

# PONTIAC CITY COUNCIL

Kermit Williams, District 7  
President  
Randy Carter, District 4  
President Pro Tem



Patrice Waterman, District 1  
Don Woodward, District 2  
Mary Pietila, District 3  
Gloria Miller, District 5  
Dr. Doris Taylor Burks, District 6

*It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."*

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Garland S. Doyle, M.P.A.  
Interim City Clerk

## STUDY SESSION

August 27, 2019

6:00 P.M.

112<sup>th</sup> Session of the 10<sup>th</sup> Council

Call to order

Roll Call

Authorization to Excuse Councilmembers

Amendments to and Approval of the Agenda

Approval of the Minutes

1. August 20, 2019

Closed Session

2. Resolution to go into closed session to discuss an attorney-client privileged memorandum regarding the Phoenix Center Settlement, information exempt from disclosure by statute, specifically an attorney-client privileged memorandum exempt from disclosure pursuant to MCL 15.243(1) (g).

Public Comment

Discussions

3. Office of the City Clerk Status Update on Medical Marihuana
  - A. Appointments to the Medical Marihuana Commission
  - B. RFP for Professional Expert-Financial Advisor to the City Clerk
  - C. RFP for Hearing Officer
4. Hiring for the Office of the City Clerk
  - A. Customer Service Representative
  - B. Assistant City Clerk

Ordinance

5. Adoption of an Emergency Ordinance to amend Emergency Ordinance 2346 for the General Employee Retirement System

Resolutions

**City Council**

6. Resolution to refer an Ordinance to Amend Chapter 2363 Entitled Pontiac Code Of Ordinances for the City of Pontiac to Amended Article 3 To Chapter 11 – Medical Marihuana Districts to the Planning Commission for consideration (This ordinance was submitted by Council President Pro Tem Carter).

**Planning**

7. Resolution to approve a Zoning Text Amendment of the City of Pontiac Zoning Ordinance to add Temporary Construction Fencing in the City of Pontiac.
8. Resolution to Approve the Zoning Map Amendment [ZMA 19-05] request for 382 Cesar Chavez, also known as PIN 64-14-20-381-010, 64-14-20-381-003, 64-14-20-381-004, & 64-14-20-381-005 to amend the current site zoning R-1 One Family Dwelling to C-1 Local Business with CR Conditional Rezoning and authorize the execution of a Conditional Rezoning Agreement with the applicant.
9. Resolution to approve the Planning Commission's recommendation for the Zoning Map Amendment [ZMA 19-07] request for 1025 ½ Cesar Chavez, also known as PIN 64-14-19-129-034, to amend the current site zoning from C-3 Corridor Commercial to M-1 Light Manufacturing zoning district.
10. Resolution to authorize the Mayor to conduct preliminary due diligence regarding the potential purchase of 235 Wesson Street and to negotiate terms and conditions of sale at a cost not to exceed \$45,000.00 and to complete process within 60 days. (This resolution failed on August 13, 2019)

**Department of Public Works/City Engineering**

11. Resolution to adopt the Michigan Local Pavement Warranty Program and accompanying documents in accordance with the requirements of MCL 247.633 (This item was tabled for one week at the August 20, 2019 Council Meeting.)
12. Resolution to implement the Local Agency Payment Warranty Program and annually report in accordance with the law. (This item was tabled for one week at the August 20, 2019 Council Meeting.)

**Adjournment**

**#1**

**MINUTES**

August 20, 2019 Formal

**Official Proceedings  
Pontiac City Council  
111<sup>th</sup> Session of the Tenth Council**

A Formal Meeting of the City Council of Pontiac, Michigan was called to order in City Hall, Tuesday, August 20, 2019 at 6:00 p.m. by Council President Kermit Williams.

Call to Order

Invocation

Pledge of Allegiance

Roll Call

Members Present: Carter, Miller, Taylor-Burks, Williams and Woodward.

Members Absent: Pietila and Waterman.

Mayor Waterman was present.

Clerk announced a quorum.

19-416      **Excuse Councilperson Mary Pietila and Patrice Waterman for personal reasons.**  
Moved by Councilperson Woodward and second by Councilperson Taylor-Burks.

Ayes: Miller, Taylor-Burks, Williams, Woodward and Carter

No: None

**Motion Carried.**

19-417      **Amendment to remove item #6 (presentation from urban institute league) for one week and move item #5 (presentation from youth recreation and enrichment center) before items #3 and #4.** Moved by Councilperson Miller and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Williams, Woodward, Carter and Miller

No: None

**Motion Carried.**

19-418      **Point of privilege for Rev. Gowdy, Pastor, Macedonia Missionary Baptist Church.**  
Move by Councilperson Taylor-Burks and second by Councilperson Woodward.

Ayes: Taylor-Burks, Williams, Woodward, Carter and Miller

No: None

**Motion Carried.**

19-419      **Approval of agenda as amended.** Moved by Councilperson Woodward and second by Councilperson Taylor-Burks.

Ayes: Williams, Woodward, Carter, Miller and Taylor-Burks

No: None

**Motion Carried.**

19-420      **Approve meeting minutes for August 13, 2019.** Moved by Councilperson Miller and second by Councilperson Taylor-Burks.

Ayes: Williams, Carter, Miller and Tylor-Burks

No: None

Abstain: Woodward

**Motion Carried.**

### **Subcommittee Reports**

Received Finance Subcommittee Report – August 13, 2019

### **Special Presentations**

Pontiac youth Recreation and Enrichment Center (PYREC) Update and Youth Summit Report  
Presentation Presenter: Robert Burch, Interim PYREC Manager and Jeremiah Wilson, Pontiac Student

Enhanced Code Enforcement and Nuisance Abatement Report  
Presentation Presenter: Patrick Brzozowski, Code Enforcement Manager

City of Pontiac Retired Employees Association (CPREA) Settlement Update  
Presentation Presenter: Mayor Waterman

19-421      **Resolution to designate Hidden River Park as an entertainment space and not as a park.** Moved by Councilperson Taylor-Burks and second by Councilperson Woodward.

**WHEREAS,** on July 2, 2019, the Pontiac City Council passed a resolution to authorize the Mayor to submit and execute the "KaBoom! Play Everywhere Challenge" grant agreement in the amount of \$56,500.00 for the Good Fun & Sound Abounds Downtown Project; and,

**WHEREAS,** Hidden River Park consists of parcel numbers 64-14-29-476018, 64-04-29-476-019, 64-14-29-476-031; and,

**WHEREAS,** Hidden River Park has not been designated as a "park," is not included in the City of Pontiac's Master Plan, Recreation Facilities, City Owned Parks and is not listed on the City of Pontiac's website; and,

**WHEREAS,** Michigan's Definition of "Public Playground Equipment" as defined in the "Playground Equipment Safety Act of 1997": Apparatus, including, but not limited to slides, climbers, seesaws, and swings; and,

**WHEREAS,** the objective of the donation grant from KaBOOM! is to introduce elements of play in unconventional spaces and acquire play and outdoor musical equipment for Hidden River Park; and,

**WHEREAS,** eligibility of the grant donation does not require the operation of a public playground or park.

**NOW, THEREFORE BE IT RESOLVED** that the Pontiac City Council hereby designates Hidden River Park as an entertainment space and not as a "park."

Ayes: Woodward, Carter, Miller, Taylor-Burks and Williams

No: None

**Resolution Passed.**

19-422        **Resolution to authorize the Mayor to sign easement for the property located at 31 N. Saginaw.** Moved by Councilperson Taylor-Burks and second by Councilperson Woodward.

**WHEREAS,** The City of Pontiac has reviewed the documents provided by the Piassa Properties, LLC, and;

**WHEREAS,** The department of Public Works, Engineering Division finds that there are no concerns with the City granting the requested easement, and;

**NOW, THEREFORE BE IT RESOLVED** that the Pontiac City Council authorized the Mayor or Deputy Mayor to sign the subject easement.

Ayes: Carter, Miller, Taylor-Burks, Williams and Woodward

No: None

**Resolution Passed.**

19-423        **Table item #9 (resolution to adopt Michigan local pavement warranty program) and item #10 (resolution to implement local agency payment warranty program) for one week.** Moved by Councilperson Woodward and second by Councilperson Taylor-Burks.

Ayes: Miller, Taylor-Burks, Williams, Woodward and Carter

No: None

**Motion Carried.**

19-424        **Resolution to authorize the Mayor to sign contract with PK Contracting for Road Stripping.** Moved by Councilperson Woodward and second by Councilperson Carter.

**WHEREAS,** The City of Pontiac has reviewed the documents provided by the Oakland County Road Commission, and;

August 20, 2019 Formal

**WHEREAS,** The Department of Public Works finds that the pricing supplied by PK Contracting in the publically advertised and bid held by the Road Commission in the spring of 2019 are acceptable, and;

**NOW, THEREFORE BE IT RESOLVED** that the Pontiac City Council authorized the Mayor or Deputy Mayor to sign the attached contract with PK Contracting for road Striping.

Ayes: Taylor-Burks, Williams, Woodward, Carter and Miller

No: None

**Resolution Passed.**

Eighteen (18) individuals addressed the body during public comment.

Honorable Mayor Waterman, Councilwoman Doris Taylor-Burks, Councilwoman Gloria Miller, Council President Pro-Tem Randy Carter and Council President Kermit Williams made closing comments. Interim City Clerk Garland Doyle and Councilman Don Woodward had no closing comments.

Council President Kermit Williams Adjourned meeting at 8:33 p.m.

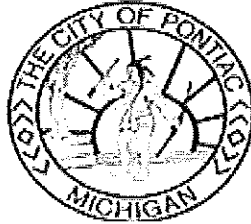
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GARLAND S. DOYLE  
INTERIM CITY CLERK

# **CLOSED SESSION**



Pontiac City Council Resolution



Whereas, Michigan Open Meetings Act Section 8(h), MCL 15.268(h), allows a public body to go into closed session to consider material exempt from discussion or disclosure by state or federal statute; and

Whereas, Michigan Freedom of Information Act Section 13(g) exempts from disclosure records subject to the attorney-client privilege;

Now, Therefore, Be It Resolved by the Pontiac City Council that it recess into closed session to discuss an attorney-client privileged memorandum regarding the Phoenix Center Settlement, information exempt from disclosure by statute, specifically an attorney-client privileged memorandum exempt from disclosure pursuant to MCL 15.243(1)(g).

**#4**

# **DISCUSSION**

## **Ordinance No. 22xx**

### **An ordinance to restructure the departments of the City of Pontiac.**

The City of Pontiac ordains:

#### **Section 1. Amendments.**

- A. The following sections of the Code of Ordinances shall be amended to read as follows:

#### **ARTICLE III. DEPARTMENTS**

##### **DIVISION 1. OFFICE OF THE MAYOR**

###### **2-71 Established; responsibilities generally.**

There is hereby established the Office of the Mayor, which shall have the primary responsibility for overseeing the day-to-day administrative and executive functions of the City. The Office of the Mayor shall also be responsible for administering all contracts in which services are provided to the City that assist the Mayor in fulfilling the responsibilities of his office that are not directly assigned to any other department, such as the contracts for law enforcement, fire protection, and legal services.

###### **2-72 Office assistants.**

The Mayor may hire such number of full-time, part-time, or seasonal employees as the City budget shall authorize to assist him in fulfilling the responsibilities of his position. All persons hired by the Mayor as an office assistant shall have at least a bachelors degree and at least three years of experience working for a local, state, or federal government performing duties similar to those in which the employee will be assigned to perform for the City or a high school diploma and five years experience performing duties similar to those in which the employee will be assigned to perform for the City. All such employees shall be considered "personal staff members" and exempt from overtime under the Fair Labor Standards Act.

##### **DIVISION 2. DEPARTMENT OF FINANCE**

###### **2-86 Established; responsibilities generally.**

There is hereby established the department of finance, which shall have the primary responsibility for providing safekeeping of the funds of the City and accounting for the use of such funds; for administering the City's financial, personnel, and labor relations policies and programs in order to enhance the functions of the several departments of the City and its adjunct activities as well as providing a central point for addressing concerns of the employees of the City that pertain to their relationships to the City as employees of the City.

## **2-87 Functions and duties.**

The following functions are assigned to the department of finance:

- (1) Maintaining the accounting records in accordance with Generally Accepted Accounting Principles and such other policies and procedures established by the State of Michigan.
- (2) Assisting in the preparation of the annual budget and monitoring of the budget.
- (3) Administering the City's income tax ordinance.
- (4) Purchasing needs of the City in accordance with the provisions of the Code of Ordinances.
- (5) Investing of surplus funds in accordance with the City's investment policy.
- (6) Administering the information technology needs of the various City departments.
- (7) Processing of employee payroll, remittance of voluntary and involuntary withholdings, and filing of mandated associated reports.
- (8) Assessing and real and personal property in the City in accordance with State law.
- (9) Administering all grants received by the City and assisting with the application for various grants.
- (10) Processing of all debts and bills owed by the City in accordance with debt and remittance schedules and agreements.
- (11) Invoicing and collecting all taxes and receipts owed to the City.
- (12) Monitoring the City's responsibilities for unemployment reporting and compensation.
- (13) Administering all employee and retiree benefits, if provided.
- (14) Administering the City's workers' compensation responsibilities.
- (15) Administering the risk management functions and responsibilities of the City.
- (16) Retaining the financial records of the City in accordance with the record retention and disposal policy of the City.
- (17) All human resource functions, including:
  - a. Recruiting, testing, and assisting in the appointment of qualified persons into municipal service.

- b. Implementing and monitoring of position classifications and maintenance.
- c. Developing and implementing employee training programs, education programs, and employee assistance programs.
- d. Maintaining centralized personnel records and data.
- e. Advising and counseling City management in the development and application of labor relations policies and practices.
- f. Monitoring of day-to-day administration labor relations policies and practices.
- g. Such other additional related personnel administration and/or labor relation functions as may from time to time be authorized by the Mayor or by ordinance.

#### **2-88 Director.**

There shall be a director of the department of finance (Finance Director) whose appointment and remuneration shall be in accord with the procedures provided for in the Charter. The director of the department of finance shall have the overall supervisory and administrative responsibilities pertaining to the administration and implementation of the functions described in section 2-87. The Director shall be responsible for ensuring that all of the duties and responsibilities of the Department identified in the Code of Ordinances are executed in a fair and legal manner. The Director shall be responsible for administering all contracts in which services are provided to the City that assist the Director in fulfilling the responsibilities of his position. The Director may hire such number of full-time, part-time, or seasonal employees as the City budget shall authorize to assist him in fulfilling the responsibilities of his position. The Finance Director shall have a master's degree in accounting, business administration, finance, or public administration and at least five years experience in accounting, budgeting, and finance, of which at least two years shall have been in the public sector.

#### **2-89 City Treasurer.**

There shall be a City Treasurer whose appointment and remuneration shall be in accord with the procedures provided for in the Charter. The City Treasurer shall be responsible for the duties prescribed upon township treasurers by the laws of the State of Michigan and shall be responsible for the prudent investment and safekeeping of the funds of the City in accordance with the investment policy adopted by the City Council. The City Treasurer shall have a bachelor's degree in accounting, business administration, finance, or public administration and at least five years experience in accounting, budgeting, or finance, of which at least two years shall have been in the public sector.

#### **2-90 Purchasing Agent/Fiscal Analyst.**

There shall be a purchasing/agent fiscal analyst whose appointment and remuneration shall be in accord with the procedures provided for in the Charter. The Purchasing Agent/Fiscal Analyst shall be responsible for preparing and tabulating all requests for proposals, requests for qualifications, or any other such bids sought by the City and reviewing and authorizing purchase orders in accordance with the Code of Ordinances. The Purchasing Agent/Fiscal Analyst shall have a bachelor's degree in accounting, business administration, finance, or public administration and at least three years experience in accounting, purchasing, or finance. In lieu of a bachelor's degree, the

Purchasing Agent/Fiscal Analyst shall have an associate's degree in accounting, business administration, finance, or public administration and at least five years experience in accounting, purchasing, or finance of which at least one year shall have been in the public sector.

#### **2-91 Payables and Receivables Manager.**

There shall be a Payables and Receivables Manager who shall be appointed by the Finance Director with the consent of the Mayor and his remuneration shall be in accord with the procedures provided for in the Charter. The Payables and Receivables Manager shall be responsible for processing for payment all invoices that are properly submitted to the City and verified by respective department heads and invoicing all creditors of the City for services provided. The Payables and Receivables Manager shall have a bachelor's degree in accounting, business administration, finance, or public administration and at least three years experience in accounting, accounts payable, accounts receivable, purchasing, or finance of which at least one year shall have been in the public sector. In lieu of a bachelor's degree, the Payables and Receivables Manager shall have an associate's degree in accounting, business administration, finance, or public administration and at least five years experience in accounting, accounts payable, accounts receivable, purchasing, or finance of which at least one year shall have been in the public sector.

#### **2-92 Human Resources Specialist.**

There shall be a Human Resources Specialist who shall be appointed by the Finance Director with the consent of the Mayor, and his remuneration shall be in accord with the procedures provided for in the Charter. The Human Resources Specialist shall be responsible for the administration of employee and retiree benefits to the extent that benefits are provided, reviewing job descriptions and the City's personnel policies and procedures at least on an annual basis, and maintaining the files of the former Personnel Department of the City. The Human Resources Specialist shall have a bachelor's degree in business administration/management, human resource administration/management, or public administration and at least five years experience in human resource or benefits administration.

#### **2-93 Deputy Finance Director.**

The Finance Director may designate, with the consent of the Mayor, one of the employees of the Finance Department or any other employee of the City who possesses the qualifications and has the experience required by this Code for Finance Director to serve as Deputy Finance Director. The Deputy Finance Director shall be considered the Chief Assistant Finance Director.

#### **2-94 Deputy City Treasurer.**

The Finance Director may designate one of the employees of the Finance Department to serve as Deputy City Treasurer or any other employee of the City who possesses the qualifications and has the experience required by this Code for City Treasurer. In lieu of the qualifications and experience required by this Code for City Treasurer, the Deputy City Treasurer shall have a high school diploma and shall have at least five years experience working in the office of a municipal treasurer with regular responsibilities working directly with the tax roll or managing investments.

## **2-95 Income Tax Director.**

The Finance Director may designate one of the employees of the Finance Department to serve as Income Tax Director whom shall have the powers granted to the Income Tax Director by this Code or by the laws of the State of Michigan . In the absence of such a designation, the Finance Director shall serve as the Income Tax Director.

## **DIVISION 3. OFFICE OF THE CITY CLERK**

### **2-111 Created; functions and duties.**

There is hereby created the office of the City Clerk, which shall have the responsibility for administering City, state, county, and federal elections, maintaining the local voter registration list, preparing the agenda and the minutes for City council meetings, codifying the Code of Ordinances, and maintaining and retaining the official permanent non-financial records of the City, including all ordinances, resolutions, and proceedings, giving all required public notices, maintaining a record of all existing and proposed rules, regulations, policies, and procedures of the City.

### **2-112 City Clerk.**

There shall be a City Clerk whose appointment and compensation shall be in accord with the procedures provided for in the Charter. The City Clerk shall have a master's degree in business administration, political science, or public administration and at least three years experience working in the office of a municipal clerk. In addition, the City Clerk shall be certified to administer elections in the State of Michigan and be certified to use the State Qualified Voter File at the time of hire. The City Clerk shall also have at least one year of experience taking minutes for a public body. In lieu of a master's degree, the City Clerk may have a bachelor's degree and at least five years experience working in the office of a municipal clerk, of which two shall have been as a Deputy City Clerk. The City Clerk shall be responsible for ensuring that all of the duties and responsibilities of the City Clerk identified in the Code of Ordinances and State Law are executed in a fair and legal manner. The City Clerk shall be responsible for administering all contracts in which services are provided to the City that assist the City Clerk in fulfilling the responsibilities of his position. The City Clerk shall certify under corporate seal, when requested, all official papers and record of the City and making them available to the public as provided by law. The City Clerk shall make a recommendation to the Election Commission of applicants for position of election inspector or precinct chair or co-chair from which the Election Commission shall consider for appointment to the respective positions and make such appointments as required by law. The City Clerk may hire such number of full-time, part-time, or seasonal employees as the City budget shall authorize to assist him in fulfilling the responsibilities of his position.

