

# PONTIAC CITY COUNCIL

**Mike McGuinness, District 7**  
**President**  
**William A. Carrington, District 6**  
**President Pro Tem**



**Melanie Rutherford, District 1**  
**Brett Nicholson, District 2**  
**Mikal Goodman, District 3**  
**Kathalee James, District 4**  
**William Parker, Jr., District 5**

*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."*

47450 Woodward Pontiac, MI 48342 Phone: (248) 758-3200

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

**7<sup>th</sup> Session of the 11<sup>th</sup> Council**

**February 15, 2022 at 6:00 P.M.**

**Meeting Location: City Council Chambers 47450 Woodward Pontiac, MI 48342**

**Call to Order**

**Invocation**

**Pledge of Allegiance to the Flag of the United States**

**Roll Call**

**Authorization to Excuse Councilmembers from the Meeting**

**Amendments to and Approval of the Agenda**

**Approval of the Consent Agenda**

- A. February 8, 2022 City Council Meeting Minutes
- B. February 9, 2022 Public Safety, Health and Wellness Subcommittee Meeting Minutes
- C. February 7, 2022 Economic Development, Housing and Planning Subcommittee Meeting Minutes

**Special Presentations**

- A. Oakland Literacy Council Pontiac Adult Literacy Initiatives  
Presentation Presenter: Lisa Machesky, Executive Director, Oakland Literacy Council
- B. Spotlighting Pontiac's Black Musical Excellence  
Presentation Presenter: Quincy Stewart

**Recognition of Elected Officials**

**Agenda Address (Two Minutes Time Limit)**

**Discussions**

- A. Forensic Audit Progress Update
- B. Mill Street Reconstruction Project

**Agenda Items**

**Ordinance**

- 1. An Ordinance to Amend Chapter 42 Community Development, Article VII, Rehabilitation Agreements (*First Reading*)

## **Resolutions**

### **City Clerk**

2. Resolution Authorizing Foxhole, a 501(c)(3) nonprofit organization in Pontiac as a Recognized Nonprofit Organization in the Community for the Purpose of Obtaining a Charitable Gaming License (*Discussion*)

### **City Council**

3. Council Resolution Recognizing Pontiac Historian Esmo Woods (*Discussion and Action*)
4. Council Resolution Advocating for Broader Recognition of Trailblazer Elizabeth Denison Forth (*Discussion and Action*)

### **Department of Public Works (DPW)**

5. Resolution to Approve Mayor to sign the Michigan Department of Transportation (MDOT) Funding Agreement (Contract No. 21-5506) for Construction of the University and Kennett Bridges Capital Preventive Maintenance Project. (*Discussion and Action*)

### **Finance**

6. Resolution to Authorize the City Clerk to Publish the Notice of a Proposed Budget Amendment for Fiscal Year 2021-22 to Allocate a Total of \$100,000 for Account 101-266-959.003 Settlement Payments for Sick Time Payouts (*Discussion and Action*)
7. Resolution to Authorize the City Clerk to Publish the Notice of a Proposed Budget Amendment for Fiscal Year 2021-22 to Transfer \$72,000 from General Fund Balance GL Account 101-000-309.000 to the General Fund Account 101-774-745.003- City Events (*Discussion and Action*)
8. Resolution to Authorize the City Clerk to Publish the Notice of a Proposed Budget Amendment for Fiscal Year 2021-22 to Transfer \$308,000 from General Fund Balance Account 101-000-390.000 to the Following Attorney Fees Accounts 101-266-804.000- Legal Services \$25,000; 101-266-804.018- Legal Services- Giarmarco Mullins \$110,000; 101-266- 804.021- Legal Services Prosecutions- Giarmarco Mullins \$120,000; 101-266-804.022- Legal Services Michigan Tax Tribunal- Giarmarco Mullins \$45,000; 101-266-804.023- Legal Services Code Enforcement- Giarmarco Mullins \$8,000 (*Discussion and Action*)
9. Resolution to Authorize the City Clerk to Publish the Notice of a Proposed Budget Amendment for Fiscal Year 2021-22 to Transfer \$182,000 from Youth Recreation Fund Balance GL Account 208-000-390.000 to Youth Recreation Fund GL Account 208-756-941.000 – Services – Building & Land Rental (*Discussion and Action*)

### **Mayor's Office**

10. Resolution to Authorize the City to Enter into a Temporary Contract with National Career Group to Support the Reorganization of City Departments (*Discussion*)

### **Public Comment (Three Minutes Time Limit)**

### **Closing Comments**

Mayor Greimel (Seven Minutes Time Limit)  
Clerk and City Council (Three Minutes Time Limit)

### **Adjournment**

# **CONSENT AGENDA A**

**Official Proceedings  
Pontiac City Council  
6<sup>th</sup> Session of the Eleventh Council**

**Call to order**

A Meeting of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Tuesday, February 8, 2022 at 6:00 p.m. by Council President Mike McGuinness.

**Invocation** – Rev. Laura Kelsey, Pastor, First Presbyterian Church in Pontiac

**Moment of Silence**

**Pledge of Allegiance to the Flag of the United States**

**Roll Call**

**Members Present** – William A. Carrington, Mikal Goodman, Kathalee James, Mike McGuinness, Brett Nicholson, William Parker, Jr. and Melanie Rutherford

Mayor Greimel was present.

A quorum was announced.

**Amendments to and Approval of the Agenda**

**Motion to approve the agenda.** Moved by Councilperson Rutherford and second by Councilperson Nicholson.

Ayes: Goodman, James, McGuinness, Nicholson, Parker, Rutherford and Carrington

No: None

**Motion Carried**

**Consent Agenda**

22-46 **Resolution to approve the consent agenda for February 8, 2022.** Moved by Councilperson Parker and second by Councilperson Rutherford.

Whereas, the City Council has reviewed the consent agenda for February 8, 2022.

Now, Therefore, Be It Resolved that the City Council approves the consent agenda for February 8, 2022 including the February 1, 2022 Meeting Minutes, January 31, 2022 Law & The Courts Subcommittee Meeting Minutes and January 24, 2022 Parks, recreation & Public Works Subcommittee Meeting Minutes.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford, Carrington and Goodman

No: None

**Resolution Passed.**

**Subcommittee Reports**

- A. Communications, Engagement & Operations – Chair Goodman
- B. Economic Development, Housing & Planning – Chair McGuinness
- C. Facilities & Property – Chair Carrington
- D. Finance & Personnel – Chair Nicholson
- E. Law & The Courts – Chair Parker

- F. Parks, Recreation & Public Works – Chair James
- G. Public safety, Health & Wellness – Chair Rutherford

### **Special Presentation**

- A. CARE House of Oakland County Nurturing Parenting Program  
Presentation Presenter: Sheronda McDonald, LMSW
- B. Pontiac Youth Recreation Strategy  
Presentation Presenter: Mayor Greimel and Deputy Mayor Stephens

**Recognition of Elected Officials** – Johnathan Wertheimer, Policy Director for State Representative Brenda Carter

### **Agenda Address**

Two (2) individuals address the body during agenda address.

- 1. Gloria Miller addressed Special Presentation B
- 2. Larry Keen addressed item #7.

### **Agenda Items**

City Council

22-47

**Council Resolution Celebrating the Global Cultural Impact of Pontiac's Jones Brothers.** Moved by Councilperson Parker and second by Councilperson Nicholson.

Whereas Pontiac, Michigan has a rich and enduring legacy of Black community members who have made an enduring impact on the cultural, sociological, economic, political, legal, athletic, and innovation trends in our community, region, state, nation, and world;

Whereas it is extremely rare that a family would have three brothers that would go on to make such a significant impact on jazz music, but that is precisely what pianist Hank Jones, trumpeter and composer Thad Jones and drummer Elvin Jones did through decades of making music;

Whereas all three brothers grew up in Pontiac, Michigan and through their careers transformed the musical scene and eldest brother Hank Jones became known globally as the 'Grandfather of All Jazz Pianists' and was awarded a Lifetime Achievement Grammy in 2009;

Whereas, among many other noteworthy aspects of their lives, Thad Jones was dubbed "one of the all-time greatest jazz trumpet soloists" and his Thad Jones/Mel Lewis Orchestra won a 1978 Grammy Award, and Elvin Jones was a member of the John Coltrane Quartet and was inducted into the Modern Drummer Hall of Fame in 1995;

Whereas Hank, Thad, and Elvin Jones passed away in 2010, 1986, and 2004, respectively;

Whereas their legacy and memory have been marked through various exhibits, acknowledgements, and tributes over the years, though not to the extent worthy of their global impact, the importance to their craft and their embodiment of the Black experience in Pontiac;

Whereas Pontiac City Council has declared February 2022 as Black History Month, and is committed to advancing the celebration of Black history this month and the entire year; now,

Therefore, Be It Resolved, the Pontiac City Council hereby celebrates the global cultural impact of Hank Jones, Thad Jones, and Elvin Jones, whose creativity, talents, and brilliance shaped modern music and reverberate throughout the world to this day; and further

Resolved, the City Council calls for thoughtful, creative, and ongoing efforts to better acknowledge and celebrate the Jones Brothers' legacy throughout our Pontiac community, including: Expanding historical wayside markers, exploring community mural installations, identifying the location where their family's home once stood at 129 Bagley, considering places that could be named in their honor, incorporation into educational curricula, and development of comprehensive strategies to celebrate The Corner at Bagley and Wessen streets and Black history in Southwest Pontiac more broadly.

Ayes: McGuinness, Nicholson, Parker, Carrington, Goodman and James

No: None

**Resolution Passed**

Councilwoman Rutherford was absent during the vote.

22-48                    **Council Resolution Nothing Pontiac Creative Arts Center's Spotlight of Black Artists.** Moved by Councilperson Carrington and second by Councilperson Nicholson.

Whereas the Pontiac Creative Arts Center is a non-profit organization established in 1964 with the mission of cultivating arts and culture in the community through exhibitions, education, and outreach and is located at 47 Williams Street in Pontiac;

Whereas the Creative Arts Center presents ongoing exhibits, offers workshops and classes, hosts community events throughout the year, and has labored to creatively advance their mission despite the substantial challenges presented during the global pandemic;

Whereas Pontiac City Council has declared February 2022 as Black History Month, and is committed to advancing the celebration of Black history locally this month and the entire year; Whereas for decades the Creative Arts Center has made a particular focus of featuring Black artists and performers through programming and exhibits each February;

Whereas the works of accomplished Black artist Carole Morisseau of Michigan will be exhibited at the Pontiac Creative Arts Center in a show entitled "Drawings from Earth" that runs from February 6, 2022 to March 19, 2022 and to which the entire community is invited; Whereas Carole Morisseau will also present an Artist's Talk on February 25, 2022 from 6:00 to 9:00 p.m. amidst her exhibited work at the Center, to which the entire community is invited;

Whereas the Creative Arts Center is also offering a painting workshop on February 27, 2022 from 3:00 to 6:00 p.m. with a subject matter focus of celebrating Black women; now,

Therefore, Be It Resolved, the Pontiac City Council acknowledges the Pontiac Creative Arts Center's efforts to spotlight Black artists and to continue their tradition of celebrating Black history through the arts; and further

Resolved, the City Council encourages Pontiac residents to enjoy the cultural opportunities offered by the Creative Arts Center, including the "Drawings from Earth" exhibit, Carole Morriseau Artist's Talk, and painting workshop all happening in February; and further

Resolved, the City Council expresses our gratitude to the dedicated volunteers and artists who have assisted in the Pontiac Creative Arts Center's perseverance, especially during the global pandemic that has upended their activities, fundraising, resources, and volunteer support.

Ayes: Nicholson, Parker, Carrington, Goodman, James and McGuinness

No: None

**Resolution Passed**

Councilwoman Rutherford was absent during the vote.

City Council

**Motion to amend Council Resolution Designating February 2022 A United Way for Southeastern Michigan 2-1-1 Month.** Moved by Councilperson Goodman and second by Councilperson Parker. Discussion to change resolution from Month to Day, February 11, 2022.

22-49                    **Amended Council Resolution Designating February 11, 2022 A United Way for Southeastern Michigan 2-1-1 Day.** Moved by Councilperson Goodman and second by Councilperson Parker.

Whereas United Way for Southeastern Michigan is dedicated to ensuring all households in our region are stable and all children are set up to thrive;  
Whereas United Way for Southeastern Michigan is the operator of Michigan 2-1-1 for Oakland County, which launched in 2002 and expanded to Southeastern Michigan in 2005;  
Whereas Michigan 2-1-1 is a service provided at no cost to Michigan residents, and connects them with thousands of health and human service agencies and resources right in their communities quickly, easily, and confidentially;  
Whereas the Michigan 2-1-1 helpline is available 24 hours a day, every day of the year via phone, email, live chat, and online databases;  
Whereas more than 3,000 Pontiac residents have contact Michigan 2-1-1 for assistance with housing, job training, utility assistance, food, COVID-19 testing and vaccinations, and more;  
Whereas February 11 is 2-1-1, a date, which represents Michigan 2-1-1, and the service provided by 2-1-1 Community Care Advocates, and their work is celebrated the month of February; now, Therefore, Be It Resolved, the Pontiac City Council designates that February 11, 2022 be recognized as United Way for Southeastern Michigan 2-1-1 Day in Pontiac, Michigan and acknowledges the organization's service to our community; and further Resolved, the City Council recognizes United Way for Southeastern Michigan's 2-1-1 service as a valued asset and are grateful to the dedicated Community Care Advocates at 2-1-1 for their efficient, effective, and compassionate response to the needs of our residents; and further Resolved, the City Council encourages Pontiac residents take advantage of this organization's 2-1-1 services to connect with thousands of health and human service agencies and resources that may be able to assist them with their family's challenges.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson and Parker

No: None

**Resolution Passed**

Councilwoman Rutherford was absent during the vote.

Department of Public Works (DPW)

22-45      **Resolution to approve a Two-Year Contract Extension with Great Lakes Power & Light for Street Light Maintenance.** Moved by Councilperson Rutherford and second by Councilperson James. (This item was postponed from last week.)

Whereas, The City of Pontiac has mutually agreed with Great Lakes P & L to extend the contract for 2 years at attached rates;  
Whereas, Great Lakes P & L has done exemplary work and has gained vast knowledge of our infrastructure over the 4.5 years of their contract;  
Whereas, The Department of Public Works is still in need of assistance for "Street Light Maintenance";  
Now, Therefore, Be It Resolved, The Pontiac City Council authorizes the Mayor to extend the contract with Great Lakes P & L until January 1, 2024.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson and Parker

No: None

**Resolution Passed**

Councilwoman Rutherford was absent during the vote.

22-50      **Resolution to approve Mayor to sign the Michigan Department of Transportation (MDOT) Funding Agreement (Contract No. 21-5506) for Construction of the University and Kennett Bridges Capital Preventive Maintenance Project.** Moved by Councilperson Carrington and second by Councilperson Nicholson. Discussion on the matter.

**Motion to postpone Resolution to approve Mayor to sign the Michigan Department of Transportation (MDOT) Funding Agreement (Contract No. 21-5506) for Construction of the University and Kennett Bridges Capital Preventive Maintenance Project for one week.** Moved by Councilperson Rutherford and second by Councilperson Parker.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford, Carrington and Goodman

No: None

**Motion Carried**

**22-51 Resolution to approve a One (1) Year Contract Extension with Action Traffic Maintenance.** Moved by Councilperson Rutherford and second by Councilperson Carrington.

WHEREAS, The City of Pontiac has mutually agreed with Action Traffic Maintenance, Inc., to extend the contract for one (1) year at a 10% increase;

WHEREAS, Action Traffic Maintenance Inc., has done exemplary work over the four (4) years of their contract;

WHEREAS, The Department of Public Works is still in need of assistance for "Right of Way Sign Maintenance";

NOW, THEREFORE, BE IT RESOLVED, The Pontiac City Council authorizes the Mayor to extend the contract with Action Traffic Maintenance, Inc., for one (1) year, expiring January 1, 2023 at a 10% increase.

Ayes: McGuinness, Nicholson, Parker, Rutherford, Goodman and James

No: Carrington

**Resolution Passed**

**22-52 Resolution to appoint Allen Cooley to serve as the Interim Director, Department of Public Works.** Moved by Councilperson Rutherford and second by Councilperson Goodman.

WHEREAS, in accordance with Article IV, Chapter 1, Section 4.106 the Mayor may appoint for each department of the executive branch a director who serves at the pleasure of the Mayor as head of the department; and,

WHEREAS, in accordance with Article IV, Chapter 1, Section 4.106 such appointment is subject to the approval of Council; and,

WHEREAS, Allen Cooley has the experience and professionalism necessary to serve as the Interim Department of Public Works, Director; and,

WHEREAS, Allen Cooley has served as the Deputy Director of Public Works since 2020; and,  
NOW THEREFORE BE IT RESOLVED, in accordance with appointment procedures provided by law and the City Charter, Allen Cooley is formally appointed, effective immediately, as Interim Director of Public Works for the City of Pontiac and will receive the budgeted salary for this position while he is serving in this role as the Interim Director of the Department of Public Works.

Ayes: Nicholson, Parker, Rutherford, Carrington, Goodman, James and McGuinness

No: None

**Resolution Passed**

#### **Public Comment**

Nine (9) individuals addressed the body during public comment.

1. Tim Travis
2. Quincy Stewart
3. Carol Wilkins

4. H. Bill Maxey
5. Gladys Smith
6. Pastor Kathy Dessureau
7. Lloyd & Garry
8. Gloria Miller
9. Dr. Deirdre Waterman

**Mayor, Clerk and Council Closing Comments**

Mayor Greimel, Councilwoman Rutherford, Councilman Nicholson, Councilman Goodman, Councilwoman James, Councilman Parker, President Pro-Tem Carrington and Council President McGuinness made closing comments.

**Adjournment**

**Motion to adjourn the meeting.** Moved by Councilperson Rutherford and second by Councilperson Nicholson.

Ayes: Parker, Rutherford, Carrington, Goodman, James, McGuinness and Nicholson

No: None

**Motion Carried**

Council President Mike McGuinness adjourned the meeting at 8:45 p.m.

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Garland S. Doyle  
City Clerk

# **CONSENT AGENDA B**

**PUBLIC SAFETY, HEALTH & WELLNESS  
SUBCOMMITTEE MINUTES**

Meeting held at Pontiac City Hall, 47450 Woodward Avenue, Pontiac, Michigan in the  
City Council Conference Room.

**February 9, 2022**

**Started: 12:00 p.m.**

**In attendance:**

Council members: President Michael McGuinness and Kathalee James. Pro-Tem William Carrington participated by phone.

