location: 16753 Industrial Parkway, Lansing, MI 48906	YES	YES	03/17/15	04/20/15	Original Contract Amount: \$1,686,108 from 9/1/2014 through 3/31/15.

	Department	Contract Number	Description	Competitively Bid	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**

21	Water and Sewerage	CS-1623	<p><b>Contract Amount: \$2,688,325.00</b>  <b>Contract Period: 5/1/15 - 5/1/19</b>  <b>Source:</b> 100% Operating Budget  <b>Purpose: Inspection, Condition Assessment, Engineering Evaluation of Raw Water Intakes, Tunnels and Related Facilities for four (4) years</b>  Contractor: FK Engineering Associates  Location: 444 West Maple Road Suite F, Troy, MI 48084</p>	YES	YES	N/A; below \$5 mil approval requirement for contracts relative to Construction	N/A BOWC Approval 12/17/14	Three (3) proposal submissions; Comprehensive inspection of raw water intakes and tunnels is necessary to assess and document condition of the tunnel system, shafts (land & shore), associated isolation gate structures and intakes to insure uninterrupted flow of source water from all five (5) water treatment facilities since last comprehensive inspection was performed in 1993.
22	Water and Sewerage	DWS-889	<p><b>Contract Amount: \$2,087,920.00</b>  <b>Contract Period: 5/1/15 - 5/1/16</b>  <b>Source:</b> 100% Operating Budget (Capital Improvement)  <b>Purpose: Inspection &amp; Open Cut Repair of Failed Sewers &amp; In-Place Rehabilitation/Repair of Existing Sewers utilizing Cured-In-Place Pipe (CIPP) Lining Process at East Yard on "As-Needed" Basis for 1 year with 1 year renewal option</b>  Contractor: Lakeshore Global Corporation  Location: 7310 Woodward Avenue 5th Floor, Detroit, MI 48202</p>	YES	YES	N/A; below \$5 mil approval requirement for contracts relative to Construction	N/A BOWC Approval 12/17/14	Six (6) Bid submissions; Award delayed due to payment & performance bond issues ; Two (2) contracts awarded as extension of expired DWS-876/7 sourced to Inland for \$88 mil [\$16 mil allocated to Emergency Repairs (ER) from 4/10-6/14] & DWS-899 [\$0.9 mil from 7/14-11/14] to continue to rehabilitate aged sewers utilizing benchmark CIPP process projected to yield approx. 34% avg cost savings with est. 200 ER/yr at avg \$50K/repair requiring \$10 mil/yr.
23	Water and Sewerage	DWS-890	<p><b>Contract Amount: \$2,087,920.00</b>  <b>Contract Period: 5/1/15 - 5/1/16</b>  <b>Source:</b> 100% Operating Budget (Capital Improvement)  <b>Purpose: Inspection &amp; Open Cut Repair of Failed Sewers &amp; In-Place Rehabilitation/Repair of Existing Sewers utilizing Cured-In-Place Pipe (CIPP) Lining Process at South Maintenance Yard on "As-Needed" Basis</b>  Contractor: Lakeshore Global Corporation  Location: 7310 Woodward Avenue 5th Floor, Detroit, MI 48202</p>	YES	YES	N/A; below \$5 mil approval requirement for contracts relative to Construction	N/A BOWC Approval 12/17/14	Refer to comments noted above
24	Water and Sewerage	DWS-900	<p><b>Contract Amount: \$2,112,975.00</b>  <b>Contract Period: 5/1/15 - 5/1/16</b>  <b>Source:</b> 100% Operating Budget (Capital Improvement)  <b>Purpose: Inspection &amp; Open Cut Repair of Failed Sewers and In-Place Rehabilitation/Repair of Existing Sewers utilizing Cured-In-Place Pipe (CIPP) Lining Process at North Maintenance Yard on "As-Needed" Basis</b>  Contractor: Inland Waters Pollution Control, Inc.  Location: 4086 Michigan Avenue, Detroit, MI 48210</p>	YES	YES	N/A; below \$5 mil approval requirement to contracts relative to Construction	N/A BOWC Approval 12/17/14	Six (6) bid submissions; Award delayed due to payment & performance bond issues ; Two (2) contracts awarded as extension of expired DWS-876/7 sourced to Inland for \$88 mil [\$16 mil allocated to Emergency Repairs (ER) from 4/10-6/14] & DWS-899 [\$0.9 mil from 7/14-11/14] to continue to rehabilitate aged sewers utilizing benchmark CIPP process projected to yield approx. 34% avg cost savings with est. 200 ER/yr at avg \$50K/repair requiring \$10 mil/yr.
25	Water and Sewerage	DWS-901	<p><b>Contract Amount: \$2,112,975.00</b>  <b>Contract Period: 5/1/15 - 5/1/16</b>  <b>Source:</b> 100% Operating Budget (Capital Improvement)  <b>Purpose: Inspection &amp; Open Cut Repair of Failed Sewers &amp; In-Place Rehabilitation/Repair of Existing Sewers utilizing Cured-In-Place Pipe (CIPP) Lining Process at West Maintenance Yard on "As-Needed" Basis</b>  Contractor: Inland Waters Pollution Control, Inc.  Location: 4086 Michigan Avenue, Detroit, MI 48210</p>	YES	YES	N/A; below \$5 mil approval requirement for contracts relative to Construction	N/A BOWC Approval 12/17/14	Refer to comments noted above