### **2-113 Deputy City Clerk.**

There may be a Deputy City Clerk whose appointment and compensation shall be in accord with the procedures provided for in the Charter. The Deputy City Clerk shall be considered the Chief Assistant Clerk. The Deputy City Clerk shall have a bachelor's degree in general studies, business administration, political science, or public administration and at least three years experience working in the office of a municipal clerk. In addition, the Deputy City Clerk shall be certified to administer elections in the State of Michigan and be certified to use the State Qualified Voter File at the time of hire. In lieu of a bachelor's degree, the Deputy City Clerk shall have a high school diploma and shall have at least five years experience working in the office of a municipal clerk. The

Deputy City Clerk shall also have experience taking minutes. The Deputy Clerk shall perform the duties of the office of the Clerk in the absence or disability of the Clerk.

#### **DIVISION 4. DEPARTMENT OF COMMUNITY DEVELOPMENT**

##### **2-141 Created; functions and duties.**

There is hereby created the department of community development, which shall have the responsibility for administering, implementing and carrying out the activities pertaining to:

- (1) construction code enforcement.
- (2) vacant property registration program.
- (3) residential rental registration program.
- (4) business license program.
- (5) planning activities.
- (6) zoning ordinance administration and enforcement.
- (7) historic district commission administration.
- (8) property maintenance code enforcement activities.
- (9) fire insurance withholding program.
- (10) disposing of City real estate.
- (11) implementation of any programs funded by federal grants from the United States Department of Community Development.
- (12) development of the capital improvement plan.
- (13) processing all applications for tax abatements received by the City as permitted by State law.
- (14) working with developers to assist them in executing their projects within the City if permitted by law.
- (15) retaining documents as required by law and the City's record retention and disposal policy for the former components of the Pontiac Growth Group, including the General Building Authority, Downtown Development Authority, Economic Development Corporation, and Pontiac Business Development Center.
- (16) supporting the Brownfield Redevelopment Authority and Tax Increment Finance Authority to the extent that such authorities exist and upon their dissolution, retaining documents as required by law and the City's record retention and disposal policy.
- (17) establishing the policies and procedures and the general administration of the government access and public access television channels on cable television.
- (18) assisting the Finance Department with the risk management functions of the City as requested by the Finance Director.



(19) Such other additional community development functions as may from time to time be authorized by the Mayor or by ordinance.

**2-142 Director.**

There shall be a director of the department of community development whose appointment and remuneration shall be in accord with the procedures provided for in the Charter. The director of the department of community development (Community Development Director) shall have the overall supervisory and administrative responsibilities pertaining to the administration and implementation of the functions described in section 2-141. The Director shall be responsible for ensuring that all of the duties and responsibilities of the Department identified in the Code of Ordinances are executed in a fair and legal manner. The Director shall be responsible for administering all contracts in which services are provided to the City that assist the Director in fulfilling the responsibilities of his position. The Director may hire such number of full-time, part-time, or seasonal employees as the City budget shall authorize to assist him in fulfilling the responsibilities of his position. The Director of Community Development shall have a master's degree in architecture, business administration, community development, political science, or public administration and at least three years experience in administration of zoning ordinances, construction code enforcement, nuisance enforcement, grant administration, or economic development activities. In lieu of a master's degree, the Director of Community Development shall have a bachelor's degree in architecture, business administration, community development, political science, or public administration and at least five years experience in administration of zoning ordinances, construction code enforcement, nuisance enforcement, grant administration, or economic development activities.

**2-143 Deputy Director.**

There may be a deputy director of the department of community development whose appointment and compensation shall be in accord with the procedures provided for in the Charter. The Deputy Director of the Department of Community Development shall be considered the Chief Assistant Director of the Department of Community Development. The Deputy Director of the Department of Community Development shall have a bachelor's degree in architecture, business administration, community development, political science, or public administration and at least three years experience in administration in the enforcement of zoning ordinances, grant administration, or economic development activities.

**2-144 Cable Director**

There may be a Cable Director whose appointment shall be made by the Director with the consent of the Mayor, and remuneration shall be in accord with the procedures provided for in the Charter. The Cable Director shall be responsible for the operation of the government access and public access television stations. The Cable Director shall have a bachelor's degree in communications and at least three years experience in the operation of a television studio, editing, and single camera production. In lieu of a bachelor's degree, the Cable Director shall have at least five years experience in the operation of a television studio, editing, and single camera production.

## **DIVISION 5. EXTERNAL AUDITOR**

### **2-166—External Auditor.**

The City Council shall contract with a certified public accounting firm to perform an annual external audit of the financial records of the City. Such certified public accounting firm shall have at least ten years experience of auditing at least five different cities or townships in the State of Michigan. Such external auditor shall be selected through a request for proposal or other formal bid process in accordance with the criteria identified in this section. The City Council may choose to offer a contract for at least one year and not more than five years in its solicitation request. Such solicitation shall be made at some reasonable time between January 1 through February 28 and a selection shall be made by March 15. A Finance Committee of the City Council comprised of three members shall meet with the external auditor before the external audit is commenced and at the conclusion of the external audit. The Mayor and Finance Director shall fully cooperate with the external auditor. Failure of the Mayor or Finance Director to cooperate with the external auditor shall be deemed a misdemeanor, subject to a penalty of 90 days in jail or a \$500 fine or both upon conviction.

## **DIVISION 6. DEPARTMENT OF PUBLIC WORKS**

### **2-191 Created; functions and duties.**

There is hereby created the department of public works, which shall have the responsibility for administering, implementing and carrying out the activities pertaining to:

- (1) Public improvement projects of the City, their design, construction and inspection;
- (2) Streets, sidewalks and rights-of-way, their construction and maintenance;
- (3) Buildings and grounds of City-owned property, their construction and maintenance;
- (4) Electrical services, including such service for all City activities, street lighting and traffic control, their construction, installation, maintenance and operations;
- (5) Signs, their creation, installation, and maintenance;
- (6) Cemeteries, their construction, maintenance, and operation;
- (7) Parks and recreational facilities, their construction, maintenance, and operation;
- (8) Forestry, including acquisition, installation, removal, treatment and maintenance of trees, shrubbery, flowers, grass and other such like growing enhancements and further including the removal of encroachments upon the public right-of-way by such things as well as the monitoring and abatement of diseases or infestations both on public and private property that may adversely affect such growing things;

- (9) Traffic engineering, the maintenance, installation or removal and operation of traffic control devices and determination for need for issuance of traffic control orders;
- (10) Issuance of permits for construction in rights-of-way and inspection of such construction;
- (11) Preparation of petitions for special assessments;
- (12) The use of and activities pertaining to the City's parks, recreation facilities and community centers;
- (13) Facilities for the disposal of and systems for the collection of garbage, rubbish, refuse, and waste matter, their construction, maintenance, and operation.
- (14) Such other additional public works functions as may from time to time be authorized by the Mayor or by ordinance;

#### **2-192 Director.**

There shall be a Director of the Department of Public Works (DPW Director) whose appointment and compensation shall be in accord with the procedures provided for in the Charter. The Director of the Department of Public Works shall have a master's degree in architecture, business administration, community development, engineering, political science, or public administration and at least three years experience in the administration of a department of public works or contract administration. In lieu of a master's degree, the Director of the Department of Public Works may have a bachelor's degree and at least five years experience working in a municipal department of public works during which time he shall have had administrative responsibilities. The Director shall be responsible for ensuring that all of the duties and responsibilities of the Department identified in the Code of Ordinances are executed in a fair and legal manner. The Director shall be responsible for administering all contracts in which services are provided to the City that assist the Director in fulfilling the responsibilities of his position. The Director may hire such number of full-time, part-time, or seasonal employees as the City budget shall authorize to assist him in fulfilling the responsibilities of his position.

#### **2-193 Deputy Director.**

There may be a deputy director of the department of public works whose appointment and compensation shall be in accord with the procedures provided for in the Charter. The Deputy Director of the Department of Public Works shall be considered the Chief Assistant Director of the Department of Public Works. The Deputy Director of the Department of Public Works shall have a bachelor's degree in architecture, business administration, community development, engineering, political science, or public administration and at least three years experience in the administration of a department of public works or contract administration. In lieu of a bachelor's degree, the Deputy Director of the Department of Public Works may have a high school diploma and at least ten years experience working in a municipal department of public works, of which five shall have had administrative responsibilities.

#### **2-194 City Engineer.**

There shall be a City Engineer whose appointment shall be made by the Director with the consent of the Mayor and compensation shall be in accord with the procedures provided for in the Charter. The City Engineer shall have a master's degree in engineering and at

least three years experience in civil engineering. In lieu of a master's degree, the City Engineer shall have a bachelor's degree in engineering and at least five years experience in civil engineering. The City Engineer shall be a licensed engineer in the State of Michigan at the time of hire. In lieu of hiring a City Engineer as an employee, the Director may choose to designate a civil engineering firm as City Engineer. If a firm is selected, such firm shall have a contract with the City that clearly designates the responsibilities of the firm and the rates the firm will charge the City.

B. Sections 42-36 through 42-40 of the Code of Ordinances shall be repealed in their entirety.

### **Section 2. Severability.**

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

### **Section 3. Saving Clause.**

A prosecution which is pending on the effective date of this ordinance and which arose from a violation of an ordinance repealed by this ordinance, or a prosecution which is started within one (1) year after the effective date of this ordinance arising from a violation of an ordinance repealed by this ordinance and which was committed prior to the effective date of this ordinance, shall be tried and determined exactly as if the ordinance had not been repealed.

### **Section 4. Repealer**

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

### **Section 5. Publication**

The Clerk shall publish this Ordinance in a newspaper of general circulation.

### **Section 6. Effective Date**

This Ordinance shall be effective ten days after date of adoption.

**#5**

# **ORDINANCE**



# City of Pontiac, Michigan

## Department of Finance

Mayor Deirdre Waterman

---

**To:** Honorable Mayor Waterman, City Council President Williams and City Council Members

**From:** Hughey Newsome, Interim Finance Director, through Jane Bais-DiSessa, Deputy Mayor

**Date:** August 22, 2019

**Cc:** Anthony Chubb, City Attorney

**Re:** Agenda Request: Amendment to Emergency Ordinance 2346

Honorable Council President and City Council:

As you may recall, on June 15, 2017, the City Council approved Emergency Ordinance 2346, which extended the temporary increase in pension payments to GERS retirees until August 31, 2018.

Attached for your consideration is an emergency ordinance to extend the supplemental payment for GERS retirees from September 1, 2018 ending August 31, 2019, or when the CPREA health care litigation is resolved and health insurance will be provided to retiree class, whichever comes first.

As such, the following resolution is recommended for your consideration:

*Whereas, the temporary increase to certain members of the GERS pension system is set to expire on August 31, 2019; and,*

*Whereas, the City Council desires that this temporary increase continues for at least one more year; and,*

*Whereas, such ordinance, if approved, will take effect from September 1, 2019 and expire on August 31, 2020 or when the CPREA health care litigation is resolved and health insurance will be provided to retiree class, whichever comes first, and,*

*Whereas, the Pontiac City Council considers this an emergency.*

*Now therefore, an Ordinance to provide limited increase in pension systems members of the General Employee Retirement System (GERS) is hereby approved.*

## **Ordinance No. XXXX**

### **An ordinance to provide for a limited increase in pension payments for certain members of the General Employee Retirement System.**

Whereas, the temporary increase to certain members of the GERS pension system is set to expire on August 31, 2019; and,

Whereas, the City Council desires that this temporary increase continues for at least one more year; and,

Whereas, such ordinance if approved will take effect from September 1, 2019 and expire on August 31, 2019 or when the CPREA health care litigation is resolved and health insurance will be provided to retiree class, whichever comes first, and,

Whereas, the Pontiac City Council considers this an emergency.

The City of Pontiac ordains:

#### **Section 1. Amendments.**

The General Employee Retirement System ordinance shall be amended to read as follows:

- a. Section 17.6 shall be amended to add the following language:  
**Temporary Pension Increase:**  
"All persons who are receiving retirement benefits as of August 1, 2018 and who enter pay status through August 1, 2019, shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning September 1, 2019 through August 31, 2020, or when the CPREA litigation is resolved and health insurance will be provided to the retiree class, whichever comes first."

#### **Section 2. Severability.**

If any section, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause or provision declared to be unconstitutional, void or illegal shall thereby cease to be a part of this Ordinance, but the remainder of the Ordinance shall stand and be in full force and effect.

#### **Section 3. Repealer.**

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

#### **Section 4. Publication.**

The Clerk shall publish this Ordinance in a newspaper of general circulation.

**Section 5. Emergency Declaration and Effective Date.**

This Ordinance is declared an emergency to allow the pension recipients to collect the increase authorized in this Ordinance on the date identified in this Ordinance and shall be effective immediately upon adoption by the City Council, this ordinance must be approved by the City Council by August 31, 2019.





August 22, 2019

Ms. Deborah Munson  
Executive Director  
City of Pontiac General Employees'  
Retirement System  
2201 Auburn Road, Suite B  
Auburn Hills, Michigan 48326

**Re: Proposed Benefit Change**

Dear Ms. Munson:

Enclosed is a supplemental actuarial valuation for the City of Pontiac General Employees' Retirement System members.

Please call if you have any questions regarding the enclosed calculations.

Sincerely,

A handwritten signature in cursive script that reads 'Louise Gates'.

Louise M. Gates, ASA, FCA, MAAA  
Consulting Actuary

Enclosure

## CONFIDENTIAL

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**Requested By:** Ms. Deborah Munson, Executive Director

**Submitted By:** Louise M. Gates, ASA, FCA, MAAA, and James D. Anderson, FSA, EA, FCA, MAAA  
Gabriel, Roeder, Smith & Company

**Subject:** Extension of Monthly Stipend Payment through August, 2020

**Date:** August 22, 2019

---

This report contains an actuarial valuation of a proposed change in benefit provisions for eligible members of the City of Pontiac General Employees' Retirement System (GERS). The actuaries issuing this report are independent of the plan sponsor, are Members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

The date of the valuation was December 31, 2018. This means that the results of the supplemental valuation indicate what the December 31, 2018 valuation would have shown if the proposed benefit change had been in effect on December 31, 2018. Supplemental valuations do not predict the result of future actuarial valuations. Rather, supplemental valuations give an indication of the probable long-term cost of the plan change only without comment on the complete end result of the future valuations. This report may be distributed only in its entirety and only with the permission of the City.

Except where indicated, the actuarial assumptions and methods used in this study were the same as those used in the regular actuarial valuation of the Retirement System as of December 31, 2018.

A brief summary of the December 31, 2018 GERS data, used in this valuation is presented below:

Group	Number	Average in Years	
		Age	Service
Active Members	29	46.4	12.3
Terminated Vested	118	50.8	N/A
Retirees & Beneficiaries*	1,123	71.4	N/A

*\* Calculations exclude individuals who are ineligible for the stipend benefit*

# City of Pontiac General Employees' Retirement System Proposal as of December 31, 2018

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**Present Provisions:** A monthly stipend benefit of \$400 is payable to all eligible individuals who are receiving a pension benefit from the GERS. The stipend benefit is payable through August 31, 2019. No stipend benefits will be paid after this date.

**Proposed Provisions:** A monthly stipend benefit of \$400 is payable to all eligible individuals who are receiving a pension benefit from the GERS. The stipend benefit is payable through August 31, 2020. No stipend benefits will be paid after this date.

---

## Actuarial Statement

The expected financial effect of the proposal is shown below:

### Results as of December 31, 2018

	<u>Present Provisions</u>	<u>Proposed Provisions</u>	<u>Increase</u>
Present Value of Future Benefits	\$3,470,936	\$8,438,369	\$4,967,433

The chart above shows the value of GERS liabilities for stipend benefits payable from December 31, 2018 through August 31, 2019 in the column titled present provisions. The value of GERS liabilities for stipend benefits payable from December 31, 2018 through August 31, 2020 is shown in the column titled proposed provisions. The difference (shown in the column titled increase) is the increase in GERS liabilities associated with the proposed plan provisions.

Since GERS assets exceed the present value of future plan benefits before and after the proposed change, City contributions to the GERS are expected to remain \$0.

# **City of Pontiac General Employees' Retirement System Proposal as of December 31, 2018**

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## **Comments**

**Comment 1** — The calculations are based upon assumptions regarding future events, which may or may not materialize. They are also based upon present and proposed plan provisions that are outlined in the report. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the authors of this report prior to relying on information in the report.

**Comment 2** — No statement in this report is intended to be interpreted as a recommendation in favor of the change, or in opposition to it.

**Comment 3** — This report is intended to describe the expected financial effect of the proposed plan changes on the Retirement System. The potential effect of changes in Retirement System provisions which may occur in the future (such as asset transfers out of the GERS) were not included in this report.

**Comment 4** — The calculations shown in this communication include the impact of potential future retirees who retire during the 1 year stipend payment period ending August 31, 2020.

**#6**

# **RESOLUTION**

CITY OF PONTIAC

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 2363 ENTITLED PONTIAC CODE OF ORDINANCES FOR THE CITY OF PONTIAC TO AMENDED ARTICLE 3 TO CHAPTER 11 – MEDICAL MARIHUANA DISTRICTS.

THE CITY OF PONTIAC ORDAINS:

**Section 1. Buffer Distance Restrictions Amended.**

Article 3, Chapter 11, Section 3.11010, Paragraph B of Pontiac Code of Ordinance is hereby Amended in its entirety to read as follows:

B. Such distance between the school, childcare center, public park, or religious institution and the contemplated location shall be measured along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles, to the centerline, from the primary point of ingress to the school, childcare center, or religious institution, or from the playground equipment in a public park, and from the primary point of ingress to the contemplated location.

1. Ingress shall mean the closest vehicular ingress of the school, childcare center, or religious institution to the closest vehicular ingress to the contemplated location. In the event a vehicular ingress is not available, then the point of ingress shall mean the primary entrance associated with the address of the building.

2. Playground equipment shall mean an apparatus, including, but not limited to slides, climbers, seesaws, and swings designed for the recreational use of children and owned and operated by the City of Pontiac as defined in State of Michigan "Playground Equipment Safety Act of 1997" and for purposes of this Section 3.11010, the area known as Hidden River Park shall not be deemed a park with playground equipment.

3. Vacant residential-zoned lots shall be measured to the side yard setback as defined in Article 2, Chapter 3, and Section 2.301 Summary of Dimension Standards of the Pontiac Zoning Ordinance.

**Section 2. Severability.**

This ordinance and the various parts, sections, and clauses are hereby declared severable. If any clause, sentence, or paragraph or part of this ordinance shall, for any reason, be adjudged or decreed to be invalid by any Court of competent jurisdiction, such judgment or decree shall be confined in its operation to the clause, sentence, paragraph, or part thereof, directly involved in the controversy in which such judgment or decrees shall have been entered.

**Section 3. Repealer.**

That all ordinances or parts of ordinances, of the City of Pontiac in conflict herewith are hereby repealed.

**Section 4. Effective Date.**

This Ordinance shall take immediate effect upon publication thereof after its adoption by the City Council.

**Section 5. Publication**

The Clerk shall publish this Ordinance in a newspaper of general circulation.

**ADOPTED, APPROVED AND PASSED** by the City Council of the City of Pontiac this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

---

Deirdre Waterman, Mayor

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Garland Doyle, Interim City Clerk

I hereby certify that the foregoing is a true copy of the Ordinance as passed by the City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

---

Garland Doyle, Interim City Clerk

I further certify that the foregoing was published in a newspaper of general circulation in the City of Pontiac in a manner consistent with the Charter of the City of Pontiac.