Deputy Mayor: Khalfani Stephens

Waterford Regional Fire Department: Operations Assistant Wil White and Deputy Fire Chief Carl Wallace

Oakland County Sheriff's Department: Sergeant Law and Deputy James

**I. Statistics from Oakland County Sheriff's Department**

- Year-end statistics provided for 2021 and for the month of January 2022

**II. File of Life- Oakland County Sheriff's Department**

- A file of life is a magnetic card that can go on the refrigerator and can be scanned. The card will provide medical information including prescriptions and emergency contact information.
- The Sheriff's Department will start with the senior centers.
- Seniors who live alone will benefit.

**III. Functionality of the Pontiac Sub-Station and Fire Station facilities on Pike Street**

**IV. Significant Fires**

- Investigation is still open for 821 St. Clair

**V. Response Time of Waterford Regional Fire Department**

**VI. SAFER First Responder Grants**

**VII. Waterford Regional Fire Department- Recruitment and Retention**

**Next meeting: Community Policing and Arrangement of Deputies**

Public Comment: No requests for Public Comment at the meeting.

**Adjourned: 1:00 p.m.**

# **CONSENT AGENDA C**

## **ECONOMIC DEVELOPMENT, HOUSING & PLANNING SUBCOMMITTEE MEETING MINUTES**

**Meeting held at Pontiac City Hall, 47450 Woodward Avenue, Pontiac, Michigan in the City Council Conference Room.**

**February 7, 2022 Meeting**

In attendance:

Council members: Chairman and President Michael McGuinness, Brett Nicholson and Mikal Goodman

Deputy Mayor: Khalfani Stephens

Building Official: Mike Wilson

Administration & Rental Manager: George Phifer

Planning & Development Manager: Vern Gustafsson

**Start time: 9:30 a.m.**

### **New Business:**

- Economic and Community Development Current Staffing Structure
- Administration's Identified Needs for Strengthening Departments
- Modernizing Rehabilitation Agreements Ordinance
- Rental Property Registration Fees and Penalty Fines Review
- Community Development Block Grants Utilization Future Strategy
- Community Development Block Grants In-House Administration
- Habitat for Humanity Recent, Future Collaboration Opportunities
- Pontiac Housing Commission Annual Reports Requested
- Redevelopment Ready Community Status, Needed Next Steps
- Neighborhood Enterprise Zones Feasibility for Pontiac

### **Standing Updates:**

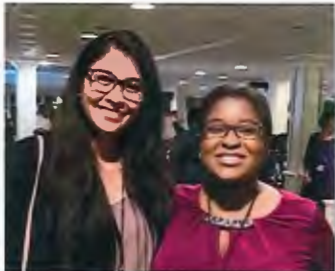
- Recent Business Licenses Issued
- Proposed Residential Developments
- Proposed Commercial Developments
- Proposed Industrial Developments

Possible items for Future Consideration by the Subcommittee were discussed.

**Public Comment:** No requests for Public Comment at the meeting.

**Adjourned: 10:44 a.m.**

**SPECIAL  
PRESENTATION  
A**



Student Brenda (left), pictured with tutor Connie (right), hopes to become a citizen one day. Brenda helps her Latinx community through work at a local community organization and as a member of OLC's Diversity, Equity, and Inclusion Committee.

## READING MATH ESL DIGITAL LITERACY FOR ADULTS



Foundational skills – reading/writing, math, and digital – are essential for CarNav student Shane and others pursuing careers in masonry and other skilled trades.

### GOALS INCLUDE:

- GED
- GETTING INTO TRAINING PROGRAM
- HELPING MY KIDS IN SCHOOL
- GETTING A BETTER JOB
- FILLING OUT FORMS
- WRITING A LOVE LETTER

## 38 PONTIAC RESIDENTS ENROLLED



Student Native Country- Pontiac



Native Country of OLC ESL Students	
Venezuela	5
South Korea	2
Mexico	6
Honduras	4
El Salvador	4



Student Evelyn is raising her grandchildren since losing her daughter to COVID-19. Enrolled in OLC's reading and math programs, she is determined to earn her GED someday and be a role model for Jayden and Navaeh. Evelyn, who leads students each quarter in instructional hours, has already made a functional level gain in reading. Evelyn received a laptop and help with enrolling in Comcast's free Internet program.

OAKLAND  
**LITERACY**  
COUNCIL

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248.253.1617

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WINTER 2022

OAKLAND  
**LITERACY**  
COUNCIL

# Literacy Matters

**You're making a difference!**

Newsletter for Donors and Friends of Oakland Literacy Council

## Graduate's new sushi restaurant is like 'sun shining through the rain'

**Opening a restaurant during the pandemic takes courage, but then so does immigrating to a new country with one's family. Daewoon Choi has done both.**

Daewoon brought his wife and teenaged daughter and son to the United States in 2017 from South Korea.

After working in restaurant kitchens for three years, the 50-year-old took the leap to open his own restaurant with a business partner in May 2021.

**Sushi Yeoubi** is tucked into a strip mall in Lake Orion. For now, it has three employees and functions as a carryout establishment, although the space has tables where customers can eat the fresh California rolls, spiced tuna, and other specialties that they have purchased at the counter.

The restaurant's name *Yeoubi* means "sun shining through the rain," Daewoon explains. It is a fitting expression for something good happening in the midst of a difficult time – like launching a restaurant in a pandemic or learning a new language and new culture in a strange country.

Supporting Daewoon through the stress of establishing himself in the U.S. and starting a business has been his Oakland Literacy Council tutor, Sue Iles.

**"I came here, and I had no friend in America," Daewoon says. "I talk about my problems with Sue and share my ideas. She's now a very good friend."**

In keeping with the Council's mission to meet students where they are at, Sue has helped Daewoon learn the language of day-to-day American life such as home, yard, and car maintenance as well as the language of his new business venture such as the terms in the lease agreement with his landlord.

**"The skill I am most proud of giving Daewoon is confidence," says Sue. "Confidence to talk on the phone, to look at Americans and make small talk, to communicate with bankers and landlords and building inspectors. He was already brave enough to emigrate with his wife and adult children and smart enough to use the web to learn how to fix anything and to start a new business with all the COVID-19 restrictions."**



OLC graduate Daewoon Choi prepares sushi at his restaurant, Sushi Yeoubi. The restaurant is located in Lake Orion. ([www.sushiyeoubi.com](http://www.sushiyeoubi.com); 947.886.2190)

### In This Issue

**Digital Walk-in Help - 2**

**Donor Spotlight - 3**

**Graduates Honored - 4**

# Student is seeking to 'come out of the pandemic with more'

Since the pandemic began, we have all experienced some type of loss.

But instead of loss, Rachester Motley set her sights on what she might gain.

Rachester remembers praying, "Lord, I want to come out of this pandemic with more. Let me come out with something new from this."

A year later, that "something more" is coming to fruition in Rachester's life. She's enrolled as an Oakland Literacy Council basic education student and is making great strides in her reading ability.

At 66 years old, this step marks a big change. "I used to have the attitude that I was too old," Rachester says. **"But then something came over me and said, 'you're never too old to learn, you can do it' ... I wanted to become more independent at my age."**

Following that realization, Rachester was introduced to Oakland Literacy Council by community partner Neighborhood House. Then it was time to tackle the first hurdle — learning to use a computer so tutoring could take place virtually. Oakland Literacy Council provided Rachester with a computer and instruction to help her master the basics of using Zoom and the appropriate educational software.



*Rachester and her tutor use the Barton curriculum for adults with possible learning disabilities. Rachester also enjoys reading biographies in their sessions. "I love that reading lets me hear other people's stories and learn about them."*

From there, Rachester began meeting virtually with her tutor, Jill Cook, twice a week.

Rachester's goals include using email more often and learning how to securely pay bills and shop online. Rachester speaks most passionately about the personal growth she's experiencing thanks to her newfound skills.

"I have more confidence in myself," she says.

**"This is making me stronger, making me believe in myself. It's a wonderful feeling."**



*OLC student Diana learns to download attachments from her tutor at a drop-in session. Now she can complete her weekly homework assignments.*

## Your donation dollars power up new drop-in digital literacy help sessions

Sending an E-mail. Surfing the web. Getting on Zoom. For many of us, these are common day-to-day activities. They are activities that have become essential for navigating life, including meeting with an OLC tutor.

For students who have never used a computer, it can be challenging to learn basic computer functions. **So this fall, OLC began hosting drop-in computer help sessions every Tuesday from 4:00 - 6:00 pm.** OLC digital literacy coordinator Patti Shayne explains, "Our first goal is to give them a jumpstart so they can begin meeting with their tutors and begin building literacy skills."

The drop-in sessions give students one-on-one time with staff to master basic computer functions and learn to use the educational software. They also have the chance to keep building digital skills for home and work.

# Board president stepping down after 25 years of service for adult learners

Donor



Spotlight

**"We wouldn't be here if it wasn't for Judy Lindstrom."**

That's how OLC founder Robert Gaylor sums up Judy Lindstrom's amazing leadership and contribution to Oakland Literacy Council.

Motivated by a love for reading and helping others, Judy Lindstrom began tutoring adults in 1997 with Oakland Literacy Council. In January 2005, when OLC became an independent organization, Judy became board president.

In January 2022, Judy will step down after 18 years as president and a quarter of a century of advocacy and financial support for adult literacy.

Through her selfless efforts, Judy has enabled thousands of Oakland County citizens to thrive in our community. She has channeled her welcoming nature, community network, and passion for literacy to raise vital funds that have both sustained OLC through economic challenges and fueled its growth.

In a letter to the OLC community, Judy shared, "I think I will cherish the little things most of all — the small but mighty accomplishments, the handwritten notes, the smiles, the triumphs, the 'can do spirit,' and the many lifelong friendships I am so lucky to have."

Judy will be honored with a reception in January and the creation of the Judy Lindstrom Educational Fund. To learn more, call OLC at 248.253.1617.



Judy Lindstrom welcomes guests to the Ex Libris preview event in 2020. Judy has chaired a majority of the 32 Ex Libris annual events, which have raised over one million dollars for adult literacy.

## Thank you, Ex Libris 2021 Sponsors



**Masterpiece:** Judy Lindstrom

**Bestseller:**



Rita-Ann Lindstrom



**Classic:**

Eleanor and Bernard Robertson  
Barbara Van Dusen



**Novel:**



Julie and Craig Hoenshied



**Short Story:**



Sarah and William Birkhill, Karen Hagenlocker  
Ann and George Manning  
Ellen and Marc Lipton, Alicia and Khalfani Stephens



**Dedication:**

Joan and Bill Allesee, Greg Barnas, Camille Breen, Mary Jo Byrd, Keith and Janet Collin, Gretchen and Ethan Davidson  
Robert Gaylor, Carol and Jay Herbst, Barbara and Ed Klarman, Boleka and Peter Lindstrom, Lisa and Dan Machesky  
Russell Moore, Teckla Rhoads, Julie and Gary Sikorski, Donna and Isaac Sheppard, Cathy and Joel Topf



Donations gratefully accepted by mail, phone, or online at  
[www.oaklandliteracy.com/donate](http://www.oaklandliteracy.com/donate)

Page 3

# 40 graduates honored at ceremony



## Kirk in the Hills shares its beautiful space to celebrate accomplishments and friendship.

It was an enthusiastic and emotional morning as students, tutors, staff, and board members gathered to honor students who graduated in 2020 and 2021. Graduates included ESL and adult basic education students. They represented nine countries: Brazil, China, Iraq, Japan, Pakistan, South Korea, and the United States.

With the shift to virtual tutoring, several student-tutor pairs met each other in person for the first time at graduation!

Board President Judy Lindstrom recognized how students and tutors persevered through the challenges of the last year. "We've seen you grow in self-confidence and your ability to learn, to set goals for yourself, and to achieve those goals. And many of you have also gained wonderful friends here. And that is part of the magic."

Graduate Akiko agrees. Speaking about her conversation group leader, Kristin, she says, "She is the best tutor for me. And now I think she is my best friend in Michigan."



Students Marisol and Alma (upper left), Sara (above), and Jeongmun (left, with tutor, Phil) proudly display their graduation certificates after the ceremony. Graduates have reached at least the 9th grade level in Reading or Listening.



**A record 105 students made educational gains in Reading, Listening, and Math in the 2020-2021 program year! Congrats, students and tutors!**

## View the recording:



[www.oaklandliteracy.com/immigrationMI](http://www.oaklandliteracy.com/immigrationMI)

## Thank You

### Major Corporate and Foundation Supporters

The Ray Beebe and Mary Boland Charitable Fund  
F. Ross Birkhill and Laura Jean Birkhill Family Foundation  
Community Foundation for Southeast Michigan  
Dollar General Literacy Foundation  
Phillip and Elizabeth Filmer Memorial Charitable Trust  
William G. and Myrtle E. Hess Charitable Trust  
Howard & Howard Community Reinvestment Fund  
Kirk in the Hills  
Leinweber Foundation  
Leon & Lulu  
Mercedes Benz Financial Services USA LLC  
Michigan Schools & Government Credit Union  
United Way for Southeastern Michigan  
The Village Club Foundation  
Lula Wilson Trust

### With Special Recognition

Sue and Ken Abbey Rita-Ann Lindstrom

**SAVE  
THE  
DATE**

**Experience  
Bookstock.**  
USED BOOK AND MEDIA SALE  
SUPPORTING THE NEED TO READ

**Book Sale  
May 15 - 22, 2022  
Laurel Park Place**

Stay tuned for  
future announcements  
about volunteer  
opportunities!

OAKLAND  
**LITERACY**  
COUNCIL

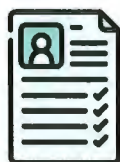


43700 Woodward Avenue, Suite 20  
Bloomfield Hills, MI 48302  
248-253-1617  
[www.oaklandliteracy.com](http://www.oaklandliteracy.com)  
[info@oaklandliteracy.com](mailto:info@oaklandliteracy.com)

**175,000**

adults in Oakland County function at the  
LOWEST LEVELS of LITERACY and NUMERACY

They may struggle to:



fill out a  
job application



read e-mails from  
their child's teacher



understand a  
medicine label



count change or  
balance a checkbook

**1/3 of American workers do not have basic digital skills.\***

Low-income individuals are most likely to lack devices,  
high-speed Internet, and the skills to navigate technology.

**LOW LITERACY and NUMERACY costs the U.S.**

**\$457  
billion**

U.S. annual lost revenue due to  
underemployment and  
unemployment, plus increased  
public spending on health services.

*(Sources: National Council for Adult Learning,  
American Journal of Public Health)*



Children of functionally illiterate adults  
have a 72% chance of winding up  
functionally illiterate themselves,  
perpetuating the cycle of lost opportunity.

*(Source: National Bureau of Economic Health)*

**But less than 10% of adults in need are receiving services.\*\***

Oakland Literacy Council is the only organization  
solely dedicated to ending adult illiteracy in Oakland County,  
serving four groups of low-literate adults.



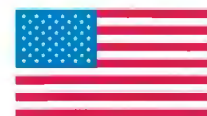
All adults at the  
lowest levels of  
reading and math.



Those seeking a  
high school  
equivalency credential



Those seeking to  
improve their  
job prospects



Those seeking  
citizenship

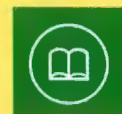
**We believe literacy is a right, not a privilege, that all are entitled to.**

The **MISSION** of Oakland Literacy Council since 1984 is to empower adults with literacy skills to thrive in today's dynamic and digital world, fostering *confidence, independence, and opportunity*.

We serve **ADULT LEARNERS** who live, work, or go to school in Oakland County and have reading, writing, English speaking, or math skills below the 9th grade level or lack basic digital skills.

Our **INDIVIDUALIZED PROGRAM** meets the unique needs of each learner with one-on-one instruction from highly-trained tutors, online self-study, and group learning to accelerate progress and create personal connections.

Through **COMMUNITY PARTNERSHIPS**, we create pathways for students to job training, employment, and GED programs.



**Reading**



**Writing**



**Speaking**



**Math**



**Digital Skills**

With your support, the Council will deliver 18,000 hours of instruction to 200+ adult learners in 2021.



One-on-one  
tutoring



No cost to  
students



Flexible  
scheduling



Laptops and  
hotstops available



Customized  
curriculum



Citizenship  
preparation

**YOU can end adult illiteracy in Oakland County!**  
Act now to bring literacy and numeracy to every adult by:



Making a  
donation



Becoming a volunteer tutor  
and/or promoting tutoring to  
your friends and coworkers



Offering literacy  
instruction in your  
workplace

Call 248.253.1617 or e-mail [info@oaklandliteracy.com](mailto:info@oaklandliteracy.com) to learn more about how you can help.