	Department	Contract Number	Description	Competitively Bid	Lowest Bid	City Council Approval Date	Office of the Chief Financial Officer Approval Date	Comments
26	Water and Sewerage	2897884	<b>Contract Amount: \$1,275,945.00</b> <b>Contract Period: 9/10/14 - 3/10/15 [New Expiration: 9/10/15]</b> <b>Source:</b> 100% Operating Budget <b>Purpose: Emergency Procurement to Furnish Rental of three (3) Dewatering Centrifuge Units, including Installation &amp; Operation per DWSD Specifications, at Wastewater Treatment Plant (WWTP)</b> Contractor: Pace Dewatering Systems Ltd. Location: 9402 31 Ave NW, Edmonton, Canada ABT6N1C4	NO	SOLE SOURCE	N/A; below \$2 mil approval requirement for contracts relative to Goods & Services	N/A BOWC Approval 3/18/15	Extend and increase initial Emergency CPO to secure additional dewatering centrifuges in order to increase dewatering capacity at Wastewater Treatment Plant to comply with National Pollutant Discharge Elimination System (NPDES) & Administrative Court Order (ACO) requirements until 12 replacement Belt Filter Presses (BFP) that dewater liquid sludge in Complex II are completed by Dec 2015.
27	Water and Sewerage	2905129	<b>Contract Amount: \$13,020,000.00</b> <b>Contract Period: 4/1/15 - 3/31/17</b> <b>Source:</b> 100% Operating Budget (Operations & Maintenance) <b>Purpose: Provide Landfill Services for High Calcium Lime Sludge Waste Disposal for Wastewater Treatment Plant (WWTP) for 2 years with 2 - 1 year renewal options</b> Contractor: Waste Management of Michigan, Inc. Location: 49807 Alpha Drive Suite 100, Wixom, MI 48393	YES	YES	3/24/15	N/A BOWC Approval 1/28/15	Two (2) Bid submissions resulted from solicitation to 104 suppliers via MI Inter-governmental Trade Network (MITN); Disposal of WWTP-generated biosolids at State-approved & regulated landfills is required to maintain compliance with NPDES regulations that limit solids discharged by WWTP into Detroit & Rouge rivers as authorized by Clean Water Act.

**CONTRACTS GREATER THAN OR EQUAL TO 2 YEARS**

28	Water & Sewerage	CS-1482-01	<b>Contract Amount: \$2,742,891.00</b> <b>Initial Contract Period: 7/28/10 - 7/28/15 [New Expiration: 7/28/18]</b> <b>Source:</b> 100% Operating Budget <b>Purpose: Provide dye dilution testing services to measure discharge for meter accuracy verification of Greater Detroit Regional Sewer System (GDRSS)</b> Contractor: Applied Science, Inc. Location: 300 River Place Suite 5400, Detroit, MI 48207	Not Required; time extension only	Not Required; time extension only	Not Required; time extension only	N/A Director Approval 3/17/15	Total of 60 billing & sewer meters of which 25 meters were determined in June 2012 to be located within Oakland Macomb Interceptor Drain (OMID) District and additional 6 meters were identified as low volume allowing for increased capacity to extend testing cycle for increased accuracy on measurement of discharge on high volume meters on quarterly vs. monthly basis.
29	Water & Sewerage	2905948	<b>Contract Amount: \$176,400.00</b> <b>Initial Contract Period: 5/28/15 - 4/27/18</b> <b>Source:</b> 100% Operating Budget <b>Purpose: Furnish Polymer Filter Aid C-318 for Water Works Park Plan for 3 years with 3 - 1 year renewal options</b> Contractor: Polydyne, Inc. Location: One Chemical Plant Road, Riceboro, GA 31323	YES	Yes - Awarded to Sole Bidder	N/A; below \$2 mil approval requirement for contracts relative to Goods & Services	N/A Director Approval 3/13/15	

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