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Garland Doyle, Interim City Clerk

**#7**

# **RESOLUTION**





**CITY OF PONTIAC**  
**Department of Building Safety**  
**PLANNING DIVISION**

47450 Woodward Ave | PONTIAC, MICHIGAN 48342-5009  
TELEPHONE: (248) 758-2800 | FAX: (248) 758-2827

*Mayor Deirdre Waterman*

**TO: HONORABLE MAYOR, COUNCIL PRESIDENT, AND CITY COUNCIL**

**FROM: VERN GUSTAFSSON – PLANNING MANAGER**  
**THROUGH THE OFFICE OF DEPUTY MAYOR – JANE BAIS-DISESSA**

**SUBJECT: ZONING TEXT AMENDMENT**  
**TEMPORARY CONSTRUCTION FENCING**

**DATE: AUGUST 20, 2019**

**Planning Commission Recommendation**

At the August 7, 2019 Planning Commission meeting, the Commission made a recommendation to approve amending the Zoning Ordinance of the City of Pontiac, Oakland County, Michigan by adding Temporary Construction Fencing regulations and referred recommendation to City Council. The Ordinance include revisions to; Amend Article 4, General Provisions, Chapter 1 Accessory Structures and Fences, Section 4.103 Fences or Walls and add Item E. Temporary Construction Fencing.

**Intent and Purpose**

Amend Article 4 General Provisions, Chapter 1 Accessory Structures and Fences, Section 4.103 Fences or Walls of the Zoning Ordinance to add Temporary Construction Fencing requirements installed on all residential and non-residential construction sites. The purpose is to ensure security, public safety, and mitigate noise and/or dust.

**Zoning Text Amendment – Temporary Construction Fencing Overview**

**General Provisions**

- Install at the start of any site grading, excavation or building construction, renovation or demolition, maintain and remove before a certificate of occupancy from the Building & Safety Department.
- Construct in a sound and sturdy manner and maintain in a good state of repair, including the replacement of defective parts, and other acts required for maintenance.
- Not permanently attached to the ground or to any other structure or material that is itself permanently attached to the ground.
- Secure with metal posts spaced eight foot on-center.
- Locate in a the public right-of-way or drive way clear vision area would be subject to the approval of DPW Director, City Engineer or designee and not enclose a fire hydrant

### Nonresidential Construction Sites

#### Permitted Materials

- Six foot chain link fence with fabric and/or vinyl screen is permitted.
- Access opening(s) in the Temporary Construction fencing shall be protected by gates with Chain Link fence.

#### Prohibited Materials

- Plywood, metal sheets, or similar materials are not permitted.

### Residential Construction Sites

#### Permitted Materials:

- Four foot snow fencing is permitted.

#### Prohibited Materials

- Plywood, metal sheets, or similar materials are not permitted.

### Signs - Temporary Construction Fencing

- Conform to Zoning Ordinance, Section 5.106 Temporary Signs.
- Emergency access, safety, and visitor check-in signs attached to the fencing only on both sides of an entrance required by the Building Official or designee.
- Traffic control signs attached to Temporary Construction fencing shall be subject to the approval of DPW Director, City Engineer or designee.

### **Resolution**

*Whereas*, The City prepared a Zoning Text Amendment of City of Pontiac Zoning Ordinance to add Temporary Construction Fencing regulations. The Ordinance include revisions to; Amend Article 4, General Provisions, Chapter 1 Accessory Structures and Fences, Section 4.103 Fences or Walls and add Item E. Temporary Construction Fencing.

*Whereas*, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Text Amendments, the request has undergone the required; Technical Review, Public Hearing, and Planning Commission Recommendation; and

*Whereas*, On August 7, 2019 a Public Hearing was held and the Planning Commission approved the Zoning Text Amendment to amend the City of Pontiac Zoning Ordinance to include Temporary Construction Fencing within the City of Pontiac, and the Planning Commission recommends City Council to approve the Zoning Text Amendment; and

*Now Therefore, Be It Resolved*, That the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Text Amendment of City of Pontiac Zoning Ordinance to add Temporary Construction Fencing in the City of Pontiac.

## THE CITY OF PONTIAC ORDAINS

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND THE ZONING ORDINANCE OF CITY OF PONTIAC, OAKLAND COUNTY, MICHIGAN BY ADDRESSING TEMPORARY CONSTRUCTION FENCING REGULATIONS.

Article 4 General Provisions, Chapter 1 Accessory Structures and Fences. Section 4.103 Fences or Walls of the City of Pontiac Zoning Ordinance shall be stated as follows.

E. Temporary Construction Fencing. Temporary fencing shall be installed on all residential and non-residential construction sites to ensure security, public safety and mitigate noise and/or dust in accordance with the following:

### 1. General Provisions

- a. Temporary Construction Fencing shall be installed at the start of any site grading, excavation or building construction, renovation or demolition and be maintained and shall be removed before a certificate of occupancy from the Building & Safety Department.
- b. All construction fencing shall be constructed in a sound and sturdy manner and shall be maintained in a good state of repair, including the replacement of defective parts, and other acts required for maintenance.
- c. Temporary Construction Fencing shall not be permanently attached to the ground or attached to any other structure or material that is itself permanently attached to the ground.
- d. All Temporary Construction Fencing to be secured with metal posts spaced eight foot on-center.
- e. Temporary Construction fencing to be erected in an the public right-of-way or drive way clear vision area shall be subject to the approval of DPW Director, City Engineer or designee.
- f. Temporary Construction fencing shall not enclose a fire hydrant.

### 2. Non-Residential Construction Sites

#### a. Permitted Materials:

- i. Six foot chain link fence with fabric and/or vinyl screen is permitted.
- ii. Temporary Construction fencing shall be installed on all property lines of the construction site property/parcel with the approval of the Building Official or designee.
- iii. Access opening(s) in the Temporary Construction fencing shall be protected by gates with Chain Link fence.
- iv. Screening made of fabric and/or vinyl must be attached to chain link on the outside of the Temporary Construction fence.

#### v. Prohibited Materials

1. Plywood, metal sheets, or similar materials are not permitted.

3. Residential Construction Sites

a. Permitted Materials:

- i. Four foot snow fencing is permitted.
- ii. Temporary Construction Fencing at a residential construction site shall be limited to the area of construction, renovation and/or demolition area on the site. If the area exceeds 60 percent of the total parcel/property area, Temporary Construction Fencing shall be located on all property lines of the construction site parcel/property.

iii. Prohibited Materials

1. Plywood, metal sheets, or similar materials are not permitted.

4. Temporary Construction Fencing Signs

- a. A temporary construction sign shall be installed in conformance to the Zoning Ordinance and Section 5.106 Temporary Signs. The provisions of this section shall precede over conflict subsequent sections.
- b. Emergency access signs, access and safety signs, and visitor check-in signs may be attached to the fencing only on both sides of an entrance for a distance of ten feet, or at locations required by the Building Official or designee.
- c. Location of traffic control signs attached to Temporary Construction fencing shall be subject to the approval of DPW Director, City Engineer or designee.

Article 6 Administration, Chapter 2 Site Plan Review, Section 6.208 Required Information Table 17 of the City of Pontiac Zoning Ordinance shall be stated as follows.

LANDSCAPING and SCREENING			
Landscape plan, including location, size, quantity and type of proposed shrubs, trees, ground cover (including grass) and other live plant materials, and the location, size and type of any existing plant materials that will be preserved. All landscape plans shall be signed and sealed by a registered landscape architect.	•	•	
Planting list for proposed landscape materials with quantity, caliper-size and height of material, botanical and common names, and standards of installation.	•	•	
Location, dimensions, construction materials, cross-section and slope ratio for any required or proposed berms or greenbelts.	•		
Proposed fences and walls, including typical cross-section, materials and height above the ground on both sides.	•		
Complete irrigation system design.	•		
A basic annual landscape maintenance program.	•		
Include drawing details, dimensions, proposed locations, and materials for all Temporary Construction Fencing. Temporary Construction Fencing required as determined necessary by the Planning & Zoning Administrator.	•	•	•

**#8**

# **RESOLUTION**



**CITY OF PONTIAC**  
**Department of Building Safety & Planning**  
**PLANNING DIVISION**

*Mayor Deirdre Waterman*

**TO:** HONORABLE MAYOR, COUNCIL PRESIDENT, AND CITY COUNCIL

**FROM:** VERN GUSTAFSSON, PLANNING MANAGER  
THROUGH THE OFFICE OF DEPUTY MAYOR – JANE BAIS-DISESSA

**SUBJECT:** ZMA 19-05 - ZONING MAP AMENDMENT WITH CONDITIONS  
ZAREMBA GROUP LLC  
382 CESAR E CHAVEZ AVE  
PIN: 64-14-20-381-003, 004, 005 AND 010

**DATE:** AUGUST 21, 2019

**Planning Commission Recommendation**

The City is in receipt of a Zoning Map Amendment (ZMA 19-05) with conditions application from Zaremba Group, LLC, regarding the above address 382 Cesar E Chavez Ave. The applicant Zaremba Group, LLC seeks to enter a Conditional Rezoning Agreement to permit a the proposed retail development by rezoning the existing parcels from R-1 One Family Dwelling to C-1 Local Business with CR Conditional Rezoning. This conditional rezoning would apply to the following parcels; 64-14-20-381-010, 64-14-20-381-003, 64-14-20-381-004, & 64-14-20-381-005. At the Planning Commission June 26, 2019 meeting, the Commission recommended a denial to City Council of the C-1 Local Business with CR Conditional Rezoning.

**Existing Zoning District**

The subject site is a vacant parcel that consist of four parcels, a combined total of 1.64 acres. The zoning map identifies the front half on Cesar Chavez as C-1 Local Business and those parcels with frontage along W. Howard St, R-1 One Family Dwelling zoning district. The objective of the rezoning brings the underlying property zoning into alignment with the Master Plan goals and zoning standards. The site is proposed to be zoned C-1 Local Business, A retail use is permitted by right in the C-1 Local Business District.

**Master Plan**

The City of Pontiac updated the City Master Plan in 2014. The Plan has an economic development focus. A key goal of the Master Plan is to take advantage of Pontiac's central location and affordability to attract new retail, commercial and mixed-use developments/redevelopments to Pontiac and recruit "New Economy" businesses and workers".

The subject site is designated as Entrepreneurial: Industrial, Commercial, & Green Land Use Category. These areas typically have access to main transportation routes and create a market potential on vacant parcels. The proposed retail development by Zaremba Inc, LLC would complement the Entrepreneurial: Industrial, Commercial, & Green Future Land Use goals and objectives in the Pontiac Master Plan.

#### **Medical Marihuana Overlay District**

Based on a technical review of the proposed conditional rezoning, it has been identified that the project site is located outside the Cesar Chavez Medical Marihuana Overlay District. Select Medical Marihuana uses could be allowed including a Provisioning Center, Safety Compliance or Secure Transport Facilities.

#### **Review Criteria**

Section 6.804 provides review criteria for the City Council to utilize in making its findings, recommendations, and making a decision. The ten stated criteria are listed below with our recommended findings:

1. *Consistency with the goals, policies and objectives of the Master Plan and any sub-area plans. If conditions have changed since the Master Plan was adopted, consistency with recent development trends in the area shall be considered.*

The Master Plan indicates that the subject property is planned for Entrepreneurial: Industrial, Commercial & Green use. These uses are consistent with the requested Conditional Rezoning. The Master Plan also indicates that most the block (Cesar Chavez - Adelaide -Howard - Johnson) is planned Entrepreneurial: Industrial, Commercial & Green. Therefore, the request to expand the C-1 zoning on this site is consistent with the Master Plan.

2. *Compatibility of the site's physical, geological, hydrological and other environmental features with the uses permitted in the proposed zoning district.*

The site is currently vacant. The site is an 'L' shape with wider frontage on Cesar Chavez with a narrow land area extending to Howard St. The total site area is approximately 1.6 acres. The topography of the site slopes from Cesar Chavez to Howard St with a change in elevation of about 10 feet. There are existing trees on the site. Some will need to be removed, however the intent to preserve perimeter trees to provide a buffer to adjacent properties.

There are no regulated wetlands or floodplains on the site. Given that there are no regulated environmental features on the site the development will not have adverse impacts to the existing physical, geological or hydrological features of the site.

3. *Evidence the applicant cannot receive a reasonable return on investment through developing the property with one (1) or more of the uses permitted under the current zoning.*

The residential portion of the property measures 117 feet wide along Howard Street. The R-2 district requires a minimum lot width of 60 feet for a single family home and 90 feet for a two family home. Therefore, the property could only be developed with (1) single family home or (1) two family home. This would not provide enough density to make the project financially feasible. In addition, residential development is not consistent with the Future Land Use Plan.

4. *Compatibility of all the potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.*

The C-1 district is compatible with surrounding uses. Properties to the west (across Adelaide) are zoned C-1 and contain a single residence and a church. Properties to the east are zoned C-1 and contain bar/club. To the south (across Cesar Chavez) the property is zoned C-1 and contains a laundromat. To the immediate north is Howard St. Properties fronting Howard St are zoned R-1. Note that only 1 property directly adjacent to the subject site currently contains a house (southeast corner of Howard & Adelaide). Given the surrounding zoning districts and uses, the requested C-1 district and use are compatible, even complementary, to this area.

5. *The capacity of the City's utilities and services sufficient to accommodate the uses permitted in the requested district without compromising the health, safety and welfare of the City.*

The site is in a developed area. Access routes for police, fire, and other emergency vehicles can be provided on-site. Water, sewer, and other utilities are available to adequately service the property. The additional demand on public services for the proposed use will be minimal, therefore public services should be more than adequate to meet the demand for this use.

6. *The capability of the street system to safely and efficiently accommodate the expected traffic generated by uses permitted in the requested zoning district.*

The site is located at the corner of Cesar Chavez (BR-24) and Adelaide. Site access will be to Cesar Chavez. Cesar Chavez (BR-24) is a high-volume state trunk line. Given the sites size (about 1.6-acres) versus capacity of the roadway, impact on the traffic will be minimal.

7. *The boundaries of the requested rezoning district are reasonable in relationship to surroundings and construction on the site will be able to meet the dimensional regulations for the requested zoning district.*

The site is adequate for development under the requested C-1 Local Business zoning district. All ordinance setbacks and parking requirements for development can be met.

8. *If a rezoning is appropriate, the requested zoning district is considered to be more appropriate from the City's perspective than another zoning district.*

The C-1 district is consistent with the Master Plan and is needed to be compatible with the existing zoning on the south half of the property.

9. *If the request is for a specific use, rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.*

Amending the R-1 district to allow a retail use as Special Exception Permit would not be an appropriate practice.



*10. The requested rezoning will not create an isolated or incompatible zone in the neighborhood.*

About half of the existing property is currently zoned C-1. Further the adjacent properties to the north, south, and east are also zoned C-1. Given this, the requested rezoning would not create an isolated or incompatible zone.

#### **Conditional Rezoning Agreement**

The applicant has volunteered conditions that will be part of a Conditional Rezoning Agreement that will restrict the uses and site features developed on the subject site.

"No buildings will be constructed on the portion of land currently zoned R-1 and requested to be zoned C-1. Notwithstanding, this portion of land can contain paving, refuse enclosure, storm water facilities, retaining walls, landscape plantings, fences, and similar items".

#### **Recommendation**

Even though the Planning Commission recommended to deny this request, we suggest the City Council consider to approve the applicant's conditional rezoning request (ZMA 19-05). Our justification is contained in this report and the following resolution offered for your consideration.

ZMA 19-05 - Zoning Map Amendment

Address: 382 Cesar Chavez

Parcels: 64-14-20-381-010, 64-14-20-381-003, 64-14-20-381-004, & 64-14-20-381-005

### Resolution to Approve

*Whereas*, The City has received an application for a Zoning Map Amendment for 382 Cesar Chavez, identified as PIN 64-14-20-381-010, 64-14-20-381-003, 64-14-20-381-004, & 64-14-20-381-005 from Zaremba Group LLC for the rezoning of the aforementioned parcel; and

*Whereas*, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request conforms to the goals and vision contained within the plan; and

*Whereas*, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance, and the Planning Division has determined the aforementioned request and proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

*Whereas*, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

*Whereas*, On June 26, 2019, a Public Hearing was held, the Planning Commission denied the Conditional Rezoning request for 382 Cesar Chavez. However, following sound, solid planning and zoning practices the Planning Division suggest the City Council approve the change from R-1 One Family Dwelling zoning district to C-1 Local Business with CR Conditional Rezoning; and

*Now Therefore, Be It Resolved*, That the City Council for the City of Pontiac approve the Zoning Map Amendment [ZMA 19-05] request from the Zaremba Group, LLC for 382 Cesar Chavez, also known as PIN 64-14-20-381-010, 64-14-20-381-003, 64-14-20-381-004, & 64-14-20-381-005 to amend the current site zoning R-1 One Family Dwelling to C-1 Local Business with CR Conditional Rezoning.

*Be It Further Resolved*, That the City Council for the City of Pontiac authorize the execution of a Conditional Rezoning Agreement with the applicant.

## Existing Land Use

The Site [four parcels] is vacant. A combined total of 1.64 acres.