[www.oaklandliteracy.com/donate](http://www.oaklandliteracy.com/donate)

# A DISCUSSION

City of Pontiac  
Forensic Audit Bids Overview - February 2022

Name & Location	Fees	Company Information	Forensic Audit Experience in Govt./ Public Sector	Audit on site?	Projected Time line
Citrin Cooperman Advisors LLC Philadelphia, PA	Fees \$275,000 (May change depending upon the scope of the audit)	19 offices - Licensed to practice in Michigan -Team members are CPAs, CFAs and Certified in Financial Forensics.	Yes, including Bronx New York	Not given	10 to 16 weeks
Alan C Young & Associates, Detroit, MI.	TBD Based on hours and project scope Hourly rate Partner = \$160, Manager = \$120 Senior Auditor = \$115.	Detroit based. 1 location, 35 staff members. Licensed to operate in the State of Michigan.	No	As needed	6 months
Public Advisory Group, Ketchum, Idaho	Manager 140 Hrs. = \$77.78, Investigator (360 hrs.) = \$64.89 Assistant (140 hrs.) = \$42.56. Estimated Fees \$40,208 (\$10,889.20+\$23,360.40+ \$40,208)	Idaho based. 3 member will be assigned for this engagement. No CPAs or CFAs in staff. No forensic audit experience	No	As needed	6 months
Marsh Minick PC., Portland, OR	Fees \$70,000 - \$75,0000 + supplies and travel - (Partner = \$280 /Hour, Assistant = \$75 /Hour)	Portland, Oregon based. Practice solely Forensic Audit. Small firm; 2 partners with 1 staff member. Partners are CFEs, Financial Crime Investigators, Certified Anti-Money Laundering Specialist	Yes - Extensive forensic audit experience in City, County, State and Federal Government entities	As needed	4 to 5 months
Grassi & Co. CPAs, New Jersey	- Hourly rate Partner = \$500-\$600, Principals = \$400-\$475, Managers = \$300-\$375, Senior Staff = \$250, & Junior staff \$90-\$225. For Phase 1 (1 month) \$25,000.	7 offices - 400 staff members -Team members are CPAs, CFAs and Certified in Financial Forensics.	Yes, including Oakland County, MI	Not given	6 months
BKD CPAs & Advisors, Kansas City, Missouri	Fees \$35,000 to \$40,000 - Outside of scope hourly rate Partner = \$425-\$505, Director = \$275-\$400, Other staff = \$125-300. For onsite visit travel cost will be added.	1 office - Team members are CPAs, CFAs and Certified in Financial Forensics.	Yes, including Sedgewick County, Kansas	Remote	Not given
Clifton Larson Allen LLP, Greenbelt, MD	Fees \$102,900 to \$186,270 + 50% of travel cost - Hourly rate Principal = \$300-\$520, Director = \$200-\$325, Senior Associate = \$150-225, Associate = \$125-175 & Administrative = \$100-125	1 office - Team members are CPAs, CFEs	Yes, including Mississippi Department of Human Services	As needed	Not given
Anchin, Block & Anchin LLP, New York	Fee estimate of \$90,000 - \$130,000 - Hourly rate Principal = \$428, Director = \$378, Manager = \$242, Supervisor \$189 & Staff \$140	1 office - 375 staff members -Team members are CPAs, CFAs and Certified in Financial Forensics.	Yes, including Montgomery County, MD	Not given	6 months
Berry Dunn McNeil & Parker, LLC, Portland, Maine	Fee Estimate of \$74,975 Principal = 15 Hrsx\$365 = \$5,475 + Manager 110 Hrsx\$250 = \$27,500 + Senior Analyst 100 Hrsx\$220 = \$22,000 + Analyst 110 Hrsx\$130 = \$14,300 + Subject Matter Expert 20 Hrsx\$285 = \$5,700.	1 office - 700 staff members -Team members are CPAs, and CFEs	Yes, including Denver, CO	Includes 1 week of onsite interviews and testing	6 months



# **Advisors with Deep Forensic Insight & Experience**

**City of Pontiac, Michigan**

**BKD**  
CPAs & Advisors



February 4, 2022

Mr. Darin Carrington  
Finance Director  
City of Pontiac  
47450 Woodward Avenue  
Pontiac, MI 48342

Dear Mr. Carrington:

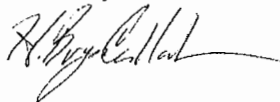
To support the goodwill of your citizenry, business owners and other stakeholders, it is vital for the City of Pontiac, Michigan (the City) to demonstrate a commitment to transparency. Doing so can show a dedication to ethical operations and continuing improvement. Engaging a qualified firm with advisors deeply familiar with this nuanced work, the City can assess the soundness of your financial transactions, and that's where BKD CPAs & Advisors comes in. With our Forensics & Valuation Services division, we can conduct an efficient engagement focused on your key areas of concern and communicate important findings in the interim. Furthermore, we can deliver our findings with clear, actionable insight, so you can move forward with confidence.

Providing personal attention and frequent communication to our clients is what drives us—and delivering value beyond the basic service approach is among our top priorities. In addition to the benefits described throughout our proposal, BKD offers the following:

- ▶ An engagement team able to provide guidance when suspected fraud is discovered and coordinate efforts with relevant components of the City
- ▶ An engagement team that includes a professional with prior experience as an elected official
- ▶ A national understanding of pressures governmental entities experience gained from our work performing audit, tax and consulting engagements across the country

We believe our proposal will help you select our firm for efficient and objective services delivered by skilled professionals. We will call you soon to answer questions you may have about this proposal, or you may reach us using the information provided below.

Sincerely,



H. Bryan Callahan, CPA, CFE, CFF, CVA  
Partner  
317.383.4000  
bcallahan@bkd.com



Julia Mast, CPA/ABV, CFE, CFF  
Director  
816.221.6300  
jmast@bkd.com

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## Executive Summary

INFORMATION CONTAINED IN BKD'S RFP RESPONSE, WHICH IT ASSERTS AS CONFIDENTIAL, IS EITHER BUSINESS AND/OR PROPRIETARY TRADE SECRET INFORMATION NOT SUBJECT TO DISCLOSURE AS SET FORTH IN THE STATE OF MICHIGAN FREEDOM OF INFORMATION ACT. SUCH CONFIDENTIAL INFORMATION HAS INDEPENDENT ECONOMIC VALUE TO BKD, IS NOT REASONABLY ASCERTAINABLE BY THIRD PARTIES AND IS THE SUBJECT OF REASONABLE EFFORTS BY BKD TO MAINTAIN ITS SECRECY AND/OR CONFIDENTIALITY. SUCH INFORMATION IN THIS PROPOSAL SHALL BE DESIGNATED WITH AN ASTERISK (\*).

### A Summary of the Benefits of Working with BKD

Public sector entities face an unwavering stream of scrutiny from taxpayers, regulators, governing agencies, and the public at large. Fraudulent activity can devastate a municipality's reputation and carry severe financial repercussions. From financial statement fraud, corruption and complex schemes to skimming and deliberate accounting manipulation, there's no shortage of risks that may threaten the City of Pontiac, Michigan (the City) and its related public entities. But you can't always detect and address those risks on your own.

Working with experienced forensic accounting professionals can help you identify fraudulent activity and assist with any resulting investigations that may be required. With capabilities that include uncovering fraud or abuse, funds tracing, analyzing data for peculiar patterns, and much more, BKD CPAs & Advisors (BKD) has the specialized knowledge and resources to help.

You can expect the following from working with BKD's Forensics & Valuation Services (FVS) division:

- ▶ **The expertise of an established, reputable firm** with experience performing forensic accounting procedures for hundreds of clients a year. BKD's reputation is solid, as demonstrated by our inclusion in the **INSIDE Public Accounting** Best of the Best Firms list for the last 11 years.
- ▶ **An objective and professional approach to your fraud investigation.** In addition to their years of experience, BKD FVS professionals have earned degrees and a number of certifications related to accounting, fraud and forensic investigations, data analytics, and other related services.
- ▶ **An understanding of the complexity and delicate nature of serving local government.** BKD professionals are committed to serving the public sector. Your project manager, Julia Mast, served her community for seven years as city treasurer and two years as an elected city council member, giving her a unique perspective on what the City is going through.

## CONFIDENCE

At BKD, we understand the importance of maintaining the confidentiality of our clients' information. We have implemented a robust system of controls to ensure that all information is protected and secure. Our professionals are trained to handle sensitive information with the highest level of discretion and integrity.

### Cherie Sanchez

Accounting Manager  
FVS Division

- ▶ **A combination of cutting-edge technology and traditional investigative methods.** By combining tactics, such as artificial intelligence, data analytics, digital forensics, document analysis, and interviewing key parties, BKD can identify suspicious activity that might otherwise go unnoticed.
- ▶ **The litigation support you need, should any acts of fraud be identified.** BKD advisors have assisted with complex litigation cases for many public sector clients, including several municipalities and the United States Department of Justice and FBI. Several of our FVS advisors serve as expert witnesses in criminal cases.

## Solutions for the City

The City has requested information and a fee quote for a Forensic Accounting Analysis. Please see the Service Description section for a detailed explanation of our consulting service approach.

## Why Choose BKD

### An Efficient Investigative Approach

We can help the City resolve issues regarding controversies and previously unanswered questions in a timely and cost-effective manner. By prioritizing issues, we identify which areas need our immediate attention. Our communication of interim findings throughout the investigation is designed to support prioritization of important decisions you must make.

### A Single-Source Forensic Accounting Solution

Forensic accounting issues and investigations often require expertise in highly specialized areas, such as quantifying losses or locating digital evidence. BKD's FVS division is comprised of dedicated professionals with the necessary experience to help the City from the beginning to the end of an investigation.

We can:

- ▶ Provide advice at the initial discovery of suspected fraud
- ▶ Image and analyze computers to help find and preserve evidence
- ▶ Analyze large amounts of electronic data, if necessary
- ▶ Perform an on-site investigation of records
- ▶ Conduct interviews of key personnel
- ▶ Quantify losses or damages, if any
- ▶ Present findings and answer questions
- ▶ Assist attorneys or law enforcement
- ▶ Help the City with any fidelity bond/insurance claims
- ▶ Provide expert witness testimony

## EXPERTISE

"BKD, LLP demonstrated excellent customer service in meeting our needs. Their technical knowledge was excellent and extremely valuable to our organization. I highly recommend them to any governmental entity."

Clint Mercer  
Chief Accountant  
City of Norman, Oklahoma

## Use of Cutting-Edge Technology

We routinely use cutting-edge big data and analytics techniques during our investigations to analyze large data sets and search for certain transactions or patterns indicative of fraud or irregularities, including suspected accounts payable or payroll fraud schemes. BKD's FVS division has ACL Certified Data Analyst and Certified IDEA Data Analyst on staff, along with other data scientists, who regularly provide data analytics services to our clients throughout the United States.

Our state-of-the-art digital forensics lab also stands ready to assist in investigations. Analysis of emails, electronic files and websites visited is a critical component of an investigation. Using digital forensics to analyze email traffic and recover deleted files often helps guide our investigations, making them more efficient. Our lab also has the ability to examine certain smartphones for information such as text message and internet history, which has proved crucial in some of the cases we have investigated.

## Delivering Value

Monitoring expenditures and receiving exceptional value for your investments is important, but informed consumers understand value is about more than just price. Value from a professional CPA and advisory firm is about the quality of the work and the merit of the advice. Expect BKD's work to be accurate and insightful. We stand behind it.



As evidenced by our inclusion in the **INSIDE Public Accounting Best of the Best Firms** list for the last 11 years, we also offer long-term consistency, exceptional performance and a national network of support and resources. BKD is large enough to help the City address a variety of financial issues. At the same time, we pride ourselves on hard work and low overhead, which keep our fees competitive. With our reputation, size, service and experience, you can consider us a good value.



## Thought Leadership

BKD advisors are serious about reinforcing their positions as thought leaders in the industries they serve. To help keep you informed about emerging issues in your industry, as well as changes in regulations and accounting and tax methods, we provide **BKD Thoughtware®** webinars, seminars, tailored training sessions, podcasts and articles. Many of these are eligible for continuing professional education (CPE) credit. Topics include:

- ▶ Leveraging Analytical Models for the Prevention of Money Laundering
- ▶ 2021 Cybersecurity Threats & Predictions
- ▶ Using Data Analytics to Reduce Vendor Fraud Risk
- ▶ Identifying & Mitigating Fraud: Risks in a Remote Working Environment

We encourage you to view these and a wide array of other resources available on **bkd.com**.

## Unmatched Client Service

You want trusted advisors who will deliver exceptional client service, focus on your needs and take the time to address your unique challenges. BKD understands. We take our commitment so seriously, we penned five standards of Unmatched Client Service and supporting guidelines in **The BKD Experience: Unmatched Client Service**, a book that articulates the firm's philosophy and sets expectations for serving clients. Those five standards are Integrity First, True Expertise, Professional Demeanor, Responsive Reliability and Principled Innovation.



The most critical factor in providing high-quality service is choosing your engagement team. We take team selection seriously and have the appropriate team of advisors to meet your needs.

## Engagement Team Experience

### Project Lead



Julia Mast, CPA/ABV, CFE, CFF  
Director

Julia is a member of BKD's Forensics & Valuation Services division and focuses on forensic accounting, fraud investigation, business valuation for litigation and complex litigation support services. She has more than 20 years of public accounting experience, including a background in audit and tax services.

She has extensive experience in forensic services and litigation support, including complex risk assessments, public corruption investigations, business interruption, lost profit calculations, misappropriation of assets and fraudulent financial reporting in a variety of industries, including health care, financial institutions, agriculture, manufacturing, transportation, real estate, government and nonprofit. She performs valuations for shareholder disputes, transactions, litigation, restructuring, marital dissolutions and income tax-related purposes.

Julia has testified as an expert witness in cases involving shareholder disputes, fraudulent transfers, fraud, business damages and breach of fiduciary duty, including a million-dollar embezzlement. She has assisted in a multimillion-dollar public corruption case and testified before the U.S. Securities and Exchange Commission and Department of Justice relating to her assistance on a Foreign Corrupt Practices Act (FCPA)/Anti-Bribery & Corruption investigation.

She is a CPA and a Certified Fraud Examiner (CFE). Julia also holds the Accredited in Business Valuation (ABV) and Certified in Financial Forensics (CFF) credentials awarded by the American Institute of CPAs. She participates in more than 60 hours of continuing professional education each year and has attended numerous business valuation, litigation service, damage and fraud courses offered by the American Institute of CPAs (AICPA) and Association of Certified Fraud Examiners (ACFE). She frequently lectures at regional conferences and other business group meetings.

After seven years serving as city treasurer for Pleasant Valley, Missouri, Julia was elected to the City Council from 2008 to 2010. She remains active in her local community, serves as a PTA treasurer, is a member of the Young Leaders Society of the United Way of Greater Kansas City, and sits on the triathlon committee for WIN for KC.

She is a 1999 graduate of Truman State University, Kirksville, Missouri, with a B.S. degree in accounting.

## Project Team Member



**Schyler J. Thompson, CPA, CFE**  
Senior Consultant

Schyler is a member of BKD's Forensics & Valuation Services (FVS) division. She focuses on fraud investigations, forensic accounting, litigation support and business valuation services. She provides consulting services to clients in a wide range of industries.

Prior to joining BKD in FVS, she worked as a senior auditor for a government agency, where she assisted and led performance audits.

Schyler is a CPA and a Certified Fraud Examiner (CFE). She participates in continuing education each year and has attended numerous courses on fraud offered by the Association of Certified Fraud Examiners (ACFE).

She is a 2016 graduate of Missouri State University, Springfield, with a B.S. degree in accounting and a minor in legal studies in business, and a 2018 graduate of Southern Illinois University Edwardsville, with an M.S. degree in accounting with a specialization in taxation.

## Additional Resources



**H. Bryan Callahan, CPA, CFE, CFF, CVA**  
Partner

Bryan is a member of BKD's Forensics & Valuation Services (FVS) division. He focuses on providing litigation consulting, fraud investigation and forensic accounting services and has extensive experience in litigation support and forensic services, including calculations of breach of contract damages, lost business value, intellectual property claims, securities litigation, shareholder disputes, post-acquisition disputes, construction claims, lost future earnings, misappropriation of assets, fidelity bond claims and fraudulent financial reporting.

He has performed litigation and investigation services for companies in a variety of industries, including multiple Fortune 500 companies. He has testified as an expert witness both in court and through depositions. Bryan also has served as a neutral party in numerous post-acquisition, business valuation and business interruption disputes.

Bryan has experience with data analysis software for forensic data mining and continuous auditing. He also works with counsel on e-discovery and computer forensic engagements using a wide array of forensic imaging and analysis tools.

Prior to joining BKD, he worked in corporate forecasting, planning and analysis for a \$370 million private equity-owned biotechnology company, where he led the companywide annual operating plan, forecasting and reporting processes. He also was responsible for external and board financial materials, decision support and competitive analysis. Before that, he worked as an auditor at an international accounting firm.

In addition to being a CPA, Bryan holds the Certified in Financial Forensics (CFF) certification from the American Institute of CPAs (AICPA) and is a Certified Valuation Analyst (CVA) and Certified Fraud Examiner (CFE). He participates in more than 60 hours of continuing education each year and has attended numerous valuation, litigation services, damages and fraud courses offered by AICPA and Association of Certified Fraud Examiners.

Bryan is a *summa cum laude* graduate of Valparaiso University, Indiana, with a B.S. degree in accounting and management.



**Shauna C. Woody-Coussens, CFE**  
Managing Director

Shauna has more than 25 years of experience performing forensics accounting, dispute analysis and consulting services in the fraud, abuse, complex commercial litigation, class action, merger, acquisition and valuation areas. She has worked in a variety of industries.

Her dispute analysis experience includes litigation consulting, trial, deposition and arbitration expert testimony and pre-litigation financial analysis. She has experience with issues in various litigation types, including proper computation of damages, lost profit calculations, financial compliance with contracts, director and officer liability claims, franchise and exclusive distributor agreement claims, piercing the corporate veil and class action matters. She has consulted and testified in multi-party actions requiring data coordination and the construction of complex databases and financial models.

Shauna's forensic investigative experience includes fraud investigations for internally identified company matters in response to inquiries by third parties and regulatory bodies as well as litigation in various industries. Services include funds tracing as well as forensics accounting and financial analysis. In addition, Shauna assists her clients in developing internal control and governance structures for compliance and risk management purposes.

She has experience with Foreign Corrupt Practices Act (FCPA)/Anti-Bribery & Corruption investigations and is BKD's subject matter advisor on those topics. Representative engagements include assisting U.S. companies in conducting due diligence on foreign vendors and participating in multiyear internal investigations of FCPA violations. Shauna has testified before the SEC and Department of Justice.

Shauna also has experience valuing business enterprises and intangible assets for litigation, advisory, financial reporting and tax compliance purposes. In addition, she has advised and assisted in a range of transactions, including due diligence reviews for mergers, acquisitions and private debt and equity financing.

Before joining BKD, Shauna worked for the Federal Reserve System as a bank/bank holding company examiner, where she examined bank fraud and financially distressed institutions. Shauna is a Certified Forensic Examiner (CFE) and member of the Association of Certified Fraud Examiners and Kansas City Metropolitan Bar Association. She also is treasurer for Legal Aid of Western Missouri. Shauna is a regular speaker for the Government Finance Officers Association on the topics of fraud prevention and detection.

Shauna is a 1986 graduate of University of Missouri, Columbia, with a B.S.B.A. degree in finance and banking, and a 1998 graduate of The University of Kansas, Lawrence, with an M.B.A. degree.

## Specialized Skills & Expertise

In addition to your proposed engagement team, BKD's FVS division can offer a variety of forensics and valuation resources, including professionals with one or more of the following accreditations and/or certifications:

- ▶ Accredited in Business Valuation (ABV)
- ▶ ACL Certified Data Analyst (ACDA)
- ▶ Accredited Senior Appraiser (ASA)
- ▶ Certified Fraud Examiner (CFE)
- ▶ Certified in Financial Forensics (CFF)
- ▶ Certified Internal Auditor (CIA)
- ▶ Certified Public Accountant (CPA)

## Your Investment

BKD knows our clients do not like fee surprises. Neither do we. Our goal is to be candid and timely, and we want to answer your questions about fees upfront. We determine our fees by evaluating a number of variables: the complexity of the work, the project's scope, the time we will spend and the level of professional staff needed.

## Proposed Fees

Your Request for Proposal stated a time frame for the forensic audit of over seven years. Our proposed fees are based on that scope period. Reducing the scope period would decrease our proposed fees.

### City of Pontiac, Michigan

For the Scope Period	June 30, 2014 through January 4, 2022
Forensic Accounting Analysis	\$35,000 – \$40,000

Fees above are based on a remote engagement. If there is travel time and travel expenses, fees will be adjusted to address those expenses. Our fees may increase if our duties or responsibilities change because of new rules, regulations and accounting or auditing standards. We will consult with you should this happen.

## Hourly Rates

Any work outside the scope of this engagement will be priced according to our hourly rates.

Staff Levels	Hourly Rates
Partner, Managing Director	\$425–\$505
Director, Senior Managing Consultant	\$275–\$400
Managing Consultant, Senior Consultant II, Senior Consultant, Consultant	\$125–\$300

## Proven Client Experience

### References

Our clients are our best ambassadors, and we encourage you to contact them about their satisfaction with our services. The following clients have consented to discussing BKD's services and service delivery with you at your convenience.

#### Sedgwick County, Kansas

Ms. Lindsay Poe Rousseau  
Chief Financial Officer  
316.660.7141  
525 N. Main  
Suite 823  
Wichita, KS 67203  
[lindsay.poerousseau@sedgwick.gov](mailto:lindsay.poerousseau@sedgwick.gov)

#### Jackson County, Missouri COMBAT

Mr. Vince Ortega  
Executive Director  
816.881.3886  
415 E. 12th Street  
9th Floor  
Kansas City, MO 64106  
Phone: 816.881.1400  
[vortega@jacksongov.org](mailto:vortega@jacksongov.org)

### Success Stories

- ▶ HUD Regulatory Dispute – We provided litigation support services to a national law firm for a dispute involving HUD regulatory agreements, screening thousands of transactions covering a five-year period. We drafted a report for this law firm that was used in legal proceedings to help resolve the disputed issues. We met the client's fee expectations and deadlines.
- ▶ We were asked to employ procedures to address allegations of embezzlement and the improper use of restricted governmental funds. While we did not find embezzlement, we confirmed this organization had used restricted funds to cover general operating costs. Our report answered many key questions for the government's investigators, allowing the organization to quickly develop a corrective plan and to ultimately survive. We met this organization's completion deadlines and fee expectations.

## DIRECTION

WEDNESDAY, JANUARY 12, 2011  
10:00 AM - 11:00 AM  
CITY OF WICHITA  
CITY COUNCIL  
CITY CLERK: MELINDA JONES  
CITY CLERK: MELINDA JONES

Melinda Jones  
City Clerk  
City of Wichita, Kansas

- ▶ A city discovered a potential embezzlement scheme and turned to BKD to help assess the allegations. BKD quickly met with the city and began work immediately after the initial discovery. BKD's investigation included a significant amount of electronic data analysis, which helped uncover an embezzlement scheme exceeding \$1 million. The person involved in this scheme later pleaded guilty. In addition, the city asked BKD to assess cash handling procedures in other city departments. We identified weaknesses in departmental cash handling processes, including finance, buildings and permits, landfill, municipal court and other areas. Our report was provided to management, which was used to begin making changes to help reduce the risk of future fraud.
- ▶ Misuse of Bond Proceeds in City Government – A city requested our forensic accounting services to address allegations related to their bond issues. Comments surfaced alleging the city had used restricted bond proceeds to meet payroll obligations when it was experiencing shortfalls in its general operating fund revenues. We traced the bond proceeds through the city's bank accounts, quantifying the funds that were not used for their designated purpose. Our report became a public document and was posted in various online media outlets. We also supported the city's new management team and the city's legal counsel on various issues after our report was released. We met the city's completion deadlines and fee expectations.
- ▶ Housing and Economic Development Financial Corporation (HEDC) Investigation – BKD played a key role in the overall investigation and accounting management of HEDC in a large Midwestern city on behalf of the court-appointed receiver. BKD reviewed real estate transactions, searched for potentially fraudulent transactions, looked at the actions of management and reviewed the usage of HUD funds. We also helped implement new financial controls. BKD currently provides a BKD professional to serve as an outsourced chief financial officer/controller for the agency.

## Service Description

### Forensic Accounting Analysis

BKD understands your goals with a forensic audit are to identify irregularities, misappropriation, mismanagement, possible conflicts of interest, as well as to receive recommendations to reduce the risk of future fiscal mismanagement. We believe providing both forward and backward looking services together not only gives you better insight but can help you more efficiently meet your goals. You've identified the time period covered (scope period) to be June 30, 2014 through January 4, 2022.

Our approach always begins with a detailed planning phase that includes discussions with City leadership to understand details of existing concerns or current or past issues experienced. We want to understand where the City believes risks may be prevalent and better understand your expectations on the scope of services. Our customized approach includes performing the following categories of procedures:

Detailed below is an outline of our work plan for forensic accounting services. We are able to work with the City to modify the proposed procedures below to better meet the needs of the City.

### Proposed Scope of Work

The scope of procedures (scope), as outlined below, shall be limited to the period of June 30, 2014 through January 4, 2022.

- ▶ Hold an initial meeting with stakeholders of the City. In addition to introductions, we will:
  - Discuss specific concerns
  - Discuss internal documentation collected and available
  - Discuss overview of BKD's plan, to further understand general concerns and goals of the project
- ▶ Obtain and analyze the City's written policies or procedures that govern the budgeting, procurement, accounts payable, credit card (if applicable) and payroll procedures.
- ▶ Where needed, interview key individuals to further understand how processes are performed. Begin to identify gaps in the processes that could lead to heightened risk.
- ▶ Obtain and analyze the City's initial approved budget, any amended budgets and budget to actual reports for the scope period, preferably in electronic form.
  - By line items, analyze for significant changes in expenditure budget amount or expense line items that exceeded the budget by more than 5 percent
  - Make a selection from the line items identified and request documentation supporting the expansion of the budget or budget overage
  - Analyze the supporting documentation provided for compliance with the City's policies, including, but not limited to, the business purpose, proper authorization, vendor approval, etc.

- ▶ Obtain an electronic copy of the City's general ledgers used during the scope period.
  - Analyze journal entries made to high-risk accounts, such as cash, consulting, maintenance, etc.
  - If journal entries are identified (approximately 4 to 8 per year), request supporting documentation for journal entries that appear unusual with regards to:
    - ◆ Timing
    - ◆ Amount
    - ◆ Dollar amount
    - ◆ Vendor
    - ◆ Journal entry reason
  - Analyze the supporting documentation provided for compliance with the City's policies, including, but not limited to, the business purpose, proper authorization, vendor approval, etc.
- ▶ Obtain and analyze bank statements and reconciliations for the scope period and,
  - Identify adjustments made within the general ledger or bank reconciliation (if any) made to reconcile the bank statement
  - Make a selection of manual checks or payments that appear unusual (approximately 8 to 12 per year) with regards to:
    - ◆ Timing
    - ◆ Amount
    - ◆ Dollar amount
    - ◆ Payee
    - ◆ Signatures
  - Analyze the supporting documentation provided for compliance with the City's policies, including, but not limited to, the business purpose, proper authorization, vendor approval, etc.
- ▶ Obtain credit card statements, if any, (electronic reports preferable) for the scope period and:
  - Identify unusual credit card transactions made based on vendor, amount or timing (approximately 8 to 12 per year)
  - Request supporting documentation for unusual activity to assess whether the credit card purchases were made in accordance with established policies and/or appear to have a legitimate business purpose
- ▶ Provide the City's management with a written report, which will include, but not necessarily be limited to:
  - Results of our procedures, including documentation of findings in exhibits
  - Areas of risk identified during procedures
  - Best practices to address the risks
  - Recommendations to improve internal controls

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“ Our Unmatched Client Service standards form the foundation of our culture. Our PRIDE values enable us to continuously deliver on this commitment. ”



**Thomas W. Watson, CPA, FHFMA**  
Chief Executive Officer | **BKD**

# APPENDIX

## BKD Firm Profile

BKD CPAs & Advisors can help individuals and businesses realize their goals. Our dedicated professionals offer solutions for clients in all 50 states and internationally. BKD and its subsidiaries provide a variety of services, combining the insight and ideas of multiple disciplines in a wide range of industries.

### About BKD



#### Unmatched Client Service®

You want industry expertise delivered by someone who speaks your language and understands your issues. Someone who can help you solve problems with a formula that's equal parts integrity, innovation, excellence and passion. BKD understands. We're so committed to providing Unmatched Client Service that we wrote a book about it—**The BKD Experience: Unmatched Client Service**.



#### International Solutions

BKD is one of the largest North American members of Praxity, AISBL\*, a global alliance of independent firms serving clients in approximately 110 countries. We offer multinational clients a gateway to the global marketplace with services delivered by alliance firms committed to the highest standards required in international business.



#### Professional Affiliations

BKD is a member of the American Institute of CPAs and its three quality centers: Center for Audit Quality, Employee Benefit Plan Audit Quality Center and Governmental Audit Quality Center.

BKD is registered with the Public Company Accounting Oversight Board, which is required to serve as an independent auditor of public companies. BKD audits approximately 70 SEC registrants, including approximately 30 benefit plans.



#### Mission Statement

The mission of BKD is to always strive for excellence in providing services to clients, create rewarding career opportunities and maintain sound professional, business and financial standards.



#### Quick Facts

- Clients: Individuals and private and publicly traded businesses in the health care, manufacturing, distribution, financial services, construction and real estate industries, as well as nonprofit and governmental entities
- Total Personnel: Approximately 2,850
- Partners & Principals: Approximately 300
- Net Revenues: \$695 million
- Fiscal Year-End: May 31
- Founded: 1923
- Locations: 40 offices serving clients in all 50 states and internationally

\*Praxity, AISBL is a global alliance of independent firms. Organised as an international not-for-profit entity under Belgium law, Praxity has its executive office in Epsom. Praxity – Global Alliance Limited is a not-for-profit company registered in England and Wales, limited by guarantee, and has its registered office in England. As an Alliance, Praxity does not practice the profession of public accountancy or provide audit, tax, consulting or other professional services of any type to third parties. The Alliance does not constitute a joint venture, partnership or network between participating firms. Because the Alliance firms are independent, Praxity does not guarantee the services or the quality of services provided by participating firms.

### BKD Services

- |                                |                                    |                                    |
|--------------------------------|------------------------------------|------------------------------------|
| • Audit & Assurance            | • Employee Benefit Plans           | • State, Local & International Tax |
| • Tax                          | • Forensics & Valuation Consulting | • Wealth Management                |
| • Business Succession Planning | • Information Technology           | • And More                         |
|                                | • Risk Management                  |                                    |

## Facing Risk with Confidence

When choosing an audit, tax or other professional services provider, your decision may partly depend on whether a prospective firm has the resources to go beyond your current needs. At BKD CPAs & Advisors, we're committed to consistently expanding and enhancing our services, technology and expertise so we can help our clients with their most pressing concerns, even as those concerns change daily. Beyond our proposed services, BKD's Risk Advisory Services division can help with an extensive range of risk consulting resources, including:

- **Data Analytics Consulting** – From identifying important trends and opportunities for operational improvements to reducing risk and preventing fraud, our experienced data analysts can help you get more value from your data.
- **BKD WhiteHat Services** – This monthly subscription offers access to a suite of cybersecurity services, including cyber awareness training, penetration and social engineering testing, a confidential fraud hotline and other risk management tools.
- **DEFCON CYBER™** – This risk assessment tool delivers a weekly report, which includes a cybersecurity score to help measure risk and cyber preparedness, as well as steps you can take to help address these risks and strengthen security.
- **Construction Audit** – An effective construction audit is designed to function as a cost management tool by helping to prevent overcharges, contract noncompliance, conflicting charges and other issues common to construction projects.
- **Enterprise Risk Management (ERM)** – ERM consulting can help you review existing risk management activities, develop a unified vision to enhance these activities and more effectively integrate risk management into your culture and daily operations.
- **Forensics & Valuation Services (FVS)** – BKD's FVS professionals can help clients with fraud prevention, detection, response and recovery. With services including IntegraReport™, our anonymous fraud reporting hotline, data analyses and assessments to help identify fraud, as well as investigations, litigation support and expert testimony, we have the tools and expertise needed to help clients address fraud concerns from beginning to end.



bkd.com

**PRIDE VALUES**



**WHAT'S IMPORTANT TO YOU?**

The role of trust in business can't be oversold. But a trusted advisor is more than someone you lean on for professional expertise. At BKD, we believe being an advisor who's earned your trust is as much about character as it is know-how. These are the traits we share.



**A PASSION FOR HELPING, LEARNING AND IMPROVING**

Our dedication and enthusiasm for making tomorrow better than today can help you make informed decisions to improve business and financial outcomes.



**RESPECT FOR EACH OTHER AND THOSE WE SERVE**

Our respect for diversity can provide a variety of skills and talents to meet your needs. By respecting the lessons of our legacy and yours, we can help you build on the opportunities that arise from inevitable change.



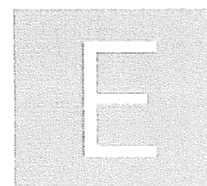
**INTEGRITY TO DO THE RIGHT THING—NO MATTER WHAT**

Our trustworthiness and objectivity can help you make smart business decisions. A trusted advisor tells you what you need to know, not just what you want to hear.



**DISCIPLINE TO GET IT RIGHT THE FIRST TIME**

Our well-established procedures and low-risk approach can help resolve issues and advance your goals. We're dedicated to getting the job done without cutting corners.



**A NO-HOLDS-BARRED STANDARD OF EXCELLENCE**

Our ambition and knowledge, along with our commitment to lifelong learning and improving our technical and analytical skills, will consistently surpass your expectations.

This combination of qualities represents what we strive for every day when helping your organization move forward with confidence.

Everyone needs a trusted advisor.  
Who's yours?

**BKD**  
CPAs & Advisors

[bkd.com](http://bkd.com)



Proposal for:  
Forensic Audit Services  
City of Pontiac, Michigan



17548 NW Springville Rd.  
Suite #F17  
Portland, OR 97229  
(971) 266-1846  
Info@MarshMinick.com  
www.MarshMinick.com

## Cover Letter

January 31, 2022

This Proposal is in response to the Request for Proposals ("RFP") by the City of Pontiac ("City"). This Proposal was prepared by Marsh Minick, P.C. a firm that specializes in forensic auditing ("Marsh Minick").

Scope of Work Summary Marsh Minick understands that the City is needing forensic audit services on the financial transactions from fiscal year ending June 30, 2014 to January 4, 2022 that will include an analysis on the following:

- Forensic audit of the City accounts, funds, and transactions
- Risk assessment and review of the City's financial procedures
- Forensic analysis to include the following records:
  - Purchases, contracts, vendor payments
  - Bank account and credit card transactions
  - Other financials as warranted and identified during the examination

Deliverables for the forensic audit will be a fact-based report of findings, along with recommendations for improvement, and a video recorded verbal delivery of the report.

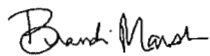
Best and Most Qualified Firm Marsh Minick is a specialized audit firm that solely practices forensic audits, risk and compliance engagements. Our clients are government and publically funded agencies, including cities and other entities that are recipients of public funding.

Marsh Minick's forensic audit team is highly qualified, capable and skilled in this field. The firm's Principal owners personally render services; each have advanced master's degrees in financial forensic, bachelor's degrees in accounting and management, and specialized credentials as fraud examiners and financial crime investigators. Marsh Minick is domiciled in Portland, Oregon and provides nationwide services. We are a certified women owned small business.

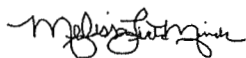
We entrust you will find this proposal informative. Thank you for your time and consideration.

Sincerely,

Marsh Minick, P.C.



Brand Marsh



Melissa Frick Minick



## Firm Profile

Marsh Minick, P.C. specializes in forensic auditing, internal control evaluations, risk and compliance assessments, and financial investigation consulting for governmental and publicly funded agencies.

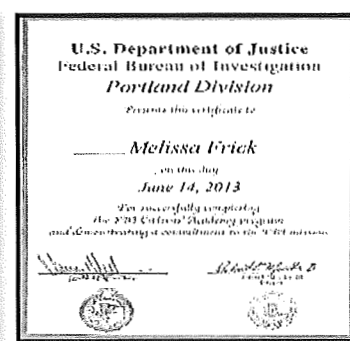
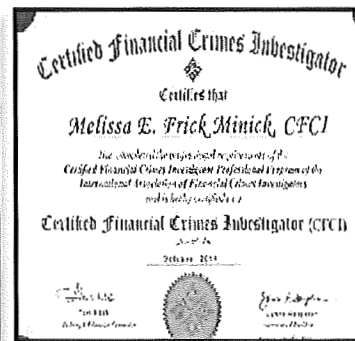
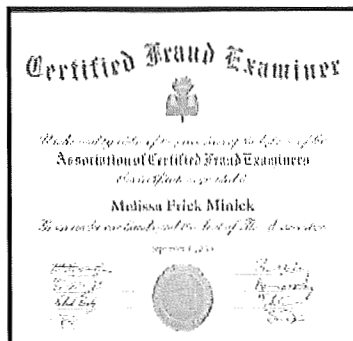
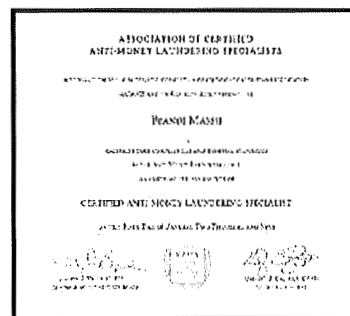
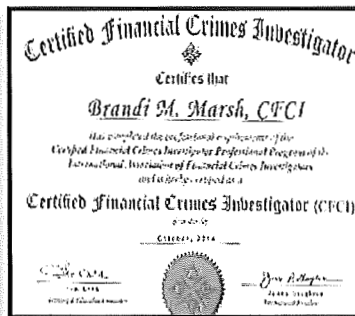
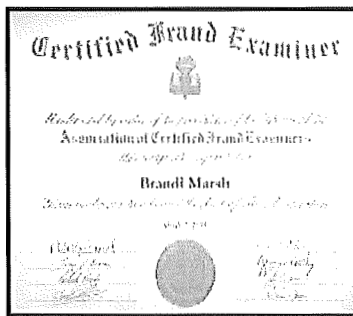
Marsh Minick has one office and is domiciled in Portland, Oregon and provides nationwide services. Work is performed from our office, and at the client's worksite when needed, which will be determined at the onset of the engagement. We are an Oregon registered women business enterprise, emerging small business, and disadvantaged business enterprise (COBID #10212) company; additionally we are certified by the federal government for being a women-owned small business.

### *About Marsh Minick, P.C.*

Forensic auditing services are personally rendered and delivered by the firm's principal owners, Brandi Marsh and Melissa Frick Minick. The auditors were professionally trained in this field together and have been working as a team for 20 years' (since 2003) performing financial forensics. The firm, Marsh Minick, P.C., was formed in 2013 and the practice was established in 2015. Marsh Minick are an effective auditing team because of working so closely in partnership for so long, and are skilled forensic auditors with a track record of completing highly complex forensic audit services.