**North-Vacant**

**East-Single Family**

**South-Vacant**

**West-Commercial & Business Services**

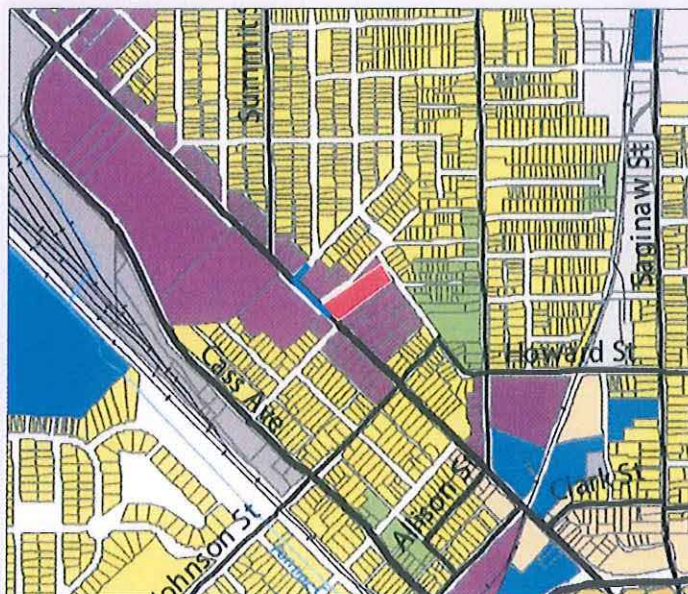


## Future Land Use

**Site:** Entrepreneurial: Industrial, Commercial & Green

**North, South & West:** Entrepreneurial: Industrial, Commercial & Green

**East:** Traditional Neighborhood Residential & Entrepreneurial: Residential, Commercial & Green



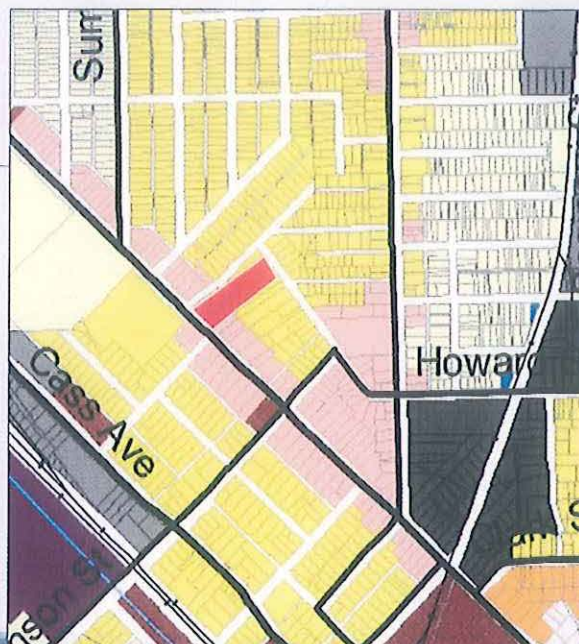
## Zoning

**North:** R-2 Two Family & Terraced Family Dwelling

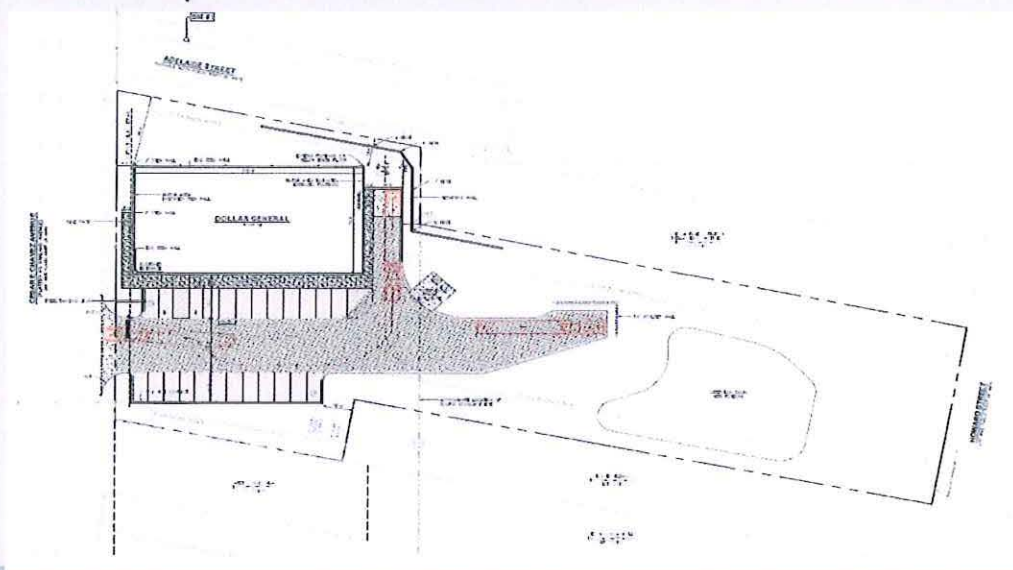
**East:** R-2

**West:** C-1 Local Business District

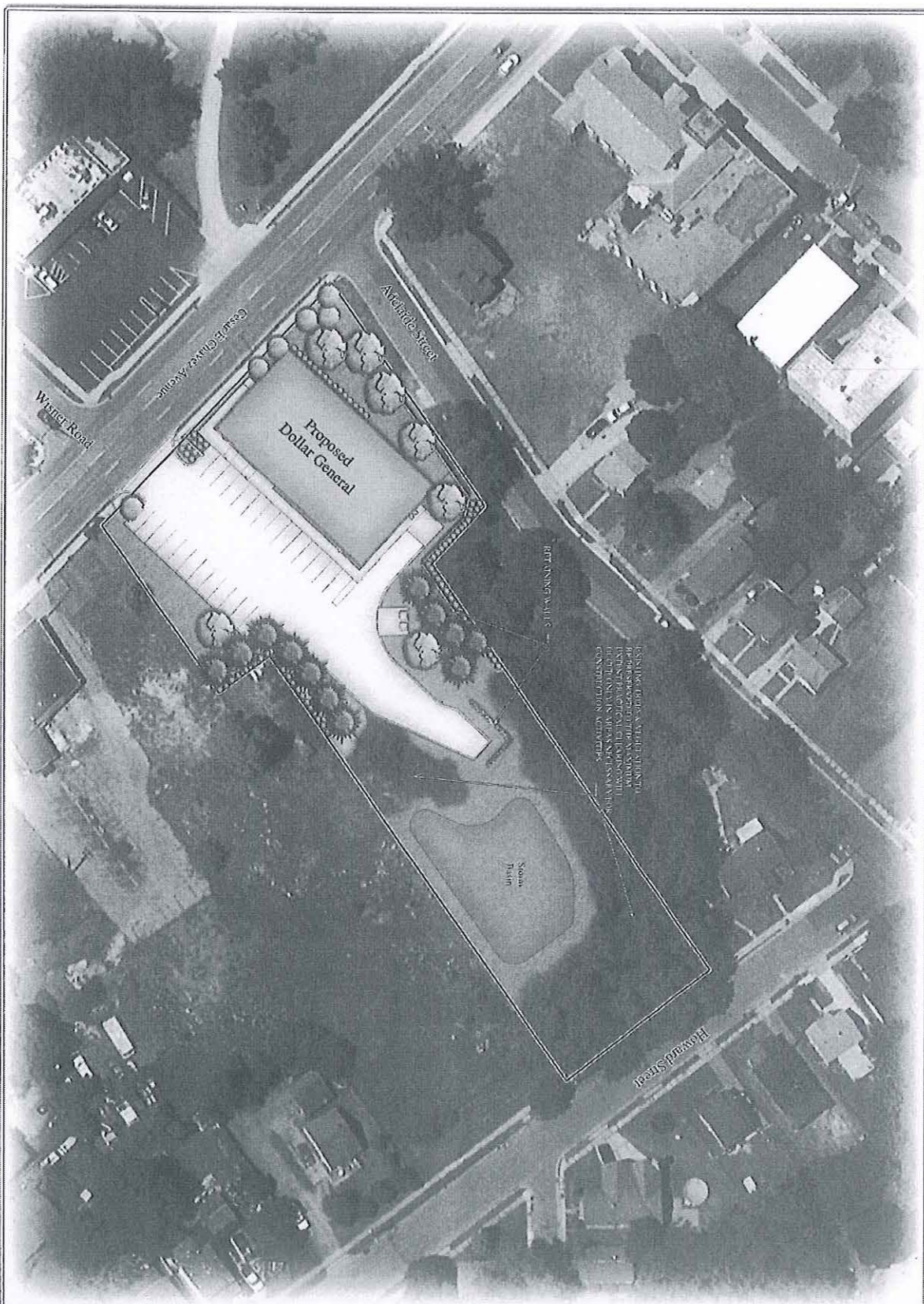
**South:** R-2 & C-1



## Conceptual Site Plan







ZAREMBA GROUP

**Dollar General**  
**City of Pontiac, MI**  
**Cesar E Chavez Ave. & Adelaide St.**







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Cleveland, OH 44113  
www.faboarch.com  
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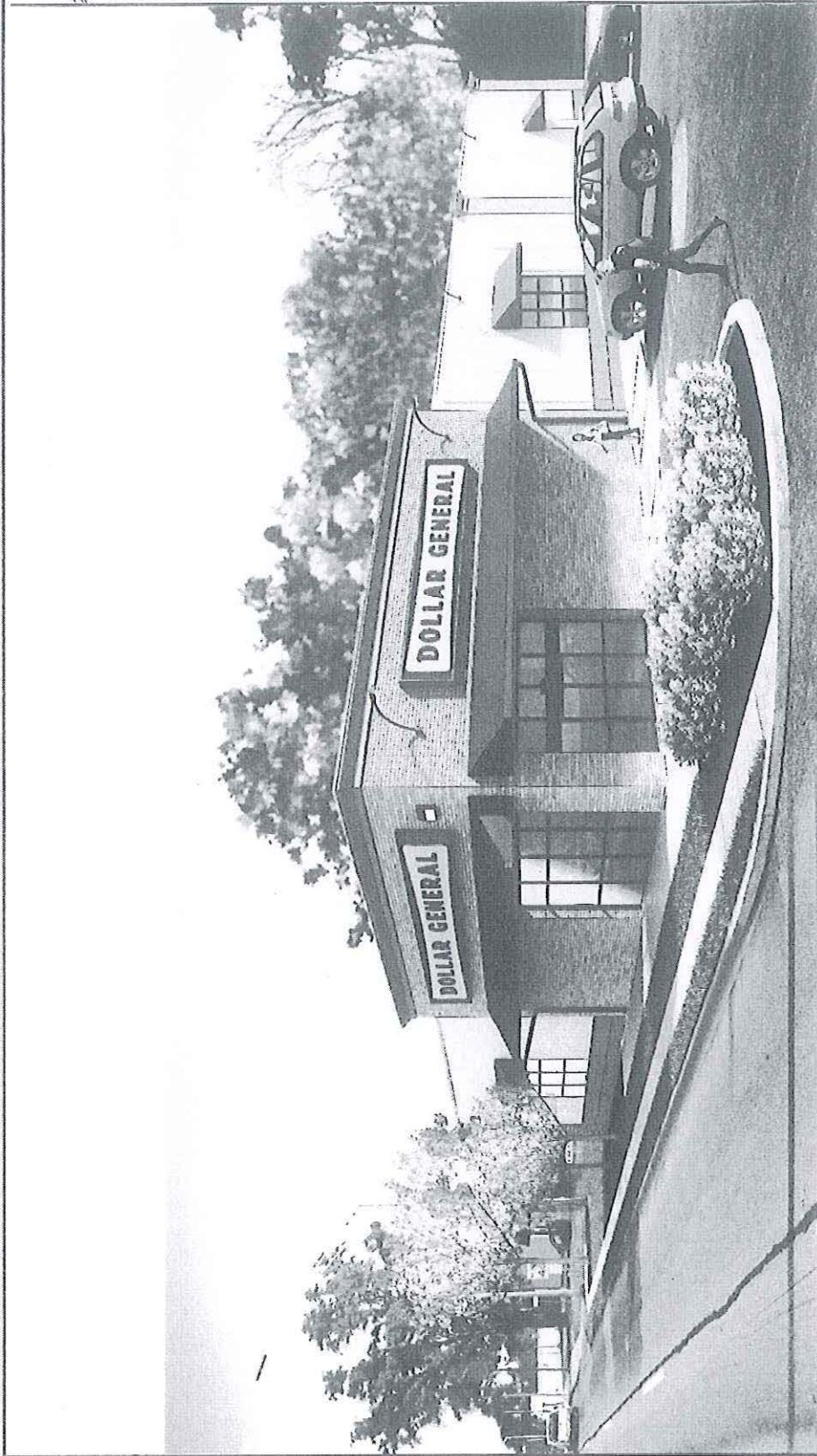
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PROFESSIONAL:  
Seal No. 9245  
Date: 07-1-19

PR-  
Sheet No.  
Job No. FA19110



**#9**

# **RESOLUTION**



**CITY OF PONTIAC**  
**Department of Building Safety & Planning**  
**Planning Division**

*Mayor Deirdre Waterman*

**TO:** HONORABLE MAYOR, COUNCIL PRESIDENT, AND CITY COUNCIL

**FROM:** VERN GUSTAFSSON, PLANNING MANAGER  
THROUGH THE OFFICE OF DEPUTY MAYOR – JANE BAIS-DISESSA

**SUBJECT:** ZMA 19-07 ZONING MAP AMENDMENT  
JAMES LEACH  
1025 ½ CESAR CHAVEZ  
PIN 64-14-19-129-034  
C-3 CORRIDOR COMMERCIAL TO M-1 LIGHT MANUFACTURING

**DATE:** AUGUST 21, 2019

**Planning Commission Recommendation**

The City of Pontiac is in receipt of application ZMA 19-07 for a Zoning Map Amendment [rezoning] parcel 64-14-29-129-034 located on the west side of Cesar Chavez between Inglewood and Pershing. James Leach, the applicant requests a rezoning from C-3 Corridor Commercial to M-1 Light Manufacturing. At the Planning Commission August 7, 2019 meeting, the Commission recommended to City Council the approval of the Zoning Map Amendment.

The subject site has vehicular access from Cesar Chavez. The parcel is currently an auto service business. To the north of the subject property is a legal non-conforming single family dwelling unit and south is a partially vacant commercial business. To the east is commercial and auto sales and to the west of the subject site is a legal non-conforming single family dwelling and vacant.

**Master Plan**

According to the City's 2014 Master Plan Update, the City has extraordinary assets and bright economic prospects on which to build a revised destiny. It is with this spirit that is embedded in the Master Plan update. The subject site is designated as Industrial/Manufacturing Future Land Use. The goal of this land use category create opportunities for New Economy manufacturing and research and development. Also it is important to rethink corridor [state trunkline] properties and the variety of land use inventory in and around those corridors.

A more flexible, approach to land planning allows the Cesar Chavez corridor to become a key reinvestment district. Areas surrounding the subject site is master planned as Industrial/Manufacturing with the area southeast of the site planned for Entrepreneurial: Industrial, Commercial & Green.



### Existing Zoning District

Abutting properties to the north are zoned C-3 Corridor Commercial and M-1 Light Manufacturing and to the south is zoned C-3. Areas to the east is zoned C-3 and M-2 Heavy Manufacturing and to the west is zoned M-1. The proposed Zoning Map Amendment for the subject site and existing zoning of adjacent parcels provide a systematic placement between Mixed-Use, Commercial/Business Services, and Manufacturing zoning districts.

### Medical Marihuana Overlay District

Based on our technical review of the proposed rezoning, the subject site is located in the Cesar Chavez Medical Marihuana Overlay District. In consideration of the proposed rezoning from C-3 Corridor Commercial to M-1 Light Manufacturing zoning district, the following Medical Marihuana uses; Grower, Processor, Provisioning Center, Safety Compliance and Secure Transporter facilities could be located on this site, if all Medical Marihuana buffers requirements are met and obtain a Medical Marihuana license from the City of Pontiac and the state.

### Rezoning Criteria

The Pontiac City Council must consider any of the following criteria [section 6.804, A-J] that apply to the rezoning application in making findings, recommendations, and a decision to amend the Official Zoning Map [Section 6.804]. Additionally, the section also stipulates that the City Council may also consider other factors that are applicable to the application, but are not listed among the ten criteria. To assist in the evaluation of these and other criteria, we offer the following findings of fact for your consideration.

Section 6.804 provides review criteria for the City Council to utilize in making its findings, recommendations, and formulating a decision. The *ten stated criteria* are listed below with our findings:

1. *Consistency with the goals, policies and objectives of the Master Plan and any sub-area plans. If conditions have changed since the Master Plan was adopted, consistency with recent development trends in the area shall be considered.*

The subject site will conform to the goals and objectives included in the City's Master Plan.

2. *Compatibility of the site's physical, geological, hydrological and other environmental features with the uses permitted in the proposed zoning district.*

The proposed Zoning Map Amendment to M-1 is compatible with the sites geological, hydrological, and other environmental features.

3. *Evidence the applicant cannot receive a reasonable return on investment through developing the property with one (1) or more of the uses permitted under the current zoning.*

The applicant did not demonstrated an inability to receive a reasonable return on investment with the existing zoning.

4. *Compatibility of all the potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.*

The Zoning Map Amendment request is compatible with surrounding uses and in terms of land suitability, impact on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.

5. *The capacity of the City's utilities and services sufficient to accommodate the uses permitted in the requested district without compromising the health, safety and welfare of the City.*

The City's utilities have sufficient capacity to provide services to the site without negative impacts to the surrounding areas.

6. *The capability of the street system to safely and efficiently accommodate the expected traffic generated by uses permitted in the requested zoning district.*

Cesar Chavez is a state trunkline. The proposed development will not impact the ability of this street and adjoining roads to handle potential traffic.

7. *The boundaries of the requested rezoning district are reasonable in relationship to surroundings and construction on the site will be able to meet the dimensional regulations for the requested zoning district.*

The boundaries of the rezoning are reasonable in relationship to surroundings and zoning district dimensional requirements.

8. *If a rezoning is appropriate, the requested zoning district is considered to be more appropriate from the City's perspective than another zoning district.*

With all the previous findings of fact, the boundaries of the proposed M-1 zoning district are reasonable and comply with the vision found in the City's Master Plan.

9. *If the request is for a specific use, rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.*

It would be inappropriate to amend the zoning text for C-3 Corridor Commercial with its primary goal to create settings for commercial businesses to allow new economy manufacturing within the zoning district.

10. *The requested rezoning will not create an isolated or incompatible zone in the neighborhood.*

The proposed rezoning does not create an incompatible 'spot zone' within the area and it is reasonable continuation of more intensive zoning to the north and south.



ZMA 19-07 - Zoning Map Amendment  
Address: 1025 ½ Cesar Chavez  
Parcel: 64-14-19-129-034

## Resolution

*Whereas*, The City has received an application for a Zoning Map Amendment for 1025 ½ Cesar Chavez, identified as PIN 64-14-19-129-034 from James Leach for the rezoning of the aforementioned parcel; and

*Whereas*, The Planning Division has reviewed the applicant's rezoning request in regards to the City's Master Plan and the request conforms to the goals and vision contained within the plan; and

*Whereas*, The Planning Division has reviewed the applicant's rezoning request and the requirements set forth by Section 6.804 of the Zoning Ordinance, and the Planning Division has determined the aforementioned request and proposed intended use of the property complies with the City of Pontiac Zoning Ordinance; and

*Whereas*, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Map Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

*Whereas*, On August 7, 2019, a Public Hearing was held, and in consideration of public opinion, the Planning Commission recommends City Council approve the Zoning Map Amendment request for 1025 ½ Cesar Chavez, approving the change from the current C-3 Corridor Commercial zoning district to M-1 Light Manufacturing zoning district; and

*Now Therefore, Be It Resolved*, That the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Map Amendment (ZMA 19-07) request for 1025 ½ Cesar Chavez, also known as PIN 64-14-19-129-034, to amend the current site zoning from C-3 Corridor Commercial to M-1 Light Manufacturing zoning district.

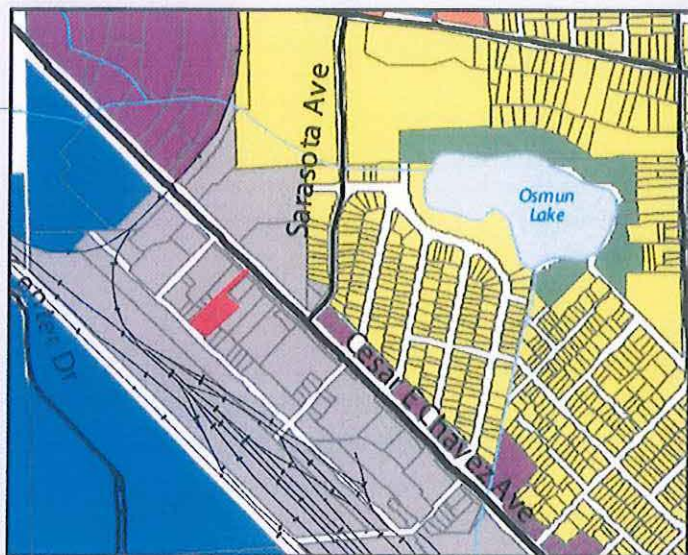
## Existing Land Use

The Site is...



## Future Land Use

Site: Industrial/Manufacturing  
North: Industrial/Manufacturing  
South: Industrial/Manufacturing  
West: Industrial/Manufacturing  
East: Industrial/Manufacturing





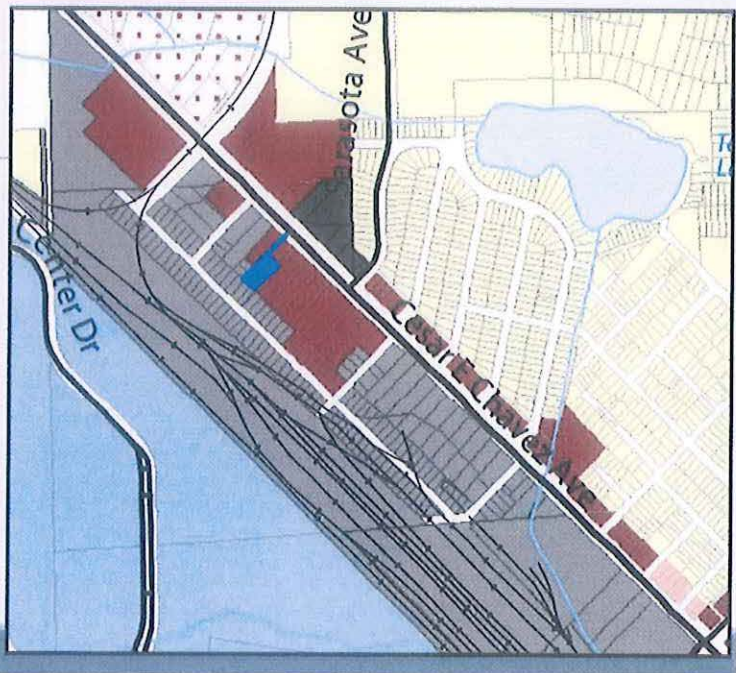
## Zoning

North: C-3 Corridor Commercial  
M-2 Heavy Manufacturing

East: C-3 Corridor Commercial

West: C-3 Corridor Commercial

South: M-1 Light Manufacturing



**#10**

**RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

*Executive Branch*

---

**TO:** Honorable City Council President and City Council Members

**FROM:** Honorable Mayor Waterman

**Thru:** Office of Deputy Mayor, Jane Bais-DiSessa

**DATE:** August 1, 2019

**RE:** Resolution Regarding 235 Wesson Street.

For your consideration, the following resolution is proposed:

**Whereas**, the City of Pontiac has been presented with a Real Estate Purchase and Sale Agreement for the property located at 235 Wesson Street, and

**Whereas**, the City Council Real Estate Subcommittee referred the matter to the Executive Office for further review.

**NOW THEREFORE**, it is resolved that the Mayor is hereby authorized to conduct preliminary due diligence regarding the potential purchase of 235 Wesson Street, and negotiate terms and conditions of sale and obtain the following due diligence items:

- Title Work (No charge),
- Phase I Environmental site assessment,
- Phase II Environmental site assessment,
- Baseline Environmental assessment,
- Survey,
- Appraisal,
- And related legal fees, all for a cost not to exceed \$45,000.00 and to be completed within 60 days from the date of this resolution.