The principal owners are the sole practitioners at Marsh Minick with the support of one administrative professional. The practitioners have earned the following certifications:

- Association of Certified Fraud Examiners (CFE)
- International Association of Financial Crime Investigators (CFCI)
- Association of Certified Anti-Money Laundering Specialists (CAMS)
- Department of Justice, Federal Bureau of Investigations (FBI) Citizens Academy



The principal owners at Marsh Minick each hold educational Degrees in the following:

**Brandi Marsh, MS, CAMS, CFE, CFCI**

- Bachelor's in Accounting, Eastern Oregon University, La Grande, OR
- Master's in Fraud and Forensics (GPA 4.0), Carlow University, Pittsburgh, PA

**Melissa Frick Minick, MS, CFE, CFCI**

- Bachelor's in Business, Eastern Oregon University, La Grande, OR
- Master's in Fraud and Forensics (GPA 3.97), Carlow University, Pittsburgh, PA

*Copies of degrees and transcripts are available upon request.*

*Conflicts of Interest – Independence Statement*

Marsh Minick is independent firm with no business or personal dealings in the City of Pontiac or with the State of Michigan; therefore, Marsh Minick is free from any conflicts of interest and will maintain independence free from any influence and conflicts aligned with government audit standards.

**Firm Knowledge and Experience**

*Overview of Forensic Audit Service Knowledge and Experience*

Marsh Minick is experienced with conducting forensic auditing, risk and compliance services for government entities and publicly-funded organizations. Marsh Minick has performed forensic audits in the past under high pressure and scrutiny by the public, and which affects public programs, officials and employees. We have experience forensic auditing when there is financial mismanagement, waste, abuse, and financial crimes that have occurred. Marsh Minick's forensic audits always start with a predicate, such as situations where amounts of funds are unknown, uncertain, lacking transparency, missing, unaccounted for, wrongly tracked, out of balance, underperforming, or allegations of suspicious activity when money is misused or stolen.

Audits previously conducted by Marsh Minick normally involve complex financials that require forensic review, analysis, testing, verification, reconstruction and recalculation of transactions, accounts, statements, and other financial documentation. In many cases, Marsh Minick must utilize investigative techniques to obtain, locate and recover lost and destroyed records, and originals of manipulated financial documentation. Marsh Minick evaluates governance, compliance, risk and controls for functionality and effectiveness as part of forensic audits, which provides the root cause and reasons for how the situation came about leading to the examination. Typically Marsh Minick discovers during audits that there are conflicts among parties, such as oversight bodies, public officials and employees that includes disagreements, grievances, allegations, and political motivations, which Marsh Minick works through those obstacles to get all tasks completed.

Throughout forensic audits we have conducted in the past, Marsh Minick communicates with the contact person and provides a status report every-two-weeks that details progress and upcoming activities, preliminary information and findings when possible, and project financial updates.



Deliverables are always a fact-based report of findings that contains all auditing procedures performed, forensic testing and analysis results, and reconstruction of critical financials. Additional deliverables are recommendations for improvement that are meaningful and practical to implement, and a video containing an oral summary of the results and deliverables.

#### *List of Former Clients and Samples of Prior Audit Reports*

Marsh Minick's prior work services have been trusted by all forms of government entities and agencies, and organizations receiving public-funding. To demonstrate Marsh Minick's firm knowledge and experience, a select list of former and current clients is provided, along with a description of the work performed. Marsh Minick has completed similar work services in the past as being proposed for the City, including having performed services pertaining to the following highlighted in the client list:

- Forensic auditing
- Examinations and evaluations of documents, records, and data
- Financial forensics of funds, income, grants and endowments
- Reconstruction and validation of financials and accounting funds
- Governance, risk, compliance, and control assessments
- Services previously performed in similar scope or relatable topic

Samples of reports and other deliverable materials previously completed by Marsh Minick have been published online by past governmental clients and/or news media. Most of Marsh Minick's concluding reports are thorough often approximately 100 pages in length, encompassing the audit procedures, analysis and test findings, reconstruction of financials, and recommendations. Marsh Minick requests the City review the online samples of past work provided in the links below as part of the evaluation of our qualifications.

Type of Client	Examples of Past and Present Forensic and Audit Work Services Performed
City Governments	<p>Teacher's Retirement System of the City of New York</p> <ul style="list-style-type: none"> <li>• Fraud Risk Assessment and Internal Controls Evaluation of the public pension and retirement funds from City public school and university teachers. Performed surveys and interviews, and determined risk likelihood, significance, and control measures. Recommended improvements to the City's processes, revised policies and procedures, and delivered training about risk and compliance matters to City employees administrating pension and retirement funds.</li> </ul>
	<p>City of Seattle's Treasury Department (Reference #1)</p> <ul style="list-style-type: none"> <li>• Fraud Risk Assessment and Internal Controls Evaluation after cash was missing from the vault and cash handling procedures were not being followed. Performed onsite inspection and review of governance and processes. Recommended multiple improvements to the City's Treasury operations by improving measures and practices to secure public money.</li> </ul>
	<p>City of Portland's Office of Community and Civic Life</p> <ul style="list-style-type: none"> <li>• Forensic Audit of a Neighborhood District that had mismanaged pubic money granted by the City and through public endowments for services, and also Paycheck Payment Protection Act</li> </ul>



	<p>(PPP) funds received as part of the COVID relief and pandemic. Forensic audit included a controls evaluation of the District. The audit revealed fraud had occurred and there was continuous problems administrating public services as obligated and in compliance. Findings led to the City Council and Commissioner in charge of Civic Life redirected public funding for more effective community services and programs.</p> <p><b>Sample of Report to the City:</b>  <a href="https://www.opb.org/pdf/Forensic%20Audit%20of%20SWNI_1605822641636.pdf">https://www.opb.org/pdf/Forensic%20Audit%20of%20SWNI_1605822641636.pdf</a></p>
County Governments	<p>Saline County Board, Illinois</p> <ul style="list-style-type: none"> <li>Forensic Audit of County Clerk and Recorder's Office regarding financial mismanagement of public funds from County income from services and taxes. Forensic audit included a risk assessment. Findings included misappropriation of all County funds. There was highly complex taxation, fund, and financial movements that was examined as part of this audit. Improved transparency for financial affairs at the County.</li> </ul> <p><b>Sample of Report to the County Board:</b>  <a href="https://thesouthern.com/view-the-full-forensic-audit-of-saline-county-clerks-office/pdf_ea6de65e-2f06-53ab-88bd-61e775356bec.html">https://thesouthern.com/view-the-full-forensic-audit-of-saline-county-clerks-office/pdf_ea6de65e-2f06-53ab-88bd-61e775356bec.html</a></p>
	<p>Karnes County Judge, Texas (Reference #2)</p> <ul style="list-style-type: none"> <li>Forensic Audit of the financials for all County offices, which were being handled by the County Treasurer and County Auditor's Offices. The examination included <b>highly complex financial reconstruction and recalculation of numerous county funds and investments</b>, including oil and gas. Findings were that the County funds and investments had been mismanaged, compliance and risk controls were not functional. Improved transparency of financial affairs, and provided recommendations and guidance for how to remediate issues.</li> </ul>
	<p>Pulaski County Court, Arkansas</p> <ul style="list-style-type: none"> <li>Forensic Audit of a Recreational District's community facilities and pool which had been in disrepair. Findings were that endowed funds were supposed to be expended on a capital project to fix the facilities and pool, but payments were made to illegal and non-licensed construction contractors, and misused by a Board member. Improved community awareness of the District's financial situation was the result, and so that the Board could determine how to proceed on the matter.</li> </ul>



<b>State Government</b>	<p>Oregon Secretary of State's Audit Division</p> <ul style="list-style-type: none"> <li>Fraud Investigation of State's Business Energy Tax Credit Program, which was administrated by the Oregon Department of Energy. A highly complex examination to validate, verify, and reconstruct financials for 4,000 renewable energy projects in a \$2.4 billion dollar tax credit program. Conducted interviews of over 40 individuals. Findings were that \$347 million dollars in projects that had concerning financials. Recommendations were implemented by the State in phases. Additionally, there was a criminal conviction for fraud and conspiracy.</li> </ul> <p><b>Sample of Report to the Secretary of State:</b>  <a href="http://media.oregonlive.com/politics_impact/other/20160907165604113[5].pdf">http://media.oregonlive.com/politics_impact/other/20160907165604113[5].pdf</a></p> <p><b>Sample of Report to the Department of Justice:</b>  <a href="http://media.oregonlive.com/business_impact/other/ODOJ%20report.pdf">http://media.oregonlive.com/business_impact/other/ODOJ%20report.pdf</a></p> <p>News about the Criminal Conviction:  <a href="https://www.justice.gov/usao-or/pr/seattle-man-pleads-guilty-fraud-conspiracy-involving-former-oregon-department-energy">https://www.justice.gov/usao-or/pr/seattle-man-pleads-guilty-fraud-conspiracy-involving-former-oregon-department-energy</a></p>
<b>Public Funded Agencies</b>	<p>Washoe Housing Authority - Washoe Tribe of Nevada and California</p> <ul style="list-style-type: none"> <li>Forensic Audit of the Housing Authority funds from federal block grants, HUD grants, and capital investment project funds endowed for construction projects and maintenance of Tribal community residential housing. Forensic testing was complex because of the multitude of grant drawdowns and regulatory compliance and legal stipulations for financial expenditures. There was a risk and controls assessment performed as part of the examination. Findings were that funds were mismanaged and there was abuse of power and nepotism pertaining to construction contracts. Improvement was transparency to the community, and Tribal fulfillment of regulatory requirements for accepting and spending federal money.</li> </ul> <p>Hazlehurst Housing Authority for the City of Hazlehurst, Mississippi</p> <ul style="list-style-type: none"> <li>Forensic Audit of the public Housing Authority financials received from tenants, endowed by City funds, and HUD grants. Significant and critical financial records and documents had been intentionally manipulated and destroyed to cover-up stealing by the Executive Director. Forensic audit required locating and reconstructing financial records in alternative methods, such as contacting vendors and credit card companies for statements and invoices, forcing a password reset on the Executive Director's computer files and emails, obtaining financial records previously provided to other auditors and regulatory agencies. Findings was that the Executive Director had stolen over \$50,000 and was convicted in federal court.</li> </ul> <p>News about the Criminal Conviction:  <a href="https://www.justice.gov/usao-sdms/pr/former-housing-authority-director-pleads-guilty-stealing-federal-funds">https://www.justice.gov/usao-sdms/pr/former-housing-authority-director-pleads-guilty-stealing-federal-funds</a></p>
<b>Federal Government</b>	<p>U.S. Department of the Treasury – Office of the Comptroller of Currency</p> <ul style="list-style-type: none"> <li>Anti-Money Laundering Bank Examinations of financial institutions nationwide to oversee compliance with financial regulations. Engage with Bank executives and senior managers to obtain financial documentation and perform interviews. Conduct risk and compliance testing, and other financial forensics necessary to make findings. Provide the US Treasury Examination Supervisor in Charge with a written summary of findings. Meet with Examination team and Bank executives and senior management as needed to explain results of findings.</li> </ul>



## References

Prior Experience Reference #1	
Name	City of Seattle Teri Allen, Director of Finance and Treasury Department <a href="mailto:Teri.Allen@seattle.gov">Teri.Allen@seattle.gov</a>
Address	Seattle Municipal Tower, Downtown Seattle, WA
Time period services provided	June 2019 – November 2019

Prior Experience Reference #2	
Company Name	Karnes County, Texas Honorable Judge Wade Hedtke <a href="mailto:wade.hedtke@co.karnes.tx.us">wade.hedtke@co.karnes.tx.us</a>
Company Address	101 North Panna Maria Ave, Suite #101, Karnes City, TX 78118
Time period services provided	October 2019 – February 2020

## Marsh Minick Competitive Advantages

There are multiple advantages of selecting Marsh Minick as the forensic audit firm:

- Marsh Minick conducts risk-based forensic audit services following the Certified Fraud Examiners methodology and aligned with government auditing standards (GAGAS) that benefits the City because this approach:
  - Maximizes audit efforts and returns the most meaningful results
  - Focuses on areas of greatest risk and magnitude of impact
  - Targeted forensic analysis and testing based on scope plan and objectives
- Risk-based forensic auditing conducted by Marsh Minick is a superior methodology to other auditing styles provided by accounting firms because CPAs typically perform limited agreed upon procedures and testing, provide cookie cutter results that are universally applicable, and which will be based on their opinion.
- The Report of Findings by Marsh Minick will be fact-based on evidence gathered during the forensic audit. This is superior because fact-based-findings are reliable, so the City will have confidence and validity that the audit results and the reconstruction of financials are accurate. The report will be custom-written specific for the City audit tests, situation, and results.
- Marsh Minick provides a digital video containing an oral delivery of the Report of Findings. This video has been widely praised by prior clients because it allows for each board member and stakeholder the opportunity to listen at their leisure and follow along with the Report simultaneously. The video provides verbal and visual context of the results and allows for the video to be re-watched in the future as needed for recollection or public records retention purposes.
- Marsh Minick has conducted many forensic audits and can assure the City a well-planned out



audit with a smooth process from start to finish. We will be communicative and engaging, but not disruptive of City operations.

- Marsh Minick principal owners personally render and deliver services. We are a highly certified, skilled, and efficient team together, which enables us to work through complex financials quickly, and achieve goals in a succinct manner. This provides cost advantages to the City as our team is small on the budget with the high caliber skill and delivery of services.
- Marsh Minick utilizes financial forensic and investigative skills when examining records and information, which provides the City with especial confidence that a scrupulous and thorough forensic audit will occur based on the uniqueness of your situation.
- Marsh and Minick named the forensic audit firm after ourselves, and therefore the quality, completeness and professionalism of deliverables are important to us because our personal names stand behind work we do. We have always fulfilled our commitments.
- Marsh Minick is a small business, women owned business, and disadvantaged business certified federally and by state of Oregon. The Small Business Association says the benefits of government contracting to small business is you gain access to new ideas (better quality work) that small business provide over large businesses; moreover, small businesses are engines of economic development and job creation. Support any equal opportunity benchmarks as well for minority owned and socio-disadvantaged businesses.

### **Forensic Audit Approach**

Marsh Minick specializes in conducting forensic audits. Our approach is to be independent examiners, and rely on fact-based evidence gathered during the audit for results.

#### *Predicate*

The predicate for the forensic audit is will be discussed with the City during the introductory meeting.

#### *Scope Period*

The scope period is seven (7) annual periods ending June 30, 2014 to January 4, 2022 analyzing Fund, Line Items, Transactions, and Financial Records of concern by the City and at the discretion of the Forensic Auditors.

#### *Scope*

Perform forensic auditing of the financial transactions, along with a risk assessment review of the City's accounting procedures. Examine validity of financials and identify areas of concern that may include financial mismanagement, misconduct, waste, abuse, or fraud.



## Forensic Audit Phases

The three proposed audit phases from beginning to conclusion are as follows:

### Planning & Information Gathering

Planning and introductory meetings to assess concerns and collect initial data readily available

Request, obtain and review records about the predicate and scope of work services

Conduct interviews with individuals that have first-hand information

### Assessment, Analysis and Testing

\*May continue interviewing and information gathering as needed to complete analysis and tests

Review governing, compliance and risk documents that require adherence, including policies, procedures, agreements and contracts

Review financial data, funds, accounts, and reports, management and operational records, and other identified communications, information, data and documentation

Perform forensic analysis and testing for compliance with accounting practices, and identify any suspicious transactions

### Deliverables

Report of Findings that includes forensic audit procedures, analysis and testing results, risk assessment review of accounting procedures for the scope period

Recommendations for improvement

Report of Findings and Recommendations will be provided on a USB drive and will include a digital recorded video of an oral summary of the results

### Approach: Planning and Information Gathering

Marsh Minick will begin the audit with an introductory meeting held with the City contact person(s) and other key individuals. The agenda for the introductory meeting will include a discussion about predicate, specific goals, areas of interest and concern, review of the approach and timeline, and any other important information at the onset of the forensic audit.

During the introductory meeting it will be determine if Marsh Minick should perform onsite information gathering at the City office, or whether the information gathering can be performed from Marsh Minick offices and done remotely. How the information is gathered, whether onsite or remotely, will be based upon the availability and condition of records, as well as staff effort and availability capacities. Marsh Minick will provide an information request checklist to begin gathering documents, records, and data. The anticipated information to be requested and collected on the checklist will be necessary to perform a lookback at financial statements, financial records, meetings minutes, and other relevant documentation that occurred in the scope period. Additionally, governance documentation will be requested along with other pertinent information.

Marsh Minick will perform interviews with select individuals that have first-hand information that is



relevant to the forensic audit, which may include Board members, Officials, Department heads, senior employees, other individuals responsible for financial management, and/or individuals that have relevant allegations to the scope of work. Additional information will be gathered as needed from websites, such as the City website, public databases of information, or investigative queries.

#### *Approach: Assessment, Analysis, and Testing*

Marsh Minick will review and analyze the information gathered and perform forensic audit testing that is specific and customized for the City's situation. Forensic analysis and tests will reveal the validity and accuracy of financial records, and allow Marsh Minick to examine transactions for the risk of financial misconduct or fraud. There will also be an evaluation of governance, compliance, and risk practices that will reveal the root cause and reason behind the financial issues.

The auditors prefer to utilize electronic records versus physical paper records during the examination. Therefore, Marsh Minick provides a secure and easy way for the City to electronically transmit files to the forensic audit team using IronBox an encrypted file transmission system. Marsh Minick will provide a private URL link to a secure client folder on IronBox that is password protected. If Marsh Minick performs onsite record collection at City offices, those paper-based records will be electronically captured by Marsh Minick. We have a traveling scanner and other methods and devices to electronically capture the information needed for the audit. Records are retained by Marsh Minick for no more than 3 years after the date of the services rendered.

Marsh Minick will perform the audits aligned to Generally Accepted Government Auditing Standards (GAGAS) for forensic auditing following the Association of Certified Fraud Examination (ACFE) methodology.

#### *Approach: Deliverables*

Marsh Minick will prepare a concluding fact-based findings report, along with reconstructed financials as needed, and recommendations for improvement. Marsh Minick will prepare an exit video with an oral delivery of the findings and recommendations. The Project Deliverables will be provided to the City electronically, which will include the report, recommendations, and the oral delivery video.

#### *Communications*

There will be a status report provided by Marsh Minick every two weeks to communicate the audit's progress. Marsh Minick is cognizant that a forensic audit may feel like an annoyance; therefore, the audit team commits to working independently with minimal disruptions as possible. If an issue arises, Marsh Minick will immediately reach out to the point of contact with a description of the issue and suggestions for resolution. The status report will detail progress and upcoming activities, preliminary information and findings when possible, and project financial updates.



### Timeline

Marsh Minick has prepared a project schedule to complete the necessary services.

Phases	March 2022	April 2022	May 2022	June 2022	July 2022
Planning and Information Gathering					
Assessment, Analysis, and Testing					
Deliverables					

### Pricing

Marsh Minick proposes a fixed-firm-price for the forensic audit of the City, based upon our hourly rates for Marsh Minick at \$280 for forensic auditing services and \$75 for administrative services.

Depending on the extent of concerned areas, the firm price to perform forensic services is \$70,000.00 to \$175,000.00. In addition to any other expenses as follows:

- Investigative database or public information queries to be billed at cost
- Printing and shipping will be billed at cost
- USB, CD, or external storage device will be billed at cost
- Travel that is necessary to fulfill services will be billed following the GSA & IRS standard rates based on the location, and include transportation, lodging, and M&I
- Any other expenses will be pre-approved and billed at cost

Invoiced monthly with due date net 30 days.

*Thank You!*

We hope you will select Marsh Minick, P.C. to perform the forensic audit. Please contact Marsh Minick, P.C. by telephone or email.

Thank you for your consideration of this proposal.

  
Brandi Marsh

  
Melissa Frick Minick

Marsh Minick, P.C.  
Address: 17548 NW Springville Rd. #F17, Portland, OR 97229  
Phone: 971-266-1846  
Email: Info@MarshMinick.com  
Website: www.MarshMinick.com



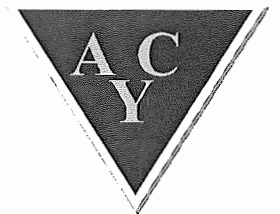
**PROPOSAL TO PERFORM  
AGREED UPON PROCEDURES  
FOR  
CITY OF PONTIAC, MICHIGAN**



**JULY 1, 2013 THROUGH  
JANUARY 4, 2022**

**DUE: February 7, 2022**

**CONTACT PERSON (S)  
ALAN C. YOUNG, MST, CPA, CGMA  
ANIL SAKHUJA, MBA, CPA, CGMA**



***Alan C. Young & Associates, P.C.***  
Certified Public Accountants & Consultants

7310 Woodward Ave, Suite 740, Detroit MI 48202  
(313) 873-7500 [www.alancyoung.com](http://www.alancyoung.com)

**PROPOSAL TO PERFORM  
AGREED UPON PROCEDURES  
FOR  
CITY OF PONTIAC, MICHIGAN**

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## Confidentiality Statement

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The contents of this “**Proposal**” are considered confidential and proprietary information by Alan C. Young & Associates P.C. No part of this proposal may be reproduced, fully or in part, or divulged to any other party without a prior written permission from Alan C. Young & Associates, P.C..



# *Alan C. Young & Associates, P.C.*

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

7310 Woodward Ave, Suite 740  
Detroit, MI 48202

(313) 873-7500 (Tel.)  
(313) 873-7502 (Fax)  
[www.alancyoung.com](http://www.alancyoung.com)

February 7, 2022

Darin Carrington  
Finance Director  
City of Pontiac  
47450 Woodward Avenue  
Pontiac, Michigan 48342

Dear Mr. Carrington:

We are pleased to submit our proposal to conduct an agreed-upon procedures engagement related to the financial transactions of the City of Pontiac (the City), for the period July 1, 2013 through January 4, 2022, in accordance with attestation standards established by the American Institute of Certified Public Accountants. We understand that the City may also request a review of its accounting procedures as part of this engagement.

The accompanying proposal explains why the City should choose Alan C. Young & Associates, P.C. as their independent certified public accountants for this project. We believe our qualifications and experience undoubtedly enable us to meet the City's needs.

Alan C. Young & Associates, P.C. recognizes that the successful completion of an engagement requires a proper organization of the engagement and a team of professionals having technical training and proficiency in the practice of public accounting. We have organized our team to maximize the total experience of our company. Each member of the assigned team has significant experience with governmental entities and with agreed-upon procedures engagements.

We anticipate completing the engagement and submitting our report as per the specified timetable provided herein. Prior to the completion of the reports, we will hold an exit conference with the Finance Director, and/or other designated personnel, to review drafts of the reports.

There are significant reasons why we believe we are distinct from other firms that want to serve the City:

1. The quality of the service team we have selected to serve the City is the clearest evidence of our commitment to you. Selected for their experience, our principals and directors have more than eighty years of combined experience.
2. We are dedicated to providing the best possible service in an experienced, timely, responsive manner and committed to serving you.

3. We meet all the prospective selection criteria.
4. We will deliver the reports on a timely basis.
5. We are equipped to accommodate all of your present and future requirements.

We believe that our commitment, staffing, and prior experience with similar engagements make Alan C. Young & Associates, P.C., CPAs most qualified to continue to provide the professional services that are required by the City. The past quality of our reports, findings and comments provide the basis as to why we believe Alan C. Young & Associates, P.C. is the most suitable firm to provide the services as required by you,

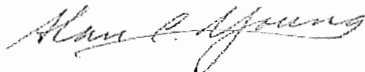
The person(s) authorized to execute this contract on behalf of the firm for purposes of this audit proposal is:

**Alan C. Young, MST, CPA, CGMA**  
**Anil Sakhuja, MBA, CPA, CGMA**  
<http://www.alancyoung.com>  
7310 Woodward Ave., Suite 740  
Detroit, Michigan 48202-3165  
(313) 873-7500  
(313) 873-7502 (Fax)

This proposal is a firm offer subject to further discussion if necessary and will remain in effect for a period of 90 days. We would be happy to meet with you and other personnel at any time to discuss this proposal. Thank you for considering our proposal. We hope to work with you and the personnel at the City of Pontiac.

Sincerely,

ALAN C. YOUNG & ASSOCIATES, P.C.



Alan C. Young, MST, CPA, CGMA  
CEO

## Mandatory Criteria

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### We affirm the following:

1. ACY will maintain a level of knowledgeable staff adequate to complete the engagement within the assigned time frames in an efficient manner.
2. ACY and the partner assigned to the City of Pontiac have considerable experience with governmental entities within the State of Michigan.
3. ACY's staff assigned to this engagement will be familiar with the types of policies and procedures governmental entities follow.
4. ACY has provided a profile of the professionals responsible for the overall management of the engagement (See Pg. 7).
5. Alan C. Young & Associates, P.C. has a significant and ongoing commitment to serving governmental entities.

### We also affirm the following statements:

1. Alan C. Young & Associates, P.C. is a City of Detroit, State of Michigan based firm of independent certified public accountants and is properly licensed for practice as certified public accountants.
2. Alan C. Young & Associates, P.C. meets the independence standards of the Government Audit Standards - Standards for Audit of Governmental Organizations, Programs, Activities and Functions.
3. Alan C. Young & Associates, P.C. does not have a record of substandard work. The firm is subject to an external peer review every three years. The most recent report letter is attached in Exhibit A.
4. Alan C. Young & Associates, P.C. is an equal opportunity employer and does not discriminate in employment of persons based on race, color, creed, national origin, sex, age, or physical handicap.
5. Alan C. Young & Associates, P.C. is independent of the City of Pontiac as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

## Reasons to Choose Alan C. Young & Associates, P.C.

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ACY can add value to your business. We offer a broad range of services to support every aspect of your Organization. Our many benefits include:

- Experts in Serving Governmental Entities
- Specialization, Expertise, and Experience
- Commitment to Confidentiality
- Access to World-Class Resources
- Extensive Partner and Manager Involvement
- High Continuity of Staff (average tenure with firm over 10 years)
- Professional Personnel with Diversified Business Expertise
- Over 300 man years of combined experience
- Enhanced Focus on Quality
- Competitive Cost

### We pledge to:

- ❖ Be proactive in meeting your needs and providing you with the quality service you deserve
- ❖ Invest the time to more fully understand your operations and goals
- ❖ Maintain close communication with you
- ❖ Keep you informed of current industry developments
- ❖ Provide valuable ideas that enhance your profitability
- ❖ Charge fees that are fair and reasonable
- ❖ Maintain staffing continuity on your audit to maximize efficiency.

## Overview

---

**Founded on the premise of providing high quality service to all our clients**

Alan C. Young & Associates, P.C. (ACY) is a City of Detroit based firm of independent Certified Public Accountants and Consultants in Michigan. We staff each assignment with an "engagement team" which allows for a close, personal working relationship between your Organization and a handful of professionals. Our professional staff is organized into five major service areas: accounting and auditing, tax consulting, personal services, management consulting and IT consulting.

The firm was founded in 1983 on the premise of providing high quality services to all of its clients. Directors and staff consist of professionals who possess competence in accounting, auditing, taxation, management consulting, and many other areas of the public accounting field.

**"Our mission is to build committed partnerships with our clients, understand their needs, work habits and expectations, and provide them with the global support they can count on to accomplish their business objectives."**

Our ability to provide the highest quality services to our clients is the result of our commitment to continually strive to improve our system of quality control. Our success in maintaining the highest standards of quality control is evidenced by our unqualified quality control peer review.

***The certified public accountants scheduled for this assignment are all licensed to operate in the State of Michigan***

We employ over thirty (30) full-time staff members. Our current professional staff possesses credentials such as Certified Public Accountant, Chartered Accountant, Chartered Global Management Accountant, Cost Accountant, Masters of Business Administration, Masters of Science in Accounting, Masters of Science in Taxation and Bachelor of Science Degrees in Accounting and Finance.

**We have been ranked by Crain's Detroit as one of the 25 largest CPA firms in Michigan for over 15 years.**

## Overview (Continued)

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*We believe that our commitment, staffing and prior experience with these types of engagements and organizations make Alan C. Young & Associates, P.C., CPAs most qualified to perform the procedures that are required for the City of Pontiac.*

Our strategic focus is to provide the highest quality services and cost-effective solutions to our clients in the following areas:

- **Auditing/Attestation** – Our audit/attest team provides services to a variety of clients. Our diverse academic backgrounds and practical experiences allow us to provide services to corporations, partnerships, sole proprietorships, municipalities, non-profit organizations, public school academies, other not-for-profit organizations and individuals. Our professional staff has assisted a full range of clients in the following areas:
  - Municipalities
  - Non-Profit and Other Charitable Organizations
  - For Profit Corporations
  - Churches and Other Religious Organizations
  - Tax Exempt Foundations
  - Health & Human Services
  - School Districts and Charter Schools
  - Auto Manufacturers
- **Accounting Services** – Our accounting team provides “back office” services to our clients in various accounting related areas. Our focused services are bank & other reconciliations, cash management, financial & statutory reporting, general & technical accounting and data processing services.
- **Management Consulting** – Our management consulting team helps our clients define a strategic management approach and process to successfully implement business solutions. These include:
  - ◆ Strategizing Project Implementation Plan
  - ◆ Business Process Review
  - ◆ Process Reengineering of the Financial Systems
  - ◆ Analysis of various accounts to develop the corrective action plan to strengthen the financial stability of the organization.
  - ◆ Quality Control management and implementation strategy. We continually strive to improve our system of quality control. Our success in maintaining the highest standards of quality control is evidenced by our unqualified quality control peer review.
  - ◆ We not only provide a commodity but also have the strong technical competency to deliver the service.

## Relevant Audit Experience & References

***We have provided audit/attestation services for numerous Organizations. We have included a list of client references at Page 19.*** We are confident that we can provide the City the services you require. We encourage you to contact any of our clients throughout the State.

## Engagement Team (Level of Experience)

**The Team Assigned to the Engagement** – This engagement will be staffed with highly experienced specialists. All of the staff assigned to this engagement has significant government experience. Our professional staff has received the requisite continuing professional education for not only bi-annual certification but also the required hours to qualify under the "Yellow Book" standards for governmental auditing accordance with GAO standards.

Keys to an effective and efficient engagement are using the right people and the most current audit technology. The quality of the team we have created to serve the City of Pontiac is the clearest evidence of our commitment to you. Selected because of their extensive experience, our team has more than fifty years of combined experience servicing governmental entities. We will leverage that experience to provide you with the most efficient service possible.

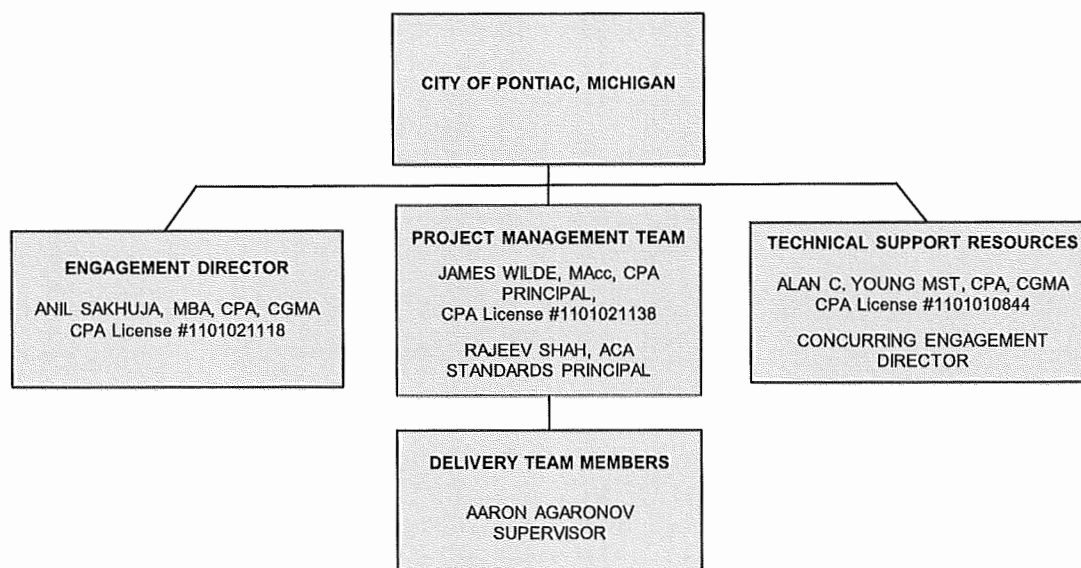
**We affirm that we have the necessary staff to complete the engagement according to the specified times outlined in this proposal.**

### Engagement Team

#### **Principal, Supervisory and Management Staff to be assigned to your engagement.**

The director assigned will be Anil Sakhuja, a Certified Public Accountant, license # 1101021118 and Concurring Director will be Alan Young a Certified Public Accountant, license # 1101010844. James Wilde II, a Certified Public Accountant, properly licensed to practice in Michigan will be in charge of the audit team and will manage the fieldwork at the audit site. His license # is 1101021138.

We expect the following staff to be assigned to your engagement.



## Engagement Team (Level of Experience) (Continued)

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**ALAN C. YOUNG, MST, CPA, CGMA**

***Managing Director – Alan C. Young & Associates, P.C.***

***Licensed to practice as a CPA in Michigan***

*Alan C. Young* is the founder and currently, Managing Director/CEO of *Alan C. Young & Associates, P.C.*, one of the largest minority C.P.A. firms in Michigan being listed in *Crain's Business Detroit* magazine as one of the 25 largest CPA firms for over 15 years. Founded in March, 1983, the firm employs over 35 professionals with a diverse clientele which includes churches, municipalities, school boards, media personalities, professional athletes along with a number of non-profit organizations and foundations. The firm is headquartered in Detroit.

Mr. Young's public accounting career began in 1979 with Deloitte & Touche (Deloitte) (formerly Haskins & Sells), one of the "Big Six" firms, where he served for six years. Responsible assignments at Deloitte included serving as supervisor on several audit jobs, including Fisher Body-Livonia and General Motors Assembly Division (G.M.A.D.), as well as a tax specialist in foreign taxes on location in Saudi Arabia.

Mr. Young holds a Masters of Taxation degree from Walsh College, Troy, Michigan. He is a graduate of Michigan State University and is currently (unless otherwise noted) an active member in numerous charitable, civic, and community organizations including:

- **Michigan Association of Certified Public Accountants – (Past Chairman)**
- **Appointed by 2 Governors to the Michigan State Board of Accountancy**
- **American Institute of Certified Public Accountants – (Council Member)**
- **Accounting Aid Society – (Board of Directors)**
- **Booker T. Washington Business Association (President 1992-1994; Chairman of the Board – 1995 to 1997)**
- **Board of Directors – First Independence Bank of Detroit (Commencing November 1996 to present)**
- **Detroit Regional Chamber of Commerce**
- **National Association of Black Accountants (Past President 1992)**
- **Kappa Alpha Psi Fraternity (National Auditor)**
- **Michigan State University Black Alumni Board**
- **Henry Ford Health System – Detroit Campus Advisory Board of Trustees**
- **Federal Reserve Board of Chicago – Past Advisory Board Member**
- **Detroit Institute of Arts – Past Audit Committee Member**
- **Cass Technical High School Alumni – Past Treasurer**

*Mr. Young is the concurring review partner on all audit, tax, consulting and compilation engagements.*

## Engagement Team (Level of Experience) (Continued)

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**Anil Sakhuja, MBA, FCA, CPA, CGMA**

**Chief Operating Officer, Audit Partner**

**Licensed to practice as a CPA in Michigan**

Anil Sakhuja is the Chief Operating Officer with more than 45 years of experience serving Not-for-profit organizations, Municipalities, Churches, For-profit clients including Manufacturers and School Districts.

### Relevant Experience

With more than 45 years industry experience, Mr. Sakhuja has served a wide variety of not-for-profit, for profit and governmental clients. He has extensive experience in auditing, including Single Audits under the Uniform Guidance, and HUD audits. He has directed all aspects of client engagements. He has reviewed and prepared individual and corporate tax returns including 5500, 990, 1065 and 1120. He has managed the audit and accounting departments, and all aspect of business operations.

### Background

Mr. Sakhuja started his career in Public Accounting in 1973 after graduating from the University of Delhi, India with a B.Sc. and a MBA. He has over 40 years of experience which includes four (4) years with a large public accounting firm as a supervisor on several large manufacturing units. The later years of experience were as an Internal Auditor and Controller for companies having multiple manufacturing and sales units. Since 1990, the majority of his experience relates to the financial and compliance audits with a concentration on governmental and not-for-profit entities. Mr. Sakhuja has researched technical issues and provided interpretation of the accounting treatment for reporting in the financial statements.

Mr. Sakhuja is a Chartered Accountant and CPA licensed to practice in Michigan and is a Member of the AICPA, MICPA and Institute of Chartered Accountants of India. He is in compliance with continuing education requirements as provided in Government Auditing Standards, having attended accounting and auditing courses related specifically to governments and single audits. Mr. Sakhuja also serves as an instructor in various in-house professional development courses.

**Mr. Sakhuja is the review partner on all audit engagements.**

## Engagement Team (Level of Experience) (Continued)

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***James D. Wilde II MAcc, CPA***

**Principal**

**Licensed to practice as a CPA in Michigan**

James is a Principal with more than 25 years' experience serving Churches, Municipalities, School Districts and Not-for-Profit clients.