Thank you.

**#11 and #12**  
**RESOLUTIONS**





## CITY OF PONTIAC OFFICIAL MEMORANDUM

*Executive Branch*

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**TO:** Honorable Mayor, Council President and City Council Members

**FROM:** Jane Bais-DiSessa, Deputy Mayor, at the request of  
John V. Balint, DPW Director/City Engineer

**DATE:** August 8, 2019

**RE:** MDOT Local Pavement Warranty Program

In 2015 the State Legislature created a requirement that each local road agency in Michigan adopt a Local Pavement Warranty Program. This Statewide program was developed over the past 30 months by the Local Agency Pavement Warranty Task Force which was made up of representatives of the Michigan Municipal League, County Road Association, MDOT, Federal Highway Administration –Michigan, Michigan Local Technical Assistance Program (LTAP), municipal road agencies, legal counsels and industry representatives. The resulting Road Warranty Policy is required to be adopted by all local road agencies before September 18, 2019. This policy must be adopted as two separate resolutions:

1. **Resolution to adopt a Local Pavement Warranty Program** – This is to adopt the warranty program and its accompanying documents.
2. **Resolution to Implement a local Pavement Warranty Program** – This defines the agency's intent to apply the warranty program consistent with the local agency pavement warranty guidelines and report annually on each project that includes \$2 million or more in paving-related components and includes and state or federal funds.

After review by the Department of Public Works, we find these resolution acceptable and plan to move forward with requiring a warranty for all future projects as required by the program.

## **RESOLUTION TO ADOPT A LOCAL PAVEMENT WARRANTY PROGRAM**

WHEREAS, the Michigan Legislature (MCL 247.663) requires each city or village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018;

WHEREAS, the Michigan Local Agency Pavement Warranty Program was developed by the Local Agency Pavement Warranty Task Force for use by all 533 cities and villages in the format approved by the Michigan Department of Transportation in 2018;

WHEREAS, the Michigan Department of Transportation has reviewed and approved the Michigan Local Agency Pavement Warranty Program consisting of Special Provisions (Boilerplate, Concrete, HMA, Location, Pass-Through Warranty Bond); a Warranty Bond Form and Contract Form; and Guidelines for Local Agency Pavement Warranty Programs; NOW THEREFORE BE IT RESOLVED, the City of Pontiac hereby adopts the Michigan Local Agency Pavement Warranty Program and accompanying documents in accordance to the requirements of MCL 247.663;

BE IT FURTHER RESOLVED, this resolution is made a part of the minutes of Pontiac City Council meeting on (date).

Approved on (date) by:

(Signatures and names of city/village officials)

## **RESOLUTION TO IMPLEMENT A LOCAL PAVEMENT WARRANTY PROGRAM**

WHEREAS, The Michigan Legislature created a requirement (MCL 247.663) as part of the Transportation Funding Package of 2015 that requires each city and village to adopt a Local Agency Pavement Warranty Program that was approved by the Michigan Department of Transportation in 2018;

WHEREAS, the City of Pontiac adopted the Michigan Local Agency Pavement Warranty Program on \_\_ (date) \_\_;

WHEREAS, the City of Pontiac agrees to consider a local pavement warranty on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds;

WHEREAS, the Local Agency Pavement Warranty Program law requires each city and village to report annually on each project that includes \$2 million or more in paving-related items *and* includes any state or federal funds, whether or not a warranty was utilized in the project;

WHEREAS, the City of Pontiac agrees to implement the Michigan Local Agency Pavement Warranty Program consistent with the Guidelines for Local Agency Pavement Warranty Program document that was approved by the Michigan Department of Transportation in 2018; and which City of Pontiac adopted Implementation Policy defines the City of Pontiac's intent of its pavement warranty program;

NOW THEREFORE BE IT RESOLVED, the City of Pontiac hereby agrees to implement the Local Agency Pavement Warranty Program and annually report in accordance with the law.

# **GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM**

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By  
CRA Engineering Committee  
Local Agency Pavement Warranty Task Force

*Revised 8-13-2018*

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## **PREFACE- Intent of the Local Agency Warranty Program**

The Legislature (P.A. 175 of 2015) requires each local road agency to adopt a Local Pavement Warranty Program acceptable to the Michigan Department of Transportation. Warranties have the potential to improve the quality of road projects, benefitting the drivers, taxpayers and road agencies of Michigan

The intent of the Local Agency Pavement Warranty Program is to provide a warranty program that all local agencies can use for all hot mix asphalt and plain jointed concrete paving projects on public roads and streets. This pavement warranty program was created by the Local Agency Pavement Warranty Task Force, to establish a common pavement warranty program for all local agencies in Michigan. The goals of this Local Agency Pavement Warranty program is to standardize the review, to provide oversight of pavement warranty projects, and to make this program more transparent and uniform for private sector contractors.

This Local Agency Pavement Warranty Program is available for all local road agencies if they choose to use it. Local road agencies vary dramatically in size and sophistication; therefore the Local Road Warranty Task Force developed a warranty program to address the capabilities of the rural, the mid-sized urban and the large urban agencies. This approach provides a warranty program that meets the intent of Public Act 175 of 2015 (MCL 247.662 and 247.663), and provides all local road agencies with a pavement warranty program that provides value to the public.

The Local Road Warranty Task Force recognizes there may be substantial benefits and public confidence resulting from a comprehensive pavement warranty program. However, the existing pavement structure, drainage and planned improvements for each project will need to be evaluated on an individual basis to critically assess a justification or basis for a pavement warranty. Road agencies should anticipate increased project costs related to higher bid prices and costs for the warranty administration such as: pavement monitoring, defect documentation, official notifications, joint field inspections; defect remediation and dispute resolution.

The intent of this GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM, is to provide an overview and guidance on implementing a pavement warranty project. This guideline is intended for local agency use and it not intended to be a contract document

## **GUIDELINES FOR LOCAL AGENCY PAVEMENT WARRANTY PROGRAM**

### **Pavement Warranty Reporting and General Warranty Project Selection**

According to PA 175 of 2015, all local road agencies must submit an annual report to the state for all projects where the pavement-related bid items exceeded \$ 2 million, regardless of whether or not the agency included a pavement warranty on the project. Each local road agency must submit and maintain its records to comply with the reporting requirements included in Appendix E.

The Task Force determined that the Legislature's intent for local pavement warranties is to provide assurances to elected officials and taxpayers in the use of the new funds arriving for road and bridge infrastructure. Assurances which include that local road projects would be held to a higher standard in the future.

At the same time, there are logical explanations why a local road agency may choose to not require a warranty such as unjustifiably higher costs for a warrantied project that may or may not be affordable to the community and may or may not be justified by the scope of the project; recognition of a limit to the contractor's ability to bond for every project; some projects are simple preservation or resurfacing over an existing imperfect road base wherein the contractor cannot control such pre-existing conditions; and many other engineering factors that indicate a pavement warranty would not serve the taxpayer's best interests. Whether or not a warranty is selected on a project with \$2 million in pavement related items, this must be reported to the Legislature on an annual, state fiscal year basis.

The Legislature had the wisdom to specify that warranties would be left to the discretion and justification of the local road agency and its road engineering expertise. Agencies can waive a pavement warranty with a written justification. The agency's written justification identifies reasons such as project appropriateness, scope and type of project improvements, why this is in the best interest of the local agency, project cost justification, and effectiveness of the warranty provisions. It is highly recommended for all local road agencies with paving projects where the engineer's opinion of cost exceeds \$ 1.8 million in pavement related items that serious consideration should be given to include the pavement warranty special provisions in the project proposal prior to advertisement.

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The Task Force does not believe the Legislature intended every local new construction, reconstruction, rehabilitation, and overlay road project to be warranted, and thus included the \$2 million threshold. Because pavement is the road component most likely to fail – and the area most aggravating to the motoring public – the Task Force believed the Local Pavement Warranty Program was intended to focus on pavement-related items. The Task Force has relied on customary and basic engineering principles in defining pavement-related items that are recommended for consideration of a warranty. As a result of the Local Agency Warranty Task Force believes the Michigan Legislature intended a local road agency to use its best judgment in requiring a warranty, consistent with the scope of the intended project and the ability to enforce it.

This Local Agency Pavement Warranty Program considers the vast array of project types and sizes. Local road agency projects often involve short stretches of pavement resurfacing to address a surface condition or safety concern. These types of projects are accomplished with very limited budgets, often with funding from non-MTF sources. In addition, often these types of projects do not address the subgrade, existing aggregate base or drainage systems; which all are major factors in determining the longevity of a pavement surface. If the road segment may

be subjected to a significant amount of overloads (higher than average daily truck counts and/or heavier than normal axle loading) during the anticipated warranty term, the road may not be a good candidate for pavement warranties. Therefore, the Local Agency Pavement Warranty Program is recommended for road segments designated as "all-season road" which are designed for year-round normal loading.

While the law indicates where possible a pavement warranty shall be secure when the paving project exceeds \$2 million, the Task Force recognizes project bids are often 10 percent over the engineer's opinion of cost, and that a warranty requirement cannot be retroactively applied to a road project after the bids are opened. Thus, the Task Force has recommended the more conservative \$1.8 million engineer's opinion of cost for pavement related items, as the point when the local agency decides if the warranty special provisions are included in the bid documents, rather than the \$2 million stated in the law.

The Task Force believes the Michigan Legislature was speaking in the context of new Michigan Transportation Funds for roads, which are exclusively state revenue sources, when it included the Local Agency Pavement Warranty Program alongside the new funding legislation in the 2015 Transportation Package. It also seems clear the Legislature was speaking not just to the new transportation funds, but also to the other road funds under its control, which includes the federal funds flowing through MDOT to the local road agencies.

The Local Agency Pavement Warranty Program also recognizes that if the only source of revenue for a local road agency paving or reconstruction projects is entirely locally derived revenue (non- Act 51 or Federal Funds) such as local general fund, millage revenue, special assessment districts or other locally raised revenue; then these projects will not be subject to the Local Agency Pavement Warranty Program reporting requirements.

It's important to note that this Local Agency Pavement Warranty Program may also be used by that local road agency on any paving project regardless if the \$2 million dollar threshold for pavement related items has been reached or not. This approach ensures that Local Pavement Warranties can be used on any project with any funding source, including Michigan Transportation Funds, and can utilize the same requirements to provide greater understanding and transparency to contractors, stakeholders and the public.

### **Warranty Contract Process**

For those construction projects advertised and let through the MDOT Local Agency Programs, the construction contract is between the prime contractor and MDOT. The prime contractors' surety company names MDOT as the obligee in the performance bond in the original contract. For Local Agency Pavement Warranty projects, an additional warranty contract and pavement warranty bond will be required prior to award, see Appendix D. The bid proposal shall include a contract consistent with the model contract and bond form shown in Appendix D. These documents will serve as the contract and warranty bond between the local road agency and the paving contractor for the warranty work. The warranty bond will be provided by the paving contractor in the name of the local road agency.

The MDOT Local Agency Agreement will reference the local road agency's responsibility to administer the warranty portion of the contract. Upon the acceptance of the construction work, the prime contractor's contract and performance bond with MDOT will be released and no longer in effect. At this point the warranty contract and warranty bond are triggered to begin the new contract for the warranted work during the warranty term.



The local road agency will be solely responsible for administering the warranty contract, inspection of warranted work during the warranty period, approving remediation work and seeking resolution through the warranty bond if the contractor is unresponsive in performing corrective work and declaring acceptance of all warranted / corrective work at the end of the warranty period.

#### **General Guidelines of Local Road Agency Warranties**

These General Guidelines are recommended for all local road agencies administering pavement warranties for public road and street construction contracts. The responsibility and authority for administering pavement warranties rest with the road owner and/or the local road agency that conducted the construction administration phase of the project.

To determine the pavement-related cost for a hot mixed asphalt pavement warranty project, the Local Agency is required to prepare an opinion of cost for all of the pavement-related items which include: the pavement, curb, shoulders, aggregate base, subbase and underdrain pay items. To determine the pavement-related cost for concrete pavements, the local road agency engineer is required to prepare an opinion of cost for all of the pavement-related items which include: pavement, curb, shoulders, joint sealing, dowel bars, load transfer devices, aggregate base, subbase and underdrain. If the total estimated cost of these pavement-related items exceeds \$1.8 million in the opinion of the Engineer, the local road agency should review the existing pavement variables, stated in the "Pavement Warranty Reporting and General Warranty Project Selection" section of this document, to determine if the pavement warranty special provisions should be included in the bid documents.

The contractor is responsible for correcting defects attributable to elements within the contractor's control. Each warranty specification includes condition parameters and distress thresholds to provide a basis for evaluating the warranted work. Each distress parameter includes threshold limits that, if exceeded during the warranty period, would trigger notifying the contractor to participate in a joint field investigation. Depending on the outcome of the investigation the contractor may be required to prepare a remediation plan to correct distresses that are attributable to its materials and/or workmanship or there may be a call for further investigation. If the agency and the contractor cannot agree, either side can call for a Conflict Resolution Team to resolve the dispute as described in the Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

Once a remediation plan is agreed to by the local road agency and the contractor, the corrective action shall be performed. The corrective actions and/or repairs shall be performed to correct deficiencies in the warranted work in order to achieve acceptance at the end of the warranty period. If the contractor fails to perform the remediation work within specified timeframes, the local road agency shall notify the surety company to perform the work. Further, if a defect is declared as an imminent safety problem by the agency, the local agency may complete the work and seek reimbursement from the contractor or submit a claim against the warranty bond.

All required corrective action must be performed by the contractor at no cost to the owner. The condition parameter thresholds and warranty requirements may vary depending on the date the specification was developed; type of warranty; and the application to the construction work. It is important, therefore, to refer to the specific warranty special provision in the contract when administering warranties.

The warranty administration phase should follow the documentation procedures outlined in Appendix A, B, C, D and E of these guidelines. The warranty administration can be performed by qualified local agency staff members or under a consultant service contract.

## Warranty Documents

The Local Agency Pavement Warranty consists of the warranty contract and warranty bond as well as the appropriate special provisions:

- Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty
- Local Road Agency Special Provision for Warranty Work Requirements for Hot Mix Asphalt Pavement
- Local Road Agency Special Provision for Warranty Work Requirements for Jointed Plain Concrete Pavement
- Local Road Agency Special Provision for Pavement Warranty Information

The Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty establishes the common terms and definitions applied to pavement projects requiring a warranty. The Local Road Agency Special Provision for Warranty Work Requirements for Hot Mix Asphalt Pavements warrants the Local Road Agency against specific defects in HMA pavements. The Local Road Agency Special Provision for Warranty Work Requirements for Jointed Plain Concrete Pavement warrants the Local Road Agency against specific defects in concrete pavements. Local Road Agency Special Provision for Pavement Warranty Information provides the beginning and ending locations for warranted work and the applicable warranty work requirements special provision.

Under the Local Agency Pavement Warranty special provisions the Prime Contractor is responsible for correcting defects in the pavement caused by elements within the contractor's control (i.e., the materials supplied, the workmanship, etc.), during the warranty period. The Pavement Warranty Contract Provisions and Warranty Bond may pass through to subcontractors, and with this the responsibility to correct warranty defects, at the direction of the Prime Contractor and upon written notice to the agency prior to the start of the work.

The contractor assumes no responsibility for defects that are design related unless the paving contract is design-build. When a defect is attributable to the materials and/or workmanship and/or the design, the responsibility for correcting the defect (or defects) will be shared by the agency and the contractor. The contractor is responsible for the percentage of fault attributable to the workmanship and/or materials, and the agency is responsible for the percentage of fault attributable to the design. Note: The agency may elect to require the contractor to provide the pavement design(s) in the contract documents and specifications. In this case, the Contractor shall also be responsible for the percentage of fault attributable to the pavement design.

## Warranty Process

The process flow charts as shown in Appendix A describe the steps involved in the warranty administration process. The warranty term begins with the acceptance of the warranted work during construction of the project. Warranty Administration involves periodic condition inspections of the mainline pavement areas throughout the warranty term; joint field inspections; documentation of findings, official notifications; joint determination of defects; initiation of corrective action, inspection & documentation of the corrective action taken, filing those inspection reports as necessary, and if necessary a conflict resolution process. If at any time, a safety issue or significant defect is observed or reported, prior to a scheduled inspection, an interim inspection will be initiated by the agency. If emergency repairs are determined to be necessary the agency can perform these repairs without altering the contractor's responsibilities under the warranty contract.

A joint field review between the local road agency and the warranty contractor may be held to verify and confirm of findings documented during the various inspections. MDOT should be included in any official communication dealing with the warranty if the construction project had MDOT oversight. The findings of the final inspection at the end of the warranty term are distributed to the owner, (and MDOT if construction had MDOT oversight), the warranty contractor and the Surety Company.

The appeal process, when needed, involves assembling a conflict resolution team (CRT) to conduct investigations as needed to determine distress cause & effect and establish concurrence between the local agency and the warranty contractor regarding warranty compliance issues. More on the CRT can be found in the section j, Correction of Defects of the Local Road Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

The final step of the process, after the project or warranty work has been deemed acceptable is closing out the warranty project through notification of the contractor, the bonding company and Local agency's Finance and /or Administration Division.

#### **Rights and Responsibilities of the Local Agency**

The agency administering the project should inform the appropriate local road agency maintenance staff about sections of roadway incorporated in a warranty contract. The local road agency has the right to perform, or have performed, routine and emergency reactive maintenance during the warranty period. Major planned maintenance projects conducted during a warranty period need to be evaluated in terms of possible impact to the ongoing warranty coverage.

If corrective work is required to bring the project back into compliance with the requirements found in the warranty special provisions; the local agency in charge of the construction project must approve the schedule, materials and methods of construction repair. If the contractor is unable to comply with this provision, or fails to comply with it to the local agency's satisfaction, the local agency reserves the right to arrange for the work to be completed at the contractor's expense. If this action by the local agency is required, it will in no way relieve the contractor from meeting the warranty requirements stated in the project documents.

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The rights and responsibilities are further detailed in Section e, Rights and Responsibilities of the Agency in the Local Agency Special Provision for Hot Mix Asphalt and Concrete Pavement Warranty.

#### **Rights and Responsibilities of the Contractor**

The contractor must provide a written work plan for any necessary corrective warranty work. A request for a work permit must be submitted through the local road agency's permit process and work should be coordinated with the construction inspection agency if different from the local agency issuing the permit. All corrective warranty work should be completed within the warranty term. If scheduling conflicts necessitate corrective work being completed outside of the warranty term, the local road agency shall be notified as soon as the contractor is aware of the conflict.

The rights and responsibilities of the contractor are further detailed in Section f. Rights and Responsibilities of the Contractor in the Local Agency Special Provision for Hot Mix asphalt and Concrete Pavement Warranty.