### **Relevant Experience**

With more than 30 years industry experience, James has served a wide variety of governmental clients. He has extensive experience in governmental auditing, including Single Audits under the Uniform Guidance, HUD audits, preparation and review of individual and corporate tax returns, accounting, and business operations. He has managed the audits of many programs receiving federal awards. He has trained staff on all aspect of the audit engagements. James has delivered presentations to client management, Board of Directors and Audit Committees. He also has reviewed and prepared individual and corporate tax returns, accounting, and business operations. James had researched technical issues and provided interpretation of the accounting treatment for reporting in the financial statements.

### **Background**

James holds a MAcc from University of Michigan. He is a CPA licensed to practice in Michigan and is a Member of the AICPA, and MICPA. He is in compliance with continuing education requirements as provided in Government Auditing Standards, having attended accounting and auditing courses related specifically to governments and single audits.

James also serves as an instructor in various in-house professional development courses.

## Engagement Team (Level of Experience) (Continued)

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***Rajeev Shah, ACA***

***Principal, Chief Informational Officer/Chief Standards Officer***

Rajeev Shah is a Principal with experience serving School Districts, Churches, Municipalities and Non-Profit clients.

**Relevant Experience**

With more than 25 years industry experience, Rajeev has served a wide variety of governmental clients and also serves as the firm's Chief Informational Officer (CIO) because of his extensive Information Technology skill/background. He has extensive experience in governmental auditing, including Single Audits under the Uniform Guidance, Retirement Plans, accounting, and business operations. He has managed all aspect of engagements and performed all aspect of audits in accordance with federal grant guidelines: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance).

**Background**

Rajeev holds a Bachelor degree in Accounting. He is a Chartered Accountant and member of Institute of Chartered Accountants of India and is a Member of the MICPA and has also served on their Retirement Plans Task Force. He is in compliance with continuing education requirements as provided in Government Auditing Standards, having attended accounting and auditing courses related specifically to governments and single audits.

Rajeev also serves as an instructor in various in-house professional development courses.

## **Degree of Director's Supervision**

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Alan C. Young & Associates' Directors and Principals maintain extremely close contact with their clients throughout the year, as well as during the course of the project. Our Principals spend considerable time supervising the project. Our Principals are expected to frequently supervise and review the engagement throughout fieldwork. It is the firm's operating policy that Directors contact their clients throughout the year if assignments do not present an opportunity to meet more frequently. These contacts give us the opportunity to discuss any accounting or operational problems or changes that might affect our clients or their financial reports as they arise, rather than waiting until the project date.

## **Work Plan (Specified Approach)**

---

### **Your Requirements**

The following is our understanding of your requirements:

### **Agreed-Upon Procedures Engagement**

- 1) Examine certain of the City's financial transactions, such as purchases, contracts, vendor payments, credit card transactions and/or banking transactions. The period of analysis will be determined by the City, but may cover transactions from July 1, 2013 to January 4, 2022;
- 2) The City may request a review of its accounting procedures to identify areas of fraud risk;
- 3) Findings and observations will be provided in both verbal presentation and written report.

**Exit Meeting/Presentation** – We will meet with the Finance Director and/or other designated personnel to review the above report and any findings/comments.

## **Detailed Approach and Methodology**

---

ACY's extensive experience assures you of a thorough engagement, tailored to your unique requirements.

### **Our Detailed Approach**

ACY's goal is to provide the highest quality service and the greatest value. We train and develop specialists and utilize cross-functional service teams to ensure your needs are met. In addition, ACY has the concept of continuous process improvement in all areas of our practice. We have project teams working on a number of projects geared to reducing costs and improving efficiency. These include continually challenging our audit approach, expanding the use of technology in our practice, and streamlining our internal processes. We are committed to these concepts, and they will continue to be an integral part of our practice.

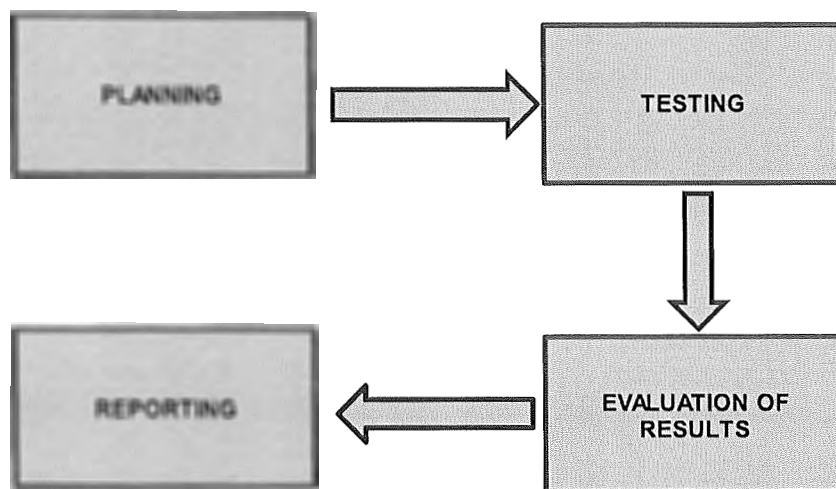
## Detailed Approach and Methodology (Continued)

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### Specified Approach

Our partners, managers, and staff assigned to this engagement will assume responsibility consistent with the complexity and experience necessary to complete an efficient engagement.

The following pages outline our staffing, testing methods and final procedures we propose to use on your engagement.



### PHASE 1 – PLANNING/PRELIMINARY

- 20% to 30% of total hours.
- Staffed by entire engagement team; Principal and Director's involvement is greater during this phase.

We will meet with all the associates involved in the engagement as soon as possible, to discuss the project scope and process.

With the information gathered in this process, we will gain an understanding of the operations of the City of Pontiac. Based on that understanding, we will develop specific procedures to address each of the elements specified in the agreed-upon procedures.

The programming for the engagement will be specifically tailored during the planning phase of the engagement and throughout the engagement.

We will provide the City's staff with a complete list of all information to be provided, including sample selection.

## Detailed Approach and Methodology (Continued)

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### Specified Approach (Continued)

#### PHASE 2 – FIELDWORK

- 55% to 65% of total hours
- Staffed daily by supervisor and staff; principal assigned to the audit will be present in the field periodically, throughout the process.
- Sampling may be used to determine items to be tested; specific areas where sampling may be used are typically identified during the planning stages and are heavily dependent on the nature of the attribute to be tested, the size of the population etc.

Communication during the entire process will be frequent. In addition to scheduled meetings, we will provide frequent updates during the course of the engagement and any issues will be discussed as they are identified.

#### PHASE 3 – REPORT PREPARATION AND ISSUANCE

- 15% to 20% of total hours
- We will meet with the City's staff to summarize the results of the fieldwork and to review significant findings.
- Final reports delivered
- Staffed by entire engagement team, though manager and principal involvement is greater during this phase.

Upon completion of the report, it will be reviewed by our standards director for quality control.

We have implemented firm wide Quality Control Procedures to ensure all engagements meet the quality standards. The significant components of this system are as follows:

- All workpapers and programs are reviewed by the supervisors, managers and ultimately engagement director.
- Draft reports are given a detailed review by the manager, engagement director and concurring director.
- Finally, the reports are reviewed for format, presentation and compliance with all applicable professional guidance.

## Time Table to Complete the Engagement

TIMELINE						
Task	Duration					
Preliminary Fieldwork; including Planning						
Fieldwork						
Drafting Report						
Meeting the Management to Discuss the Results and Findings (As needed)						
Month	1	2	3	4	5	6

The engagement will start at a mutually agreed upon time. We understand the performance of these services shall be completed within a time frame of no more than 6 months.

## Proposed Professional Fees

We understand that fees are an important consideration in your selection process. Our fees for services are based primarily on the efficient hours required to complete the assignment and the value for the services rendered.

Our fees for this engagement would be billed on an hourly rate. Our rates would be discounted and billed as follows:

	Standard Rate	Discounted Rate
Partner/Principal	\$ 215	\$ 160
Manager	\$ 160	\$ 120
Senior Auditor	\$ 150	\$ 115

Our invoices for these fees will be rendered as work progresses and are payable on presentation. If we elect to terminate services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

# Statements

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## **CERTIFIED PUBLIC ACCOUNTANTS**

Alan C. Young & Associates, P.C. is a City of Detroit, State of Michigan based firm of independent certified public accountants and is properly licensed for practice as certified public accountants.

## **COMMITMENT TO QUALITY CONTROL**

Because of our broad client base, we are able to devote the necessary time to specialize and thus provide the required service. To assist us in this specialization, we subscribe to several specialized news service publications, such as:

- ◆ AICPA Center for Audit Quality
- ◆ AICPA Not-for-Profit Section
- ◆ AICPA Employee Benefit Plan Audit Quality Center
- ◆ AICPA Governmental Audit Quality Center
- ◆ AICPA Private Companies Practice Section

Our auditors regularly attend training seminars conducted by various governmental organizations, the AICPA and the MICPA.

Our most recent copy of the Peer Review Report is attached at Exhibit A.

## **INDEPENDENCE**

Alan C. Young & Associates, P.C. is independent of the City of Pontiac as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards - Standards for Audit of Governmental Organizations, Programs, Activities and Functions.

## **CONFIDENTIALITY**

ACY will not discuss, distribute or use in any way the data or information acquired in the course of providing services to the City of Pontiac without prior approval by the City of Pontiac except as provided by law.

ACY will not undertake a specific activity which may be viewed as adverse to the interest of another client without obtaining the agreement of both parties.

## **CONFLICT OF INTEREST STATEMENT**

To the best of the proposer's knowledge, there is no related party, kinship, financial or other conflicts of interest between the City of Pontiac and any employee of Alan C. Young & Associates, P.C.

## Statement of Performance Standards

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1. The attestation engagement shall be an agreed-upon procedures engagement related to the financial transactions of the City of Pontiac.
2. The engagement shall be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants.
3. The engagement shall cover the period from July 1, 2013 to January 4, 2022.
4. Our firm will review its findings with the City of Pontiac as required.
5. Any issues that arise during our engagement will be discussed as they are identified and a determination will be made as to who the appropriate staff should be to address the matter.
6. Our firm's working papers and reports will be retained, for a minimum period of five (5) years after the date of the report unless we are notified in writing by the City of Pontiac of the need to extend the retention period.
7. Our firm agrees to notify the City of Pontiac immediately, if evidence of possible fraud is discovered.

## Conclusion

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In conclusion, we believe Alan C. Young & Associates is uniquely qualified to provide the specific needs of the City of Pontiac because:

1. **We meet all of your requirements.** We believe that as you review our qualifications, you will find us well qualified to continue to provide you with the services you require.
2. Alan C. Young & Associates is well conversant with applicable accounting and auditing techniques because of its exposure with these types of engagements and is familiar with the issues therein.
3. We can deliver the reports on a timely basis.
4. Alan C. Young & Associates is a full services firm and can provide additional services in an efficient, integrated manner.
5. We are truly large enough to meet your needs, yet small enough to deliver the responsive service you expect.
6. ***We are most interested in being a part of the City of Pontiac's team - an independent part, but nevertheless a part. We feel we are in a position to assist you in achieving your objectives.***

## References

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1. **Detroit Metro Convention and Visitors Bureau**  
Financial Audit  
Agreed-Upon Procedures  
Mr. Sajid Zuberi  
Chief Financial Officer  
(313) 202-1901  
[szuberi@visitdetroit.com](mailto:szuberi@visitdetroit.com)
2. **Detroit Transportation Corporation**  
Financial Audit and Single Audit  
Agreed-Upon Procedures  
Ms. Lenore Olson  
Controller  
(313) 221-1247  
[lolson@thepeoplemover.com](mailto:lolson@thepeoplemover.com)
3. **Michigan State Lottery**  
Agreed-Upon Procedures  
Mr. Tim Ridderhoff  
Drawing Manager  
(586) 939-2300  
[ridderhofft@michigan.gov](mailto:ridderhofft@michigan.gov)
4. **Wayne County Commission**  
Agreed-Upon Procedures  
Ms. Marcella Cora  
Auditor General  
(313) 224-8354  
[mcora@waynecounty.com](mailto:mcora@waynecounty.com)
5. **City of Wayne**  
Financial and Single Audit  
Ms. Kathryn Sample  
Finance Director  
(734) 722-2000  
[ksample@cityofwayne.com](mailto:ksample@cityofwayne.com)
6. **City of Belleville**  
Financial Audit  
Mr. David Robinson  
City Manager  
(734) 697-9323  
[drobinson@bellevilleonthelake.com](mailto:drobinson@bellevilleonthelake.com)

# Quality Control / Peer Review Report

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## EXHIBIT A



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**Report on the Firm's System of Quality Control**

December 9, 2019

To the Partners of Alan C. Young and Associates, P.C. and the Peer Review Committee of the Michigan Association of Certified Public Accountants.

We have reviewed the system of quality control for the accounting and auditing practice of Alan C. Young and Associates, P.C. (the firm) in effect for the year ended June 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

**Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

**Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

**Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Alan C. Young and Associates, P.C. in effect for the year ended June 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Alan C. Young and Associates, P.C. has received a peer review rating of *pass*.

Jason F. Clausen, P.C.



AICPA Peer Review Program  
Administered in Michigan by the  
Michigan Association of CPAs

February 28, 2020

Alan Young  
Alan C. Young & Associates  
7310 Woodward Ave Ste 740  
Detroit, MI 48202-3165

Dear Alan Young:

It is my pleasure to notify you that on February 25, 2020, the Michigan Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

*MICPA Peer Review Committee*

MICPA Peer Review Committee  
MICPA Peer Review Committee  
micpa@micpa.org  
(248)267-3700

Michigan Association of CPAs

cc: Jason Clausen, Anil Sakhuja

Firm Number: 900010084026

Review Number: 571184



*PROPOSAL TO*  
**City of Pontiac, Michigan**

*TO PROVIDE*  
**Forensic Audit Services**

**BerryDunn**  
2211 Congress Street  
Portland, ME 04102-1955  
207.541.2200

**Bill Brown, Principal**  
bbrown@berrydunn.com

**Vanessa Cayer, Project Manager**  
vcayer@berrydunn.com

**Proposal Submitted On:**  
February 7, 2022 before 3:00 p.m.



February 7, 2022

Darin Carrington  
Finance Director  
City of Pontiac  
47450 Woodward Avenue  
Pontiac, MI 48342

Dear Darin Carrington:

Berry Dunn McNeil & Parker, LLC (BerryDunn) is pleased to submit this proposal in response to the request for proposals for Forensic Audit Services issued by the City of Pontiac, Michigan (the City). We understand that the City seeks an auditing firm to conduct a forensic audit for the period beginning with the fiscal year ended June 30, 2014 through January 4, 2022. The audit will include a review of certain financial transactions, including purchases, contracts, vendor payments, credit card transactions, and banking transactions. We also understand that the City may request a review of its accounting procedures to identify areas at risk for fraud and misconduct, and to recommend improvements and best practices.

BerryDunn is a certified public accounting and consulting firm with a consulting practice dedicated to serving state, local, and quasi-governmental agencies. We were formed in 1974 and have experienced sustained growth throughout our 48-year history. Our firm provides a full range of professional services, including IT and management consulting; tax, audit, and accounting services. BerryDunn employs more than 700 staff members (including more than 200 in our consulting group), and has a long and successful history of working with state and local agencies across the country. We are headquartered in Portland, Maine, and serve clients nationally through our eight office locations.

As you evaluate our proposal we ask that you consider the following points:



**We are independent and objective.** We do not enter into partnerships with companies that could impair our objectivity. Because we are neither a systems integrator nor a software development company, we are unencumbered in making unbiased, independent recommendations. Further, BerryDunn does not partner with, consult for, or subcontract with IT systems vendors or fiscal agents. Our independence and ability to focus on the needs of the City helps BerryDunn serve as a trusted advisor. We are well positioned to provide objective guidance to the City.



**We offer experienced, highly qualified, senior teams with the expertise required to support the project objectives.** Our consulting staff are highly-skilled experts in their fields, and hold industry-leading certifications. Four of our proposed team members are Certified Fraud Examiners (CFEs) and two are Certified Public Accounts (CPAs). We will leverage our deep bench of experts to provide a full complement of skills and experience to best address your needs and objectives.



**We value relationships.** Our team is interested in more than just getting the job done; we care about *how* we get the job done. The people we work with—both within our internal team and the City of Pontiac team—matter to us, as expressed in several of our firm’s core values, such as “team first,” “respect for others,” and “ethical behavior and fair dealing in all we do.” We will invest time and energy in building trust and credibility with the City staff, and we believe this is reflected in the fact that our clients regularly invite us back to conduct more work with them. BerryDunn consultants also hold each other and our partners accountable to high standards for performance, and have a reputation for delivering high-quality work—something our clients, external stakeholders who are involved in our work, and our subcontractors repeatedly tell us.

In the pages that follow we present our proposed work plan and project team to complete this engagement. We would be delighted to work with the City and contribute to your success. As a principal of BerryDunn and the leader of our Government Assurance Practice Group, I have the authority to bind the firm to any contractual agreement resulting from this proposal. Should you have questions, please contact me.

Sincerely,

Bill Brown, Principal  
2211 Congress Street  
Portland, ME 04102  
207-541-2208 | [bbrown@berrydunn.com](mailto:bbrown@berrydunn.com)

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# Work Plan

In **Table 1** we have provided our proposed Project Work Plan, which we will customize based on the City's feedback. Our work plan assumes that the audit review will cover transactions beginning in the fiscal year ended June 30, 2014 and continue through January 4, 2022. We are also prepared to review the City's accounting procedures to identify areas of risk, fraud, and misconduct and recommended improvements and best practices at the City's request. Should either of these requirements change, BerryDunn will work with the City to revise the Project Work Plan and Schedule.

**Table 1: Proposed Work Plan**

Phase 1: Project Initiation & Planning
<p><b>Task 1: Conduct Project Kickoff Meeting</b></p> <p>Upon assignment of a project, the BerryDunn project team will schedule and conduct a meeting to discuss the scope of the project. During the meeting, we will:</p> <ul style="list-style-type: none"><li>• Review the scope of services, deliverables, and project timeline</li><li>• Clarify goals and objectives, identify known project constraints, and refine dates and/or tasks</li><li>• Discuss our approach for managing communications</li><li>• Request names and contact information for stakeholders</li><li>• Identify the types of information and documentation that exists for our review</li></ul> <p><b>Task 2: Revise Project Work Plan and Schedule</b></p> <p>Following the planning meeting, we will revise our proposed Project Work Plan and Project Schedule for review and approval. At minimum, the Project Work Plan will define the scope, purpose, and goals; project timeline; approach and specific steps/tasks; project resources; and cost.</p> <p><b>Task 3: Request Existing Documentation</b></p> <p>We will develop a document request list to obtain relevant documentation to support our review activities. Items might include executed contracts, invoices and payments; credit card and/or bank statements; and relevant meeting minutes and/or communications.</p> <p><b><i>Deliverable 1: Project Work Plan and Schedule</i></b></p>

Phase 2: Fieldwork & Analysis
<p><b>Task 1: Review Documentation</b></p> <p>We will review provided materials to develop a preliminary set of risks and inform questions to ask during interviews.</p> <p><b>Task 2: Develop a Testing Approach</b></p> <p>After reviewing the initial set of documents, we will work with the City to identify risk areas and document a test plan to evaluate and address the risk areas identified. BerryDunn will</p>

document test procedures for the risks including interviews, document review, and data analysis.