### **Supplemental Lien Bonds and Liability Insurance**

In addition to the warranty bond that is in place, if corrective work is necessary the contractor must furnish supplemental lien bond to the local agency covering the corrective work. The Engineer is responsible for estimating the amount of the supplemental lien bond required. The amount should be approximately equal to the dollar amount of the corrective work. The contractor must also have liability insurance in place prior to performing corrective work during the warranty period. The contractor should not be allowed on-site to perform corrective work during the warranty period until the supplemental lien bond is in place and the proper insurances verified. Depending on the nature and scope of the corrective work, the local agency may waive this supplemental lien bond, but not the liability insurance.

### **Warranty Inspections**

Warranty inspections are limited to only mainline pavement areas. There are two types of inspections conducted during the warranty period. The cursory inspection is a simplified inspection to quickly identify segments in the project that may have distresses that exceed threshold values. This cursory inspection normally does not require a lane closure and is conducted from the roadway shoulder estimating distress lengths and widths. The detailed inspection requires direct measuring and reporting of all observed distress in each segment. Traffic control may be required to complete the detailed inspection.

The minimum inspection frequency for the various warranty provisions are specified in the applicable warranty inspection guidelines, see Appendix B. The minimum number of inspections is dependent upon the warranty duration. The local road agency may elect to perform additional inspections over & above the recommended minimum interim inspections. The suggested time frames in the inspection guidelines allow local road agencies to notify the contractor regarding warranty compliance. Interim inspections may be delayed if weather makes it difficult to inspect the road or creates an unsafe condition. Final inspections shall be completed in a timely manner to ensure that there is enough time to document any thresholds that exceed the condition thresholds and notify the contractor prior to the expiration of the warranty.

The designation of lanes during the warranty inspection shall be detailed adequately so that it is clear to all involved in the warranty process which lane is being referenced. If necessary, a sketch should be included. ~~It is important to use the same lane numbering designation for all inspections conducted throughout the warranty period.~~

If defects are found in any inspection, they should be carefully and accurately documented, even if the severity or number does not meet the threshold to require corrective work. These notes shall be kept in the inspection files and reviewed prior to all future inspections of the work. The inspectors of the work should pay specific attention to areas previously noted, record those defects, and list any changes in those defects differing from the last inspection.

### **Correction of Defects**

If inspections during the warranty term show a defect has exceeded the allowable threshold as defined in either the Hot Mixed Asphalt or Concrete Warranty specification, the contractor shall be notified of the finding. The agency should call for a joint field investigation to determine the cause of the defect, and to discuss the best possible remediation of the problem. If additional forensic investigation is desired, the scope of the investigation, party or consultant to conduct

the investigation, and the cost split shall be agreed to by the engineer and contractor prior to scheduling the investigation.

If the contractor and engineer are in agreement, the Engineer shall send notice to contractor in writing the defect(s), location(s), recommended remediation and a request for a schedule to complete the work. The contractor will reply back to the Engineer, copying the local agency (and MDOT if MDOT had original construction oversight) with a schedule to complete the work. The local agency will issue a permit to the contractor to complete the warranty work according to the Local Agency's Right-of-way permit policy. The contractor will complete the work under the inspection of the Engineer.

If the contractor and engineer disagree, then a Conflict Resolution Team (CRT) may be convened. The CRT will be made of:

- One (1) member selected, and compensated by the agency.
- One (1) member selected and compensated by the contractor.
- One (1) member mutually selected by the Agency and the contractor.  
Compensation for the third party member will be equally shared by the agency and the contractor.

At least two members of the CRT must vote in favor of a motion to make a decision. If the CRT decides to conduct a forensic investigation, the CRT will determine the scope of work and select the party to conduct the investigation. All costs related to the forensic investigation will be shared proportionately between the contractor and the agency based on the determined cause of the warranty defect condition.

### **Emergency Repairs**

When the agency determines that emergency repairs of the warranted work are necessary for public safety, the agency or its agent may take immediate and sufficient repair action to address the imminent danger and to safeguard the traveling public. Prior to emergency repairs of warranted work, the agency will document the basis for the emergency action. In addition, the agency will preserve all documentation of the defective condition, including failed materials samples if applicable.

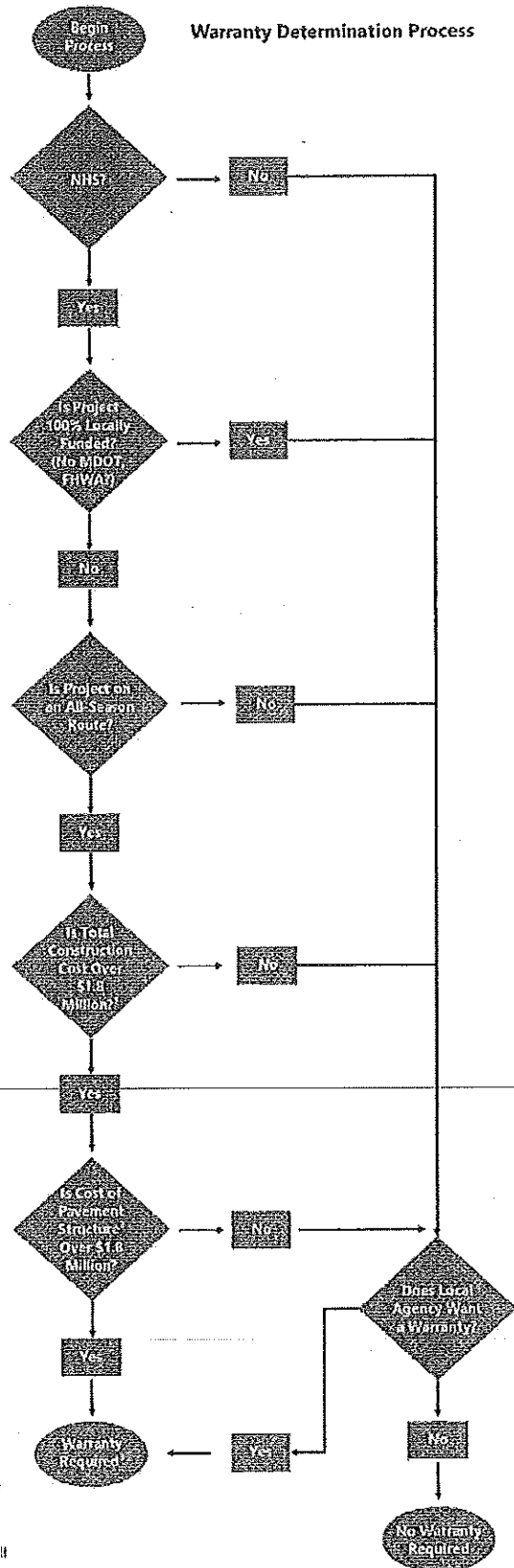
Once the imminent danger to the public has been addressed, the local road agency shall notify the contractor to explain the situation, identify the work temporarily done by the agency, and to what further actions need to happen to return the warranted work and pavement to threshold compliance. A joint inspection may be called to investigate the situation.

The emergency repairs of warranted work by the contractor must be authorized by the agency's engineer.

Should the contractor be unable to perform the emergency repair to the agency's satisfaction and/or within the time frame required by the agency, the agency will perform, or have performed any emergency repairs deemed necessary. Any such emergency repairs undertaken will not relieve the contractor from meeting the warranty requirements. Any costs associated with the emergency repairs will be paid by the contractor when due to a cause from defective materials and/or workmanship.

# APPENDIX A

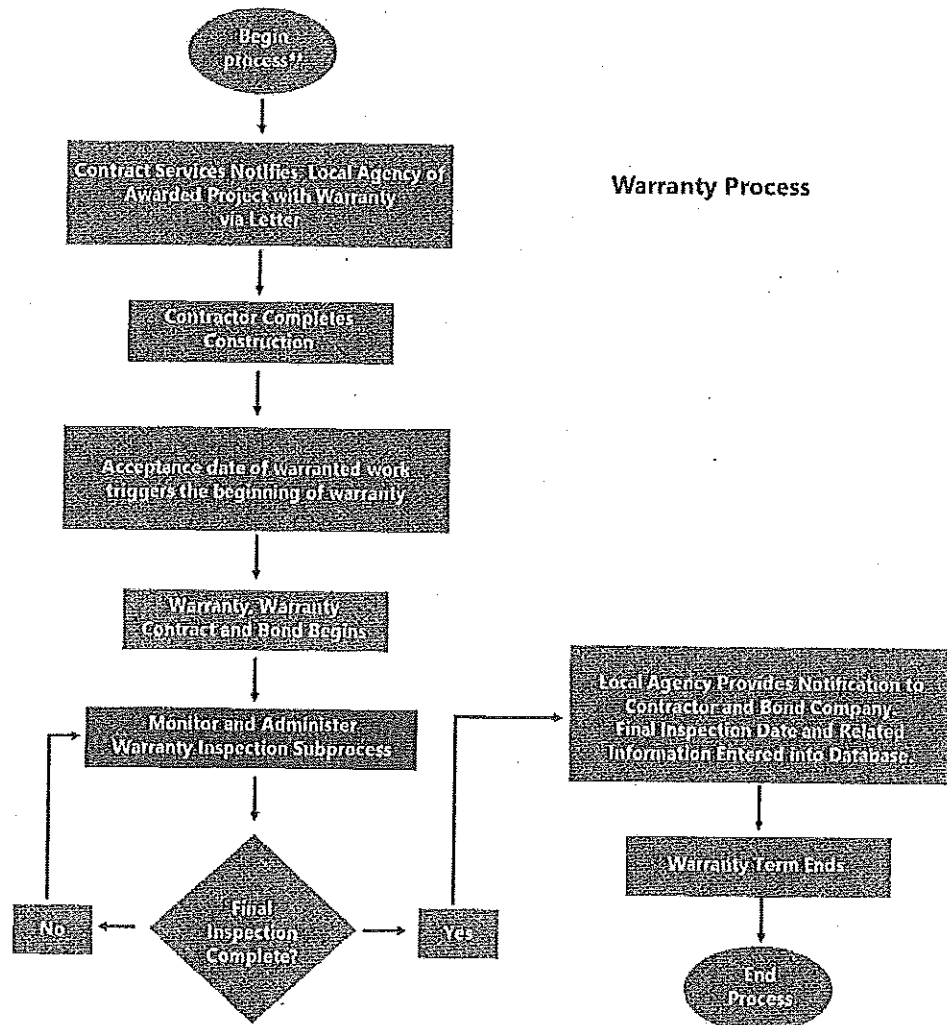
## Flow Charts



<sup>1</sup>Use \$1.8 million as cost to account for bid variability.

<sup>2</sup>Pavement structure as defined by MDOT Standard Specifications Includes: HMA or concrete pavement, curbs, shoulders, aggregate or granular base, subbase and underdrain.

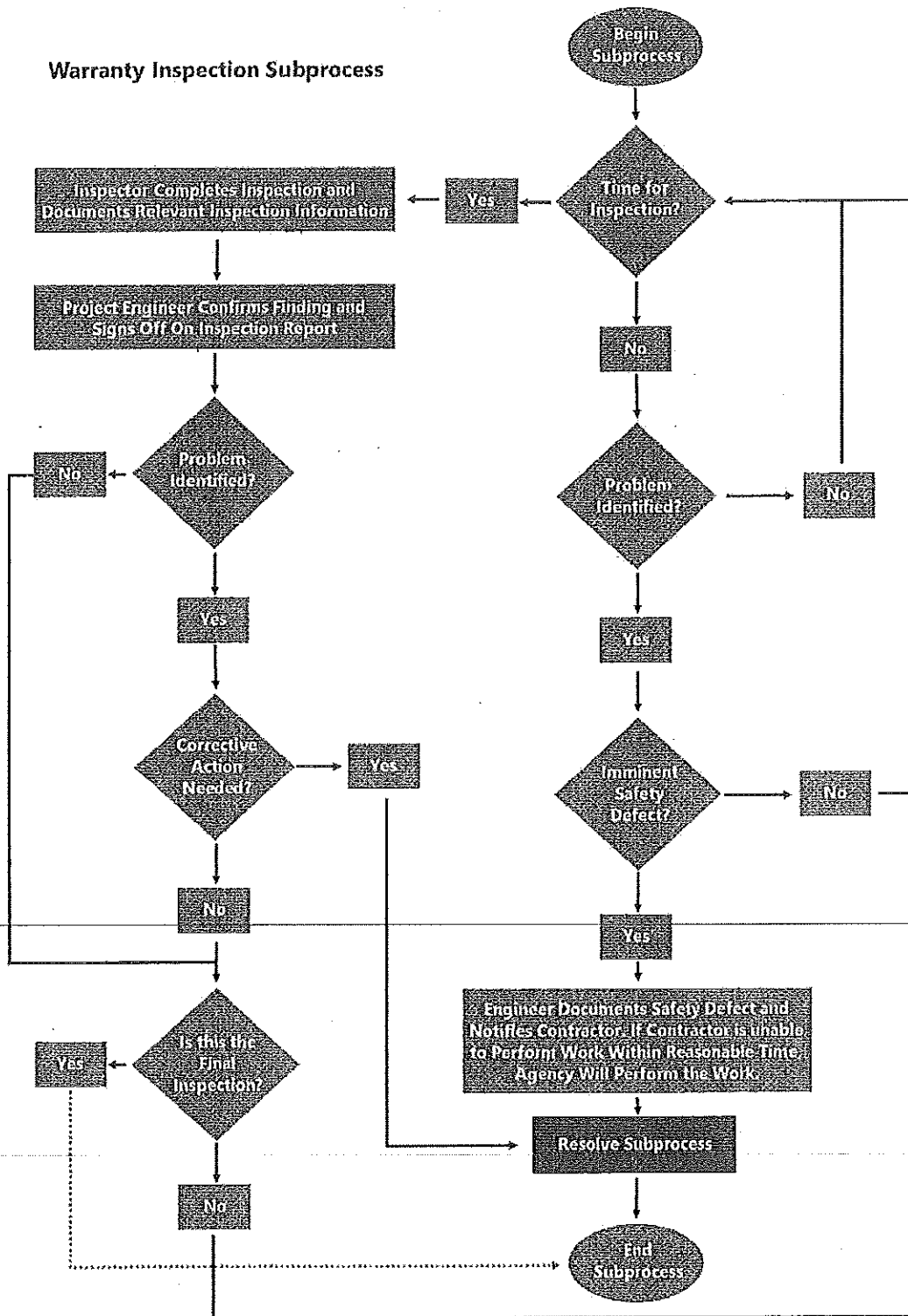
<sup>3</sup>If a local agency waives a warranty, an explanation will need to be reported.



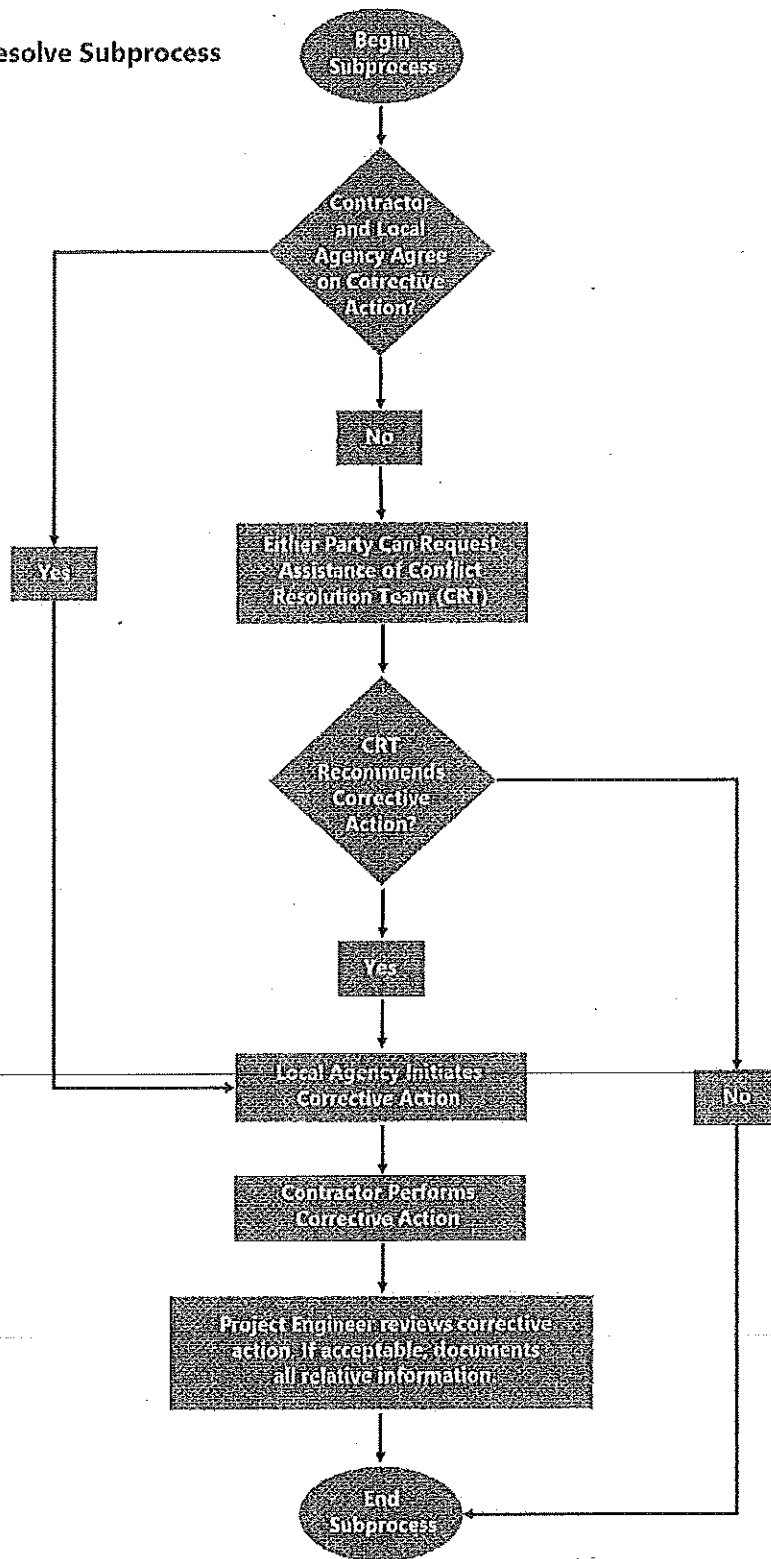
**\*\*This is the process if MDOT has oversight and/or MDOT let bid.**  
 If project is locally let, with no MDOT oversight, the local agency shall determine the process.



## Warranty Inspection Subprocess



## Resolve Subprocess



# **APPENDIX B**

## **Inspection Guidelines**

LOCAL AGENCY  
WARRANTY INSPECTION GUIDELINES  
HMA NEW CONSTRUCTION / RECONSTRUCTION

**Warranty period:** 5 Year

**Inspection Period Begins:** Interim - 6 months after Initial Acceptance  
Final - 56 months after initial Acceptance  
(Local Agency may do additional inspections)

**Notes:**

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately.
3. The threshold level for each distress type is determined separately.

**Procedure:** For both INTERIM & FINAL inspections

1. **Perform overview inspection.** Based on results of overview inspection, recommend the project for either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

**Condition Parameter Measurement:**

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
3. **De-bonding** - Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet thereafter to determine average rut depth to quantify rutting for a

particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this "straightedge" across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.

7. **Alligator Cracking** – Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

#### Overview Inspection Procedure:

1. Review any notes from previous inspections.
2. Perform a "windshield" survey of the entire location length. Based solely on visual examination and estimated measurements; approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
  - a. The lane or ramp where the distress was noted and the associated direction.
  - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
  - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
  - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
  - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any single segments.
  - b. Longitudinal Cracking exceeds 10 percent of the segment length (53 feet within 528 feet) for any single segments.
  - c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
  - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.
  - g. Any amount of alligator cracking.
4. If any condition above is estimated to be true:
  - a. Perform Detailed Inspection; and

- b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
- 5. If all conditions above are false:
  - a. Recommend work is acceptable.
  - b. If this is an interim or other non-final inspection, put notes in file.
  - c. If this is final inspection recommend final acceptance.

**Detailed Inspection Procedure:**

- 1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
- 2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
- 3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
  - a. Transverse Cracking
  - b. Longitudinal Cracking
  - c. De-bonding
  - d. Raveling
  - e. Flushing
  - f. Rutting
  - g. Alligator Cracking
- 4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
- 5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
  - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
- 6. Warranty work is required at those segments for which any of the ~~threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking~~ are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY  
WARRANTY INSPECTION GUIDELINES  
HMA CONSTRUCTION OVER AGGREGATE BASE  
WITHOUT BASE OR DRAINAGE IMPROVEMENT

**Warranty period:** 3 Year

**Inspection Period Begins:** Interim - 6 months after Initial Acceptance  
Final - 32 months after initial Acceptance  
(Local Agency may do additional inspections)

**Notes:**

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately
3. The threshold level for each distress type is determined separately.

**Procedure:** For both INTERIM & FINAL inspections

1. **Perform overview inspection.** Based on results of cursory inspection, recommend the project for either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

**Condition Parameter Measurement:**

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Each individual crack must exceed 5 feet in length to be included in the total.
3. **De-bonding** - Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet

thereafter to determine average rut depth to quantify rutting for a particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this "straightedge" across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.

7. **Alligator Cracking** – Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

#### **Overview Inspection Procedure:**

1. Review any notes from previous inspections.
2. Perform a "windshield" survey of the entire location length. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited the following:
  - a. The lane or ramp where the distress was noted and the associated direction.
  - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
  - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
  - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
  - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any 2 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
  - b. Longitudinal Cracking exceeds 25 percent of the segment length (132 feet within 528 feet) for any 2 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
  - c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
  - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.



- g. Any amount of alligator cracking.
- 4. If any condition above is estimated to be true:
  - a. Perform Detailed Inspection; and
  - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
- 5. If all conditions above are false,
  - a. Recommend work is acceptable.
  - b. If this is an interim or other non-final inspection, put notes in file.
  - c. If this is final inspection recommend final acceptance.

**Detailed Inspection Procedure:**

- 1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
- 2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
- 3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
  - a. Transverse Cracking
  - b. Longitudinal Cracking
  - c. De-bonding
  - d. Raveling
  - e. Flushing
  - f. Rutting
  - g. Alligator Cracking
- 4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
- 5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
  - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
- 6. Warranty work is required at those segments for which any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY  
WARRANTY INSPECTION GUIDELINES  
HMA OVERLAY

**Warranty period:** 1 Year

**Inspection Period Begins:** Final - 10 months after Initial Acceptance  
(Local Agency may do additional inspections such as at 6 months after initial acceptance, after spring break up, etc.)

**Notes:**

1. Segments defined as 528 foot (1/10 mile).
2. Each lane will be evaluated separately.
3. The threshold level for each distress type is determined separately.

**Procedure:**

1. Perform **overview inspection**. Based on results of cursory inspection, recommend the project for either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Detailed inspection – more detailed inspection and / or measurements are needed
2. Perform **detailed inspection if required**. Based on the results of detailed inspection, either:
  - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
  - b. Warranty work is needed – Provide contactor written notice of the distresses and locations needing corrective work.

**Condition Parameter Measurement:**

Performance parameters will be measured as described for each of the following distress types in mainline pavement areas:

1. **Transverse Cracking** - Total number of transverse cracks in a segment. Only count cracks that are not "reflective" from a prior crack or joint. Count all transverse cracks that cannot be positively identified as "reflective" or are questionable. Each individual crack must exceed 5 feet in length to be included in the total. Ignore transverse cracking for all single course overlays, or if the total thickness of multiple course overlays is 2" or less.
2. **Longitudinal Cracking** - Total linear feet of longitudinal cracks in a segment. Only count cracks that are *not* "reflective" from a prior crack or joint. Count all longitudinal cracks that cannot be positively identified as "reflective" or are questionable. Each individual crack must exceed 5 feet in length to be included in the total. Ignore transverse cracking for all single course overlays, or if the total thickness of multiple course overlays is 2" or less.
3. **De-bonding**- Total longitudinal length, in feet, of de-bonding in a segment. Potholes are to be classified as de-bonding. Measure individual de-bonding locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
4. **Raveling** - Total longitudinal length, in feet, of raveling in a segment. Measure individual raveling locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.

5. **Flushing** - Total longitudinal length, in feet, of flushing in a segment. Measure individual flushing locations in the longitudinal direction, regardless of width of the distress location and sum these lengths for the segment.
6. **Rutting** - The average rut depth, in inches, in a segment. Each wheel path shall be evaluated separately. If rutting is found, the pavement surface will be measured beginning at the POB and every 132 feet thereafter to determine average rut depth to quantify rutting for a particular segment. Rut measurements will be done using a straight rigid device that is a minimum of 7 feet long and of sufficient stiffness that it will not deflect from its own weight, or a wire under sufficient tension to prevent sag when extended 7 feet. Measurements will be taken by placing this "straightedge" across the pavement surface perpendicular to the direction of travel. The straightedge shall contact the surface on at least two bearing points with one located on either side of the rut. The straightedge is properly located when sliding the straightedge along its axis does not change the location of the contact points. Rut depth is then measured at the point of greatest perpendicular distance from the bottom of the straightedge to the pavement surface.
7. **Alligator Cracking** - Total area, in square feet, of alligator cracking in a segment. Measure individual alligator cracked areas and sum the areas for the segment.

**Overview Inspection Procedure:**

1. Review any notes from previous inspections.
2. Perform a "windshield" survey of the entire location length. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited to the following:
  - a. The lane or ramp where the distress was noted and the associated direction.
  - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
  - c. The distress quantity, in general terms (i.e. minor amounts of longitudinal cracking; mid lane flushing).
  - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. Estimate if any of the following distress threshold conditions are exceeded
  - a. Transverse Cracking exceeds 3 total in the segment length (3 cracks within 528 feet) for any 3 segments. All reflective cracking shall be ignored as these will not count against the allowable amount.
  - b. Longitudinal Cracking exceeds 25 percent of the segment length (132 feet within 528 feet) for any 3 segments. Ignore all reflective cracking. All reflective cracking shall be ignored as these will not count against the allowable amount.

- c. Debonding exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - d. Raveling exceeds 8 percent (8%) of the segment length (42 feet within 528 longitudinal feet) for any 1 segment.
  - e. Flushing exceeds 5 percent (5%) of the segment length (26 feet within 528 longitudinal feet) for any 1 segment.
  - f. Average rut depth exceeds 0.375 (3/8) inches for any 1 segment.
  - g. Any amount of alligator cracking.
4. If any condition above (in item 2) is estimated to be true:
- a. Perform Detailed Inspection; and
  - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
5. If all conditions above are false,
- a. Recommend work is acceptable.
  - b. If this is an interim or other non-final inspection, put notes in file
  - c. If this is final inspection recommend final acceptance.

**Detailed Inspection Procedure:**

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.
2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
  - a. Transverse Cracking
  - b. Longitudinal Cracking
  - c. De-bonding
  - d. Raveling
  - e. Flushing
  - f. Rutting
  - g. Alligator Cracking
4. Determine if any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, or alligator cracking, listed under Overview Inspection, are exceeded.
5. Evaluate segments where the average rut depth appears to exceed 0.25 inches as follows.
  - a. Measure the average rutting at all questionable segments to verify that the threshold was exceeded.
6. Warranty work is required at those segments for which any of the threshold limits for transverse cracking, longitudinal cracking, de-bonding, raveling, flushing, rutting, or alligator cracking are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

LOCAL AGENCY  
WARRANTY INSPECTION GUIDELINES  
NEW/RECONSTRUCTED JOINTED PLAIN CONCRETE PAVEMENT

Warranty period: 5 Years

Inspection Period Begins: Interim -30 months after Initial Acceptance  
Final - 56 months after initial Acceptance  
(Local Agency may do additional inspections)

- Notes:
1. **Segment** - 528 feet in a specific driving lane. For inspection a segment begins at the point where the joint sealant failure or pavement distress begins to appear and extends for 528 feet from that point.
  2. **Slab** - The pavement outlined between consecutive transverse joints and longitudinal joints or a longitudinal joint and the outer pavement edge. Segments consist of one or more slabs.
  3. **Driving Lanes** - Each of the following is considered a Driving Lane.
    - a. Each individual mainline lane.
    - b. The sum of all ramp lanes and associated acceleration/deceleration lanes.
    - c. The sum of all auxiliary lanes, such as passing lanes and turn lanes.
  4. **Condition Parameters** - Each condition parameter has a threshold level applied to each segment and a maximum number of defective segments before corrective action is required. A segment is defective if the threshold level is exceeded.
  5. **Longitudinal Joint Designation** - All inspections relate to the driving lane as defined in the warranty special provision. For tallying joint sealant failure and pavement distress (spalling), consider the entire perimeter of the slab in all cases. The condition parameter of the full joint associated with the slab being evaluated is considered even though two adjacent slabs may share the same interior longitudinal joint.
  6. The contractor will not be required to take corrective measures as a result of the interim inspection unless the Engineer determines emergency repairs are needed for public safety. Any faults or distresses noted will be logged and verified with the final inspection.

- Procedure:
- For both INTERIM & FINAL inspections
1. **Perform overview inspection.** Based on results of overview inspection, recommend the project for either:
    - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
    - b. Detailed inspection – more detailed inspection and / or measurements are needed
  2. **Perform detailed inspection if required.** Based on the results of detailed inspection, either:
    - a. Acceptable – no corrective work needed. If this is the final inspection recommend acceptance of the work, or
    - b. Warranty work is needed – Provide contractor written notice of the distresses and locations needing corrective work.

### Overview Inspection Procedure:

1. Review any notes from previous inspections of the work.
2. Perform a "windshield" survey of the entire project length. Inspect all driving lanes. Based solely on visual examination and estimated measurements, approximate the individual distress quantities for the questionable segment(s) of each distress type and record on the inspection form. Details which should be noted for the inspection include, but are not limited to the following:
  - a. The lane or ramp where the distress was noted and the associated direction.
  - b. Approximate distress location (i.e. 1/4 mile north of the POB, or at the intersection of 1st St in SW quadrant, or near drive for house #123..)
  - c. Estimate the distress quantity. Also include a description of distress in general terms (i.e. minor amounts of longitudinal cracking; every joint has loss of sealant).
  - d. Areas where temporary maintenance makes it difficult to determine the type of distress, (i.e. presence of cold patching material).
3. If this is an interim or other non-final inspection, Put notes in file and STOP HERE.
4. If this is the final inspection, estimate if any of the following distress threshold conditions are exceeded
  - a. Transverse Cracking exceeds 2 total for any 1 segment. (2 cracks within 528 feet).
  - b. Longitudinal Cracking exceeds 5 percent (5%) of the segment length (26 feet within 528 feet) for any 1 segment.
  - c. Map Cracking exceeds 10 percent (10%) of the segment area (632 square feet within 528 longitudinal feet assuming 12 foot lane width) for any 1 segment.
  - d. Spalling exceeds 10 percent (10%) of each slab. Can be non-contiguous. Include all 4 sides of the slab.
  - e. Scaling exceeds 15 percent (15%) of the slab area.
  - f. Corner cracking exceeds 1 for any 1 segment.
  - g. Joint Sealant failure exceeds 10 percent (10%) total joint length in a segment. Include both longitudinal & transverse joints
  - h. Any shattered slabs.
5. If any condition above is true:
  - a. Perform Detailed Inspection; and
  - b. Provide a description of the magnitude and location(s) of the distress condition(s) observed which justify the Detailed Inspection.
6. If all conditions above are false and this is the final inspection, recommend Final Acceptance.

**Detailed Inspection Procedure:** This will be done at **FINAL** inspection when distresses are estimated to be at threshold levels, and at **INTERIM** inspections as directed by the engineer.

1. Determine the questionable segments suspected of exceeding threshold limits for each individual distress type based on the overview inspection notes.

2. Document the lane, direction and distance from POB, of each questionable segment identified in Step 1.
3. For each questionable segment, measure and record the amount of each individual distress type and record on the inspection form.
  - a. Transverse Cracking
  - b. Longitudinal Cracking
  - c. Map Cracking
  - d. Spalling
  - e. Flushing
  - f. Scaling
  - g. Joint sealant failure
  - h. Shattered slabs
4. Determine if any of the threshold limits for the various distresses are exceeded.
5. Warranty work is required at those segments for which any of the threshold limits are exceeded. Provide the contractor with results of the inspection indicating segments where warranty work is required.

# APPENDIX C

## Inspection Forms

### *Under Development*

The inspections forms have not been developed to-date; the Task Force Education Committee is working with LTAP to create inspection forms compatible with the RoadSoft program to enable tracking the warranty inspection forms to the actual location along a road segment



# INSPECTION FORM FOR HMA WARRRANTY WORK

Inspected By: \_\_\_\_\_

Date: \_\_\_\_\_

Type of inspection: ☐ Interim ☐ Final ☐ Special

Type of Construction: ☐ New HMA Construction / Reconstruction  
☐ HMA over Ag. Base without other Improvements  
☐ HMA Overlay

Condition Parameter	NEW CONSTRUCTION / RECONSTRUCTION		OVER AGGREGATE BASE WITHOUT BASE OR DRAINAGE IMPROVEMENTS		SINGLE COURSE & MULTIPLE COURSE OVERLAY (a)	
	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile	Threshold Limits Per Segment (Segment Length = 528 feet = 1/10 mile)	Max. Defective Segments Per Driving Lane-Mile
Warranty period	5 years		3 years		1 year	
Transverse Cracking	3	1	3	2 (b)	3	3 (b)
Open Joints & Long. cracking	10% of Segment length	1	25% of Segment length	2 (b)	25% of Segment length	3 (b)
De-bonding	5% of Segment length	1	5% of Segment length	1	5% of Segment length	1
Raveling	8% of Segment length	1	8% of Segment length	1	8% of Segment length	1
Flushing	5% of Segment length	1	5% of Segment length	1	5% of Segment length	1
Rutting (c, d, e)	Ave. rut depth = 3/8 inch	1 (c)	Ave. rut depth = 3/8 inch	1 (c)	Ave. rut depth = 3/8 inch	1 (c,d)
Alligator cracking (f)	Any amount	0 (none allowed)	Any amount	0 (none allowed)	Any amount	0 (none allowed)

Distresses Found? ☐ Yes (Describe below, attach additional sheets if needed) ☐ No

Distresses Found: (Describe type, severity & location)

Corrective action needed? ☐ Yes ☐ No ☐ Needs further evaluation

Signed (INSPECTOR): \_\_\_\_\_

Checked by (ENGINEER): \_\_\_\_\_

# INSPECTION FORM FOR CONCRETE WARRANTY WORK

Inspected By: \_\_\_\_\_ Date: \_\_\_\_\_

Type of Inspection: ☐ Interim ☐ Final ☐ Special

Type of Construction: ☐ Plain Concrete  
☐ Reinforced Concrete

Condition Parameter or Defect	Threshold Limits Per Segment (Length = 528 feet)	Max. Defective Segments Per Driving Lane-Mile (a)
Transverse Crack	2	1
Longitudinal Crack	5% of segment length	1
Map Cracking	10% of segment area	1
Edge Spalling	10% each slab (b) < 2 slabs	1
Surface Scaling	15% of the slab area < 1 slab	1
Corner Cracking	1	1
Joint Sealant Failure	10% joint length (c) < 2 slabs	1
Shattered Slab	0 (d)	0

Distresses Found? ☐ Yes (Describe below, attach additional sheets if needed) ☐ No

Distresses Found: (Describe type, severity & location)

Corrective action needed? ☐ Yes ☐ No ☐ Needs further evaluation

Signed (INSPECTOR): \_\_\_\_\_

Checked by (ENGINEER): \_\_\_\_\_

## **APPENDIX D**

### **Model Pavement Warranty Contract and Bond Forms**

MICHIGAN  
LOCAL AGENCY  
SPECIAL PROVISION  
FOR  
PASS-THROUGH WARRANTY BONDS

LM

1 of 1

9/5/2017

**a. Description.** This special provision establishes the conditions under which and method for a contractor to assign responsibility for the warranty obligations and the providing of a warranty bond to a warranty contractor(s). Second tier subcontractor assignments are prohibited.

**b. Requirements.** Ensure the Warranty Contract(s) and warranty bond(s) are on forms provided by the Local Agency. Ensure the bonds meet the requirements of Michigan law and of the Local Agency and include other items such as the powers of Attorney and Endorsement as specified by the Local Agency.

**c. Method.** The assignment must be made to the warranty contractor(s) that will perform the work covered by the warranty. If for any reason after signing the Warranty Contract and providing the Warranty Bond, the warranty contractor does not perform the work, the warranty contractor will remain obligated for the warranty obligations and the warranty bond obligations will remain in effect unless the Local Agency consents in writing to substituting a different contractor to assume those warranty obligations and accepts a substitute warranty bond.

The assignment of warranty work must be designated with and at the time of electronic bid submittal. To become a warranty contractor responsible for the warranty obligations of the contract, and providing a warranty bond, the warranty contractor must complete and submit to the Local Agency a Warranty Contract and a Warranty Bond for each warranty it will be responsible for. Ensure the Warranty Contract is signed by an authorized signer of the warranty contractor, as identified in its prequalification application.

Submit the Warranty Contract and Warranty Bond to the Local Agency prior to award of the construction contract to the prime contractor for the work to which the warranty applies. Ensure the warranty contractor is prequalified in the work classification for the type of work to be warranted. The Warranty Bond must guarantee performance of all warranty obligations for the covered work, in accordance with the Warranty Contract. All provisions of the prime contract will be applicable to the warranty contractor in regard to the warranty work, except as otherwise expressly provided in the Warranty Contract.

Under no circumstances does the assignment of the warranty work and the execution of a Warranty Contract create any obligations to the Local Agency beyond the obligations undertaken in the prime contract. The purpose of the Local Agency accepting the assignment of warranty obligations is to allow a warranty contractor to stand in place of the prime contractor for purposes of the warranty work without increasing any obligation or liability that the Local Agency would have had if the prime contractor had not assigned the warranty work.

**d. Measurement and Payment.** This work will not be paid for separately, but will be included in costs for other pay items.

**<local agency name>  
LOCAL AGENCY  
PASS-THROUGH WARRANTY BOND**

Bond Number: \_\_\_\_\_

**KNOWN ALL MEN BY THESE PRESENTS**

That we, \_\_\_\_\_ (hereinafter called the "Principal" and  
\_\_\_\_\_ (hereinafter called "Surety") a corporation duly  
organized under the laws of the State of \_\_\_\_\_ and duly licensed to transact business in the  
State of Michigan, are held and firmly bound unto the <local agency name>  
(hereinafter called the "Obligee"), in the sum of \$ \_\_\_\_\_  
dollars for the payment of which sum well and truly to be made, we, the said Principal and the  
said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly  
and severally, firmly by these presents.

WHEREAS, the said Principal has heretofore entered into a contract with the Obligee,  
under Contract ID \_\_\_\_\_ and;

WHEREAS, the said Principal is required to guarantee the:

installed under said contract, against defects in materials or workmanship which may develop  
during the period of \_\_\_\_\_ years beginning the date of the Acceptance Date of Warranted Work by the  
Obligee.

In no event shall losses paid under this bond aggregate more than the amount of the bond.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Principal  
shall faithfully carry out and perform the said guarantee, and shall, on due notice, repair and make  
good at its own expense any and all defects in materials or workmanship in the said work which may  
develop during the period specified above or shall pay over, make good and reimburse to the said  
Obligee all loss and damage which said Obligee may sustain by reason of failure or default of said  
Principal so to do, then this obligation shall be null and void; otherwise shall remain in full force and  
effect.

PROVIDED HOWEVER, that in the event of any default on the part of said Principal, a written  
statement of the particular facts showing such default and the date thereof shall be delivered to  
the Surety by registered mail, promptly in any event within ten (10) days after the Obligee or his  
representative shall learn of such default and that no claim, suit or action by reason of any default  
of the Principal shall be brought hereunder after the expiration of thirty (30) days from the end of  
the warranty period as herein set forth.

Signed by: \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

Contractor \_\_\_\_\_

By \_\_\_\_\_

Surety \_\_\_\_\_

By \_\_\_\_\_

PASS THROUGH WARRANTY CONTRACT

This contract ID number \_\_\_\_\_ is executed on the date signed below by the \_\_\_\_\_ of the <local agency name> between the Warranty Contractor, Prime Contractor and the Local Agency in conjunction with the execution of this contract ID number, \_\_\_\_\_ between the Local Agency and the Prime Contractor.

(Warranty Contractor)

(Prime Contractor)

The work included within this Warranty Contract is, described here:

The Warranty Contractor represents that it has entered into a subcontract with the Prime Contractor to perform Warranted Work for the project, but that any failure to have properly done so, or any breach or failure in the performance of that subcontract, shall not diminish or otherwise affect the obligations of the Warranty Contractor to the Local Agency under this warranty contract. Nor shall the obligations of the Warranty Contractor to the Local Agency under this warranty contract be diminished or affected if the Prime Contractor or some other person performs some or all of the Warranted Work or warranty obligations for the project, unless the Local Agency consents to, and executes, a written amendment to this warranty contract.

Insofar as they pertain to the warranty rights and obligations, the terms of the contract are hereby incorporated by reference into this warranty contract and, for purposes of this warranty contract, references in the contract to the contractor shall be deemed to refer to the Warranty Contractor.

The Warranty Contractor hereby agrees to fulfill and perform, without qualification or exception, all of the warranty obligations under the terms of the contract, as if they were the Prime Contractor. Until acceptance of the Warranted Work, the Prime Contractor will be responsible to the Department for ensuring completion of the Warranted Work and to the Local Agency for fulfilling the terms of the warranty for that work. Upon acceptance of the Warranted Work, the Warranty Contractor shall have full responsibility for the warranty obligations and the Prime Contractor will be relieved of further obligation for performing those warranty obligations.

The Warranty Contractor agrees that its obligations to the Local Agency under this warranty contract are the same as if the Warranty Contractor was the Prime Contractor; the Warranty Contractor can assert no rights, defenses or qualifications to the warranty obligations under the contract that would have been unavailable to the Prime Contractor, if the Prime Contractor had retained contractual responsibility for the warranty. The Warranty Contractor may assert the same rights under the terms of the warranty as could have been asserted by the Prime Contractor, if the Prime Contractor had retained contractual responsibility for the warranty.

This warranty contract may be executed prior to execution of the contract with the Prime Contractor, provided that if the Local Agency fails to execute the contract with the Prime Contractor this warranty contract shall be null and void.

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Typed name: \_\_\_\_\_

Local Agency: \_\_\_\_\_

Date: \_\_\_\_\_

# APPENDIX E

## Reporting Forms

### *Under Development*

#### Local Road Agencies Warranty Program Reporting

We have partnered with the Transportation Asset Management Council to modify the Investment Reporting Tool to provide an open and transparent reporting method for each local transportation agency. The reporting fields will be enabled as soon as the Local Agency Pavement Warranty Program is approved by MDOT

We have also partnered with the Michigan Technological University - CTT to modify the Roadsoft Program to provide a common data entry method for each local road agency. The Roadsoft warranty data fields will be imported into the TAMC ITR module to provide a statewide presentation of the warranty projects that exceed the \$ 2,000,000 threshold.

## APPENDIX F

### Education and Training

#### *Under Development*

##### Education of Local Road Agencies on Local Pavement Warranty Program

Since the passage of the 2015 Transportation Package, the CRA has been informing its members of the coming warranty requirement; the *Engineering Updates* provided by the CRA-MML Engineering Specialist have also described the imminent Local Pavement Warranty Program. The CRA provided updates about the Local Pavement Warrant Program at its nine regional Council meetings during fall-winter 2017-2018; at its County Engineers Workshop in February 2018; at its Highway Conference in March 2018, and at its Road Commissioners Conference in April 2018. The CRA is also developing this Guidance Document on Local Pavement Warranties to serve as the training manual for. The CRA has scheduled and dedicated a large portion of its annual 2017 Law Symposium to a session on Implementing the New Local Pavement Warranties on December 5, 2017; speakers include the legal counsel from the Road Commission for Oakland County and CRA-MML Engineering Specialist Steve Puuri. The CRA-MML Engineering Specialist Steve Puuri and two bond counsel representatives provided an update at the Michigan Concrete Association.

In addition, the Local Pavement Warranty Task Force has created an Education Committee that has been developing model agency adoption resolutions and training materials. The Task Force has partnered with the Local Technical Assistance Program to develop and conduct training program for decision makers and project staff. The Education Committee is poised to distribute adoption and training materials upon approval of the Local Agency Pavement Warranty Program by MDOT. Finally, the Task Force has developed this Guidance Document to assist local agency decision makers and project staff with implementing their Local Agency Pavement Warranty program.



# LOCAL AGENCY PAVEMENT WARRANTY PROGRAM

City of Pontiac Department of Public Works

# Local Agency Pavement Warranty Program

As part of the Transportation Funding Package of 2015, the Michigan legislature created a requirement (MCL 247.662, 247.663) that each local road agency in Michigan adopt a Local Pavement Warranty program acceptable to the Michigan Department of Transportation (MDOT).

The resulting Michigan Local Agency Pavement Warranty Program is the statewide accepted format that local agencies can use for hot mix asphalt (HMA) and plain jointed concrete paving projects on public roads and streets, if they opt to utilize a warranty on a project.

This Warranty Program must be adopted by every community no later than September 18, 2019, and every community must consider a warranty on each project utilizing any state or federal funding that also includes \$2 million or more in paving-related components. Communities must annually report on projects with \$2 million or more in paving-related items, regardless of whether they implemented a warranty or not.

The overall goal of the Michigan Local Pavement Warranty Program is to have one standardized method for applying pavement warranties on local agency projects, which provides a consistent, quantifiable and transparent program that pavement contractors can recognize and implement.





# Program Content

The Local Pavement Warranty Program, as approved by MDOT, consists of the following documents:

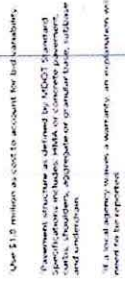
Special Provisions (Boilerplate, Concrete, HMA, Location and a Pass-Through Warranty Bond)

Warranty Bond Form and Contract Form

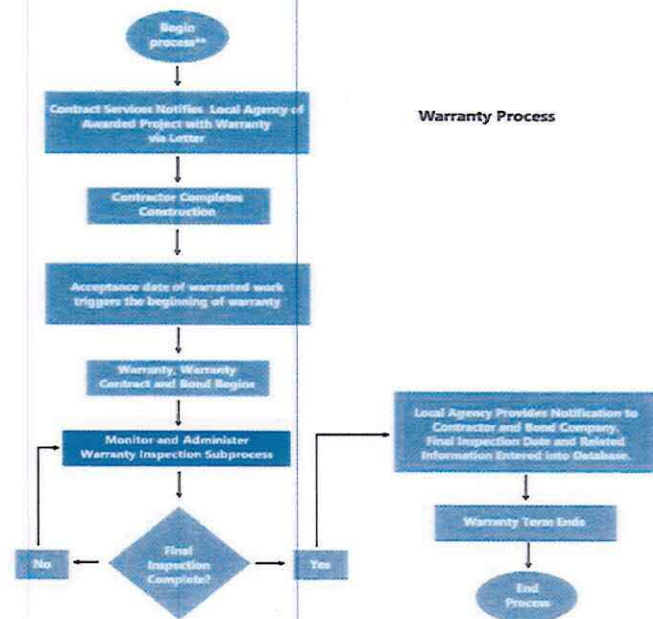
Guidelines for Local Agency Pavement Warranty Program



## An abstract geometric composition featuring a large green triangle on the left and a large yellow triangle on the right, both pointing towards the center. These two triangles overlap in the middle, creating a smaller, lighter green triangular area. The bottom of the composition is a white triangular shape that also points towards the center, meeting the other two. The overall effect is a sense of dynamic tension and balance through color and form.

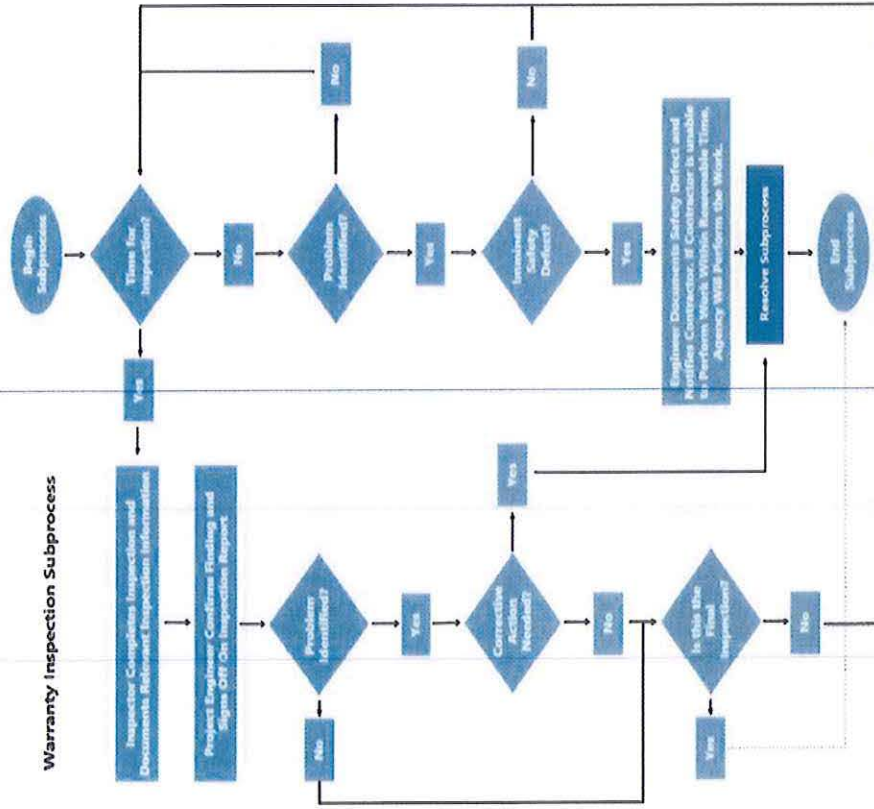


# Warranty Process



\*\*This is the process if MDOT has oversight and/or MDOT let bid.  
If project is locally let, with no MDOT oversight, the local agency shall determine the process.

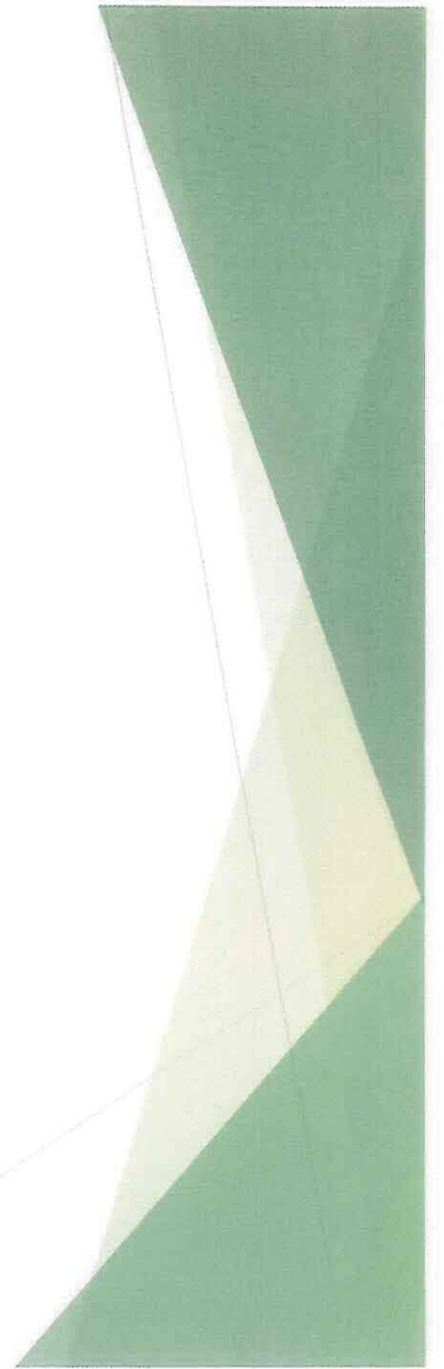
# Warranty Inspection Process





## Program Content

The Program was developed over the last 30 months by the Local Agency Pavement Warranty Task Force including representatives of the Michigan Municipal League, County Road Association, MDOT, Federal Highway Administration-Michigan, Michigan's Local Technical Assistance Program (LTAP), municipal road agencies, legal counsels and industry representatives.



# Timeline for Warranty Policy Adoption

Local Pavement Warranty Program developed by the Task Force must be adopted by your community on or before September 18, 2019.

To adopt the Pavement Warranty Program, each community should adopt two separate Resolutions.

Resolution to Adopt a Local Pavement Warranty Program is needed to adopt the Local Agency Pavement Warranty Program and its accompanying documents.

Resolution to Implement a Local Pavement Warranty Program that defines the agency's intent to apply the warranty program consistent with the Local Agency Pavement Warranty Guidelines and report annually on each project that includes 2 million or more in paving-related components *and* includes any state or federal funds.

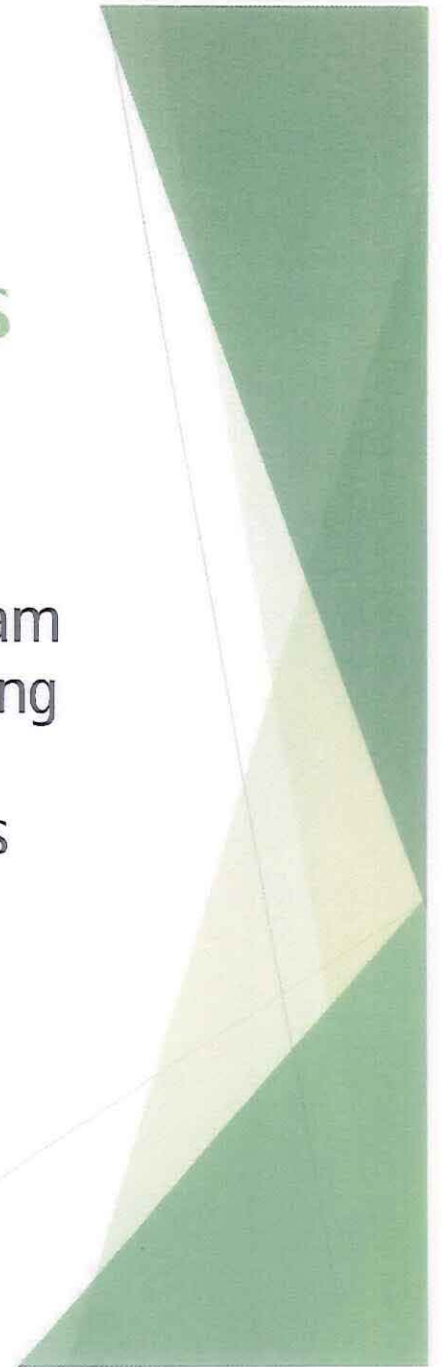
The goals of the Local Agency Pavement Warranty Program are to meet the legislative mandate to implement it, as well as to standardize review and oversight of pavement warranty projects, and to have a program that is transparent and uniform for private-sector contractors.



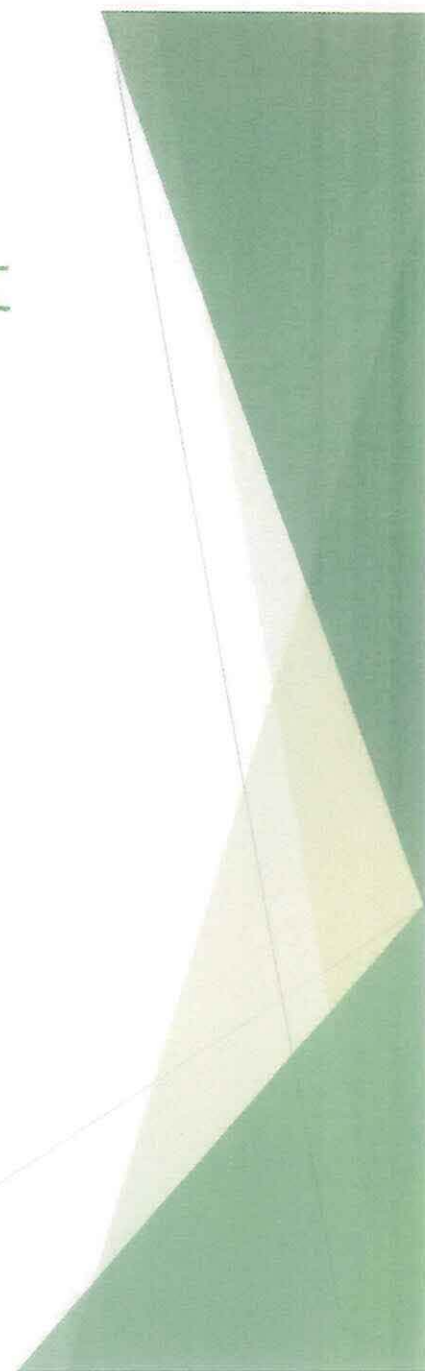


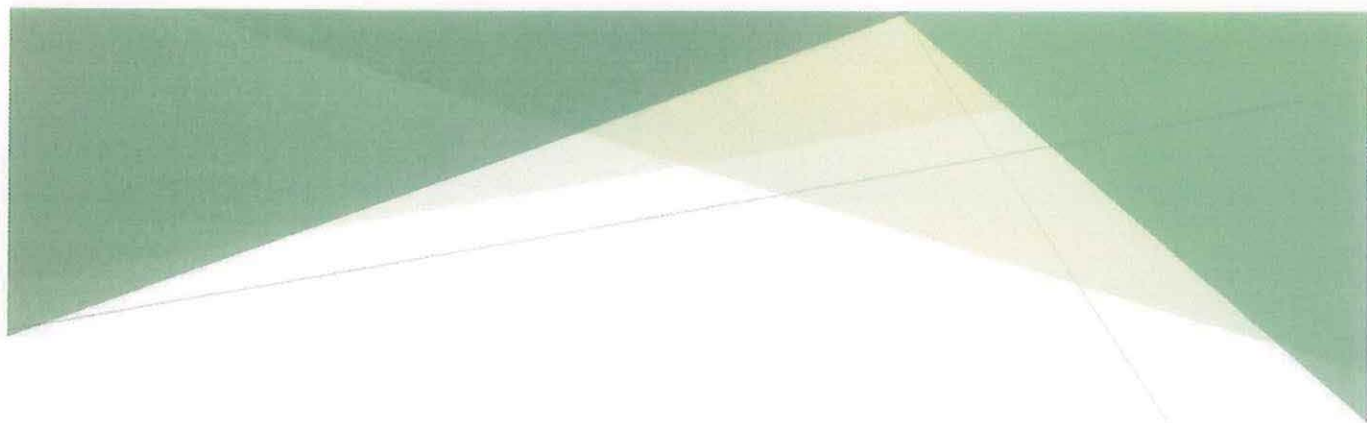
## Future Warranty Education Programs

The Warranty Task Force has obtained a FHWA grant of \$74,000, which its Education Subcommittee will use to work with the Michigan Local Technical Assistance Program (LTAP) to conduct education and training sessions. Training will be designed for elected/appointed officials, administrators, as well as managers/directors, engineers and engineering technicians in both onsite sessions and online webinars during 2019. The League will work with LTAP to publicize these sessions.



you have any questions about the Local  
vement Warranty Program, please contact  
hn LaMacchia at (517) 908-0303 or  
[macchia@mml.org](mailto:macchia@mml.org).





THANK YOU!