**Task 3: Schedule On-Site Meetings**

We will create an interview and site visit schedule. We take every precaution to cause as little disruption to everyday business processes and balance COVID-19 safety measures with the needs of the project.

**Task 4: Request Testing Documentation**

We will submit a subsequent document request list that outlines all support needed in order to perform the test procedures.

**Task 5: Conduct On-Site Discovery Meetings**

We will conduct on-site discovery meetings with key stakeholders. As part of this task, we will interview key personnel and review testing documentation. BerryDunn will follow-up with any questions related to the testing while on-site or shortly thereafter via Teams or Zoom.

**Phase 3: Final Report & Presentation**

**Task 1: Analyze Findings and Observations**

We will further analyze our results to identify and assess the fraud risks and vulnerabilities that exist in the current environment.

**Task 2: Develop Findings and Observations Report**

BerryDunn will draft the Findings and Observations Report. We will conduct a work session to review and discuss each of the identified risks and threats with the City.

**Task 3: Present Findings and Observations**

After review and approval of the final Findings and Observations Report, the BerryDunn team will prepare a formal Findings and Observations Presentation to share our methodology and findings, including any issues and recommendations.

**Task 4: Project Closeout**

Following the final report and presentation, we will begin project closeout activities, including conducting a project closeout meeting.

***Deliverable 2: Findings and Observations Report***

***Deliverable 3: Findings and Observations Presentation***

# Schedule

In **Table 2** we provide our proposed schedule to complete this engagement within the six-month time-frame requested by the City. Our project schedule assumes work will begin on March 1, 2022.

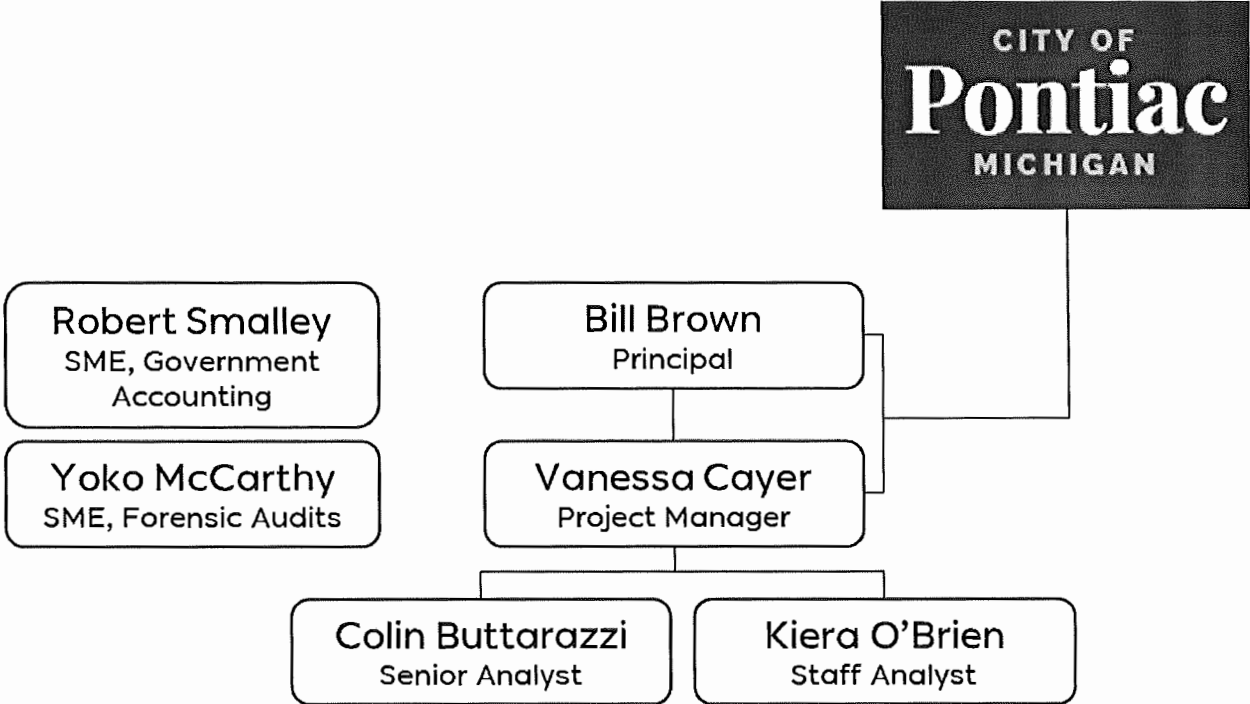
Table 2: Project Schedule

	March	April	May	June	July	August
Phase 1	X					
Phase 2		X	X	X	X	
Phase 3						X

# Project Team

**Figure 1** represents our proposed project team's reporting structure for this engagement. The team will be overseen by Bill Brown, a CPA and CFE with over three decades of experience. The team will be led by Vanessa Cayer, a Project Management Professional® (PMP®) and CFE with nearly 10 years of experience of compliance and risk management consulting experience. Colin Buttarazzi and Keira O'Brien will support the team as Senior Analyst and Staff Analyst. Rob Smalley and Yoko McCarthy will bring subject matter expertise in government accounting and forensic audits. In the pages that follow we have provided resumes for each of our proposed team members.

Figure 1: Project Team Structure





## **Bill Brown, CPA, MAFF, CFE**

### **Principal**

Bill is a principal in BerryDunn's Government Consulting Group and leads our Government Assurance practice area. He has 33 years of audit and consulting experience. With a focus on financial management, compliance and risk management, and information security, he takes a personal approach to serving each client's specific needs and implementing strategies to help them minimize

their risk profile and improve their regulatory and financial stability. Bill is a Certified Public Accountant (CPA), Master Analyst in Financial Forensics (MAFF), and Certified Fraud Examiner (CFE).

### **Relevant Experience**

#### **BerryDunn (07/1988 to present)**

##### **City and County of Denver, CO Auditor's Office – Performance Audit (11/2019 to present)**

Bill serves as the project principal for Denver's Office of Economic Development and Opportunity's Division of Small Business Opportunity M/WBE/DBE program performance audit. The audit is being conducted in accordance with U.S. General Accountability Office's Government Auditing Standards.

##### **Metropolitan Government of Nashville and Davidson County (Metro), TN – Information Security Program Development (05/2016 to present)**

Bill is the project principal for Metro's development of its Information Security Management Program. Bill provides oversight and management on several projects within the program. This included overseeing the team that performed maturity modelling for Metro, using the Cybersecurity Capability Maturity Model (C2M2). The team performed fact-finding activities that informed the C2M2 tool. The results of using this tool assisted Metro with identifying areas of weakness and provided recommendations for improving the Information Security Maturity profile. BerryDunn also performed a Payment Card Industry (PCI) Readiness Assessment. These activities included identifying Metro's current state of PCI, identifying where PCI data resides and where it traverses the network. BerryDunn has also performed an IT Security Audit of the Davidson County Sheriff's Department on behalf of Metro's Office of Internal Audit, and is now assisting with development of an Incident Response Plan.

##### **Children and Family Services of New Hampshire – Forensic Accounting Services (10/2016 to 12/2016)**

Bill led BerryDunn's team providing forensic accounting services to Children and Family Services of New Hampshire, a nonprofit organization. The project included drafting initial findings, as well as preparing a final audit report.

##### **Maricopa County, AZ, Internal Auditor's Department (IAD) – Independent Assessment of IAD Recorder's Office Election Process (09/2018 to 11/2018)**

Bill led BerryDunn's project to conduct independent assessment of the County Recorders Office's process for planning and executing Election Day activities for the 2018 primary election.

##### **Washington State Auditor's Office (SAO) – Local Government IT Security Audits (11/2014 to 06/2017)**

Bill led the IT security audits of municipalities that voluntarily work with the SAO to assess their security postures. He was responsible for helping to ensure that BerryDunn's technical analysts were utilizing relevant industry-leading practices and standards for protecting financial assets and sensitive data from both internal and external threats. Under this contract, BerryDunn supported five entities across the State as they improved their information security postures through the identification and remediation of risks and threats.

##### **Glynn County, GA – IT Security Audit (06/2015 to 02/2016)**

Bill served as the project principal for conducting the County's IT Security Audit. During a previous engagement with the County, BerryDunn also performed an IT Opportunities and Risk Assessment.

**City of Philadelphia, PA – Criminal Justice Information Systems (CJIS) Active Directory Audit (08/2015 to 12/2015)**

BerryDunn assisted the City's Office of Innovation and Technology in evaluating, designing, and planning a comprehensive Active Directory Program that meets or exceeds the requirements of CJIS version 5.3. This project encompassed requirements-gathering from City stakeholders such as the Police Department, OIT security group, and IT Infrastructure; reviewing the as-is City Active Directory that supports CJIS; developing the to-be environment; and identifying next steps and a technical roadmap. Bill oversaw the completion of all deliverables.

**Telephone Utility – Fraud Investigation**

Bill served as engagement principal on an employee dishonesty fraud investigation for a telephone utility in the upper Midwest. Estimated loss was in excess of \$190,000. He designed procedures in collaboration with outside counsel, in-house counsel, financial statement audit firm, and management to determine existence of fraud, quantify loss, and collect evidence. Bill managed both forensic accounting investigators and a data forensics specialist in the execution and documentation of procedures. He delivered the report to outside counsel including description of fraudulent activity, procedures performed, and results of analysis, which provided the base for management to pursue recovery.

**Financial Institution – Fraud Investigation**

Bill served as principal in charge of an employee dishonesty fraud investigation for a financial institution in New England. Estimated loss was in excess of \$510,000. He worked with outside counsel to design engagement to verify suspected fraud, document schemes and mechanisms, and quantify loss. Additionally, he managed a team of financial institution auditors/forensic accountants and a data forensics specialist from planning through submission of reports to bonding company for recovery. One hundred percent of loss was recovered from bonding company.

**Large Law Firm – Internal Control/Fraud Prevention**

Bill served as principal responsible for an internal control/fraud prevention improvement engagement for a major New England law firm. He interviewed key management personnel, managed the documentation of internal controls to assess risk of misappropriation of assets due to fraudulent activity or lack of security, and delivered a report identifying risk areas and providing recommendations for improvements to internal control and fraud prevention procedures to reduce those risks.

**Education, Certifications, and Memberships**

- BS, Accounting, University of Southern Maine
- Certified Public Accountant (CPA)
- Master Analyst in Financial Forensics (MAFF)
- Certified Fraud Examiner (CFE)
- American Institute of Certified Public Accountants (AICPA)
- Maine Society of Certified Public Accountants
- National Association of Certified Valuators and Analysts
- Association of Certified Fraud Examiners
- Association of Government Accountants



## **Vanessa Cayer, MBA, CFE, PMP®**

### **Project Manager**

Vanessa is a manager in BerryDunn's Government Consulting Group with experience as a lead analyst and project manager for several projects specializing in audit and financial compliance. Vanessa's focus is data analysis; risk assessments; financial process improvement; and programmatic, IT control, and forensic auditing. She has strong planning and managing skills, as well as a detailed understanding of accounting and

financial procedures. Vanessa has 7 years of compliance and risk management consulting experience. She has her Master of Business Administration (MBA), is a Certified Project Management Professional® (PMP®) and is a Certified Fraud Examiner (CFE).

### **Relevant Experience**

#### **BerryDunn (09/2014 to present)**

##### **Star of Hope – Forensic Accounting Services (12/2019 to present)**

Vanessa is leading the review of accounting support and verifying contract compliance of an affiliate organization.

##### **Maine Attorney General's Office – Contract Review (10/2021 to 10/2021)**

Vanessa led the review of analyzing multiple versions of contracts to evaluate the differences and the potential financial impact of the changes documented in the contracts. Vanessa summarized the findings in a report that was used in preparation for a court mediation.

##### **Children and Family Services of New Hampshire – Forensic Accounting Services (10/2016 to 12/2016)**

Vanessa was a lead analyst in providing Forensic Accounting Services to Children and Family Services of New Hampshire, a nonprofit organization. She led on-site interviews and document review activities. The project included drafting initial findings, as well as preparing a final audit report.

##### **Metropolitan Government of Nashville and Davidson County (Metro), TN Office of Internal Audit (OIA) – Investigation of Nashville General Hospital (10/2020 to 11/2021)**

For this engagement, Vanessa was a lead where she led interviews regarding allegations related to billing and potential fraud. BerryDunn reviewed the allegations and performed testing in order to conclude on the validity of the allegations.

##### **City and County of Denver, CO Auditor's Office – Performance Audit (01/2020 to 06/2020)**

Vanessa led a performance audit of the Denver Economic Development and Opportunity Division of Small Business Opportunity department. This audit included interviews, document review, and testing and resulted in a report with findings and recommendations.

##### **Maricopa County, AZ Internal Auditor's Department – Audit of the Sheriff's Information Management System (03/2019 to 05/2019)**

Vanessa served on BerryDunn's team providing internal audit support for Maricopa County Sheriff's Office Bonds, Fine, and Court Order Processing.

##### **Metropolitan Government of Nashville and Davidson County (Metro), TN Office of Internal Audit (OIA) – Program Audit and Monitoring Services (05/2019 to 01/2020).**

For this engagement, Vanessa provided a review of purchasing and contract compliance of construction vendor contracts within the county.

##### **New Hampshire Liquor Commission (NHLC) – Audit Readiness and Business Process Improvement (06/2017 to 2018).**

Vanessa was a lead auditor as part of BerryDunn's team providing process improvement and audit

readiness services. This role included leading on-site interviews and review of documentation. Vanessa assisted in drafting the findings and recommendation report.

**Newport School District – Process and System Assessment (2018)**

Vanessa assisted in the assessment of processes, policies, technology, internal controls, and staffing related to the District's finance and human resource functions.

**Rhode Island Administrative Office of the State Courts – Financial and System Assessment (03/2019 to 09/2019)**

Vanessa assisted in this engagement providing assessment and examination of the Odyssey case management system and financial controls.

**Education, Certification, and Memberships**

- MBA, concentration in Business Analytics, Bentley University, McCallum Graduate School of Business
- BS, Business Administration, concentration in Accounting, minor in Sociology Service Learning, Bryant University
- Certified Fraud Examiner (CFE)
- Certified Project Management Professional® (PMP®)



## **Robert Smalley, CPA, CFE, CGMA**

### **SME, Government Accounting**

Rob has spent his entire career providing audit, accounting, and consulting services to governmental clients. As the Governmental Audit practice lead, Rob leverages his deep experience working with large and diverse government organizations when advising BerryDunn's government clients. His experience includes advising clients with all aspects of governmental accounting, financial reporting, proper internal control structure and single audit compliance. In

addition, Rob also leads a substantial portfolio of financial institution audits all over New England for both public and private banks.

### **Key Qualifications**

- Over 17 years of audit and consulting experience
- Certified Public Accountant
- Certified Fraud Examiner

### **Relevant Experience**

#### **BerryDunn (09/2003 to present)**

**Martha's Vineyard Airport** – Financial Reporting Process Review and Recommendations (12/2018 to 01/2019)

BerryDunn was engaged to review current internal Financial Reporting practices, procedures, and systems, and to make recommendations to improve the monthly reporting provided to the Board of Commissioners. The project consisted of three phases: project planning, review and assessment, and developing a tool for ongoing financial reporting. The tasks involved in these phases included conducting fact-finding meetings with the Commissions on the Budget & Finance Committee as well as the Airport and County staff, and developing recommendations and presentations to the Commission.

**New Hampshire Liquor Commission (NHLC)** – *Audit Readiness and Process Improvement (06/2017 to present in three separate engagements)*

BerryDunn was engaged to review the current processes and procedures in place (including the organizational chart, job descriptions and policies and procedures related to the financial reporting process) to prepare for, and respond to, the annual Comprehensive Annual Financial Report (CAFR) audit. In the first engagement with NHLC, Rob and his team helped to achieve two primary objectives, one long-term (Phase 1) and one short-term (Phase 2):

- The long-term objective: to assess and improve the efficiency and effectiveness of ongoing operations and financial reporting.
- The short-term objective: to produce timely, accurate, and auditable financial data in response to the requests of the Audit Division of the Legislative Budget Assistant (LBA) for the conduct of the FY2017 CAFR audit.

After the first engagement, Rob and his team have been engaged two more times to support the finance department in preparing for their CAFR as well as remediation of audit findings.

**Connecticut Health and Educational Facilities Authority (CHEFA, quasi component unit of the State of Connecticut)** – *Internal Audit Services (01/2018 to present)*

BerryDunn was engaged to perform an internal risk assessment followed by evaluation of and recommendation of internal audit projects that should be completed based on ranked risk factors related to each entity's operation and internal controls. BerryDunn was also engaged to perform internal audit

services on an ongoing basis. This has included various internal audits including bond monitoring process, equipment loan program, and the functions of Human Resources and Payroll.

**Vermont Student Assistance Corporation (VSAC, component of the State of VT) – Annual Financial Statement and Uniform Guidance Audits (01/2013 to present)**

Rob manages the annual audit of the VSAC. This engagement includes financial and Uniform Guidance components, as well as providing formal feedback on improvements and efficiencies in internal controls.

**Community College System of New Hampshire (component of the State of NH) – Annual Financial Statement and Uniform Guidance Audits (2015 to present)**

Rob leads the annual audit of the System which support all seven community colleges in New Hampshire. This engagement includes performing audits of the financial statements, reporting on Uniform Guidance, as well as providing formal suggestions for improvements and efficiencies in internal controls.

**Pease Development Authority (PDA, component of the State of NH) – Annual Financial Statement and Uniform Guidance Audits (2016 to present)**

As the audit manager, Rob leads a team that provides the Authority with financial and Uniform Guidance audits. This engagement includes the review of the rental and fee revenues association with an airport, golf course, and rental of various office spaces, accounts receivable, capital assets, long-term debt and documentation of the Authority's internal control processes. A significant portion of this engagement involves auditing federal funds received by PDA for various purposes including large construction projects.

**Education and Memberships**

- BBA, Accounting, University of Maine
- MS, Accounting, University of Maine
- American Institute of Certified Public Accountants
- New Hampshire Government Finance Officers Association
- New Hampshire Society of Certified Public Accountants, Past President
- Association of Certified Fraud Examiners



## **Yoko McCarthy, MBA, CFE, CGFM, CISA**

### **SME, Forensic Audits**

Yoko is a senior manager in BerryDunn's Government Consulting Group specializing in financial compliance, risk management, project management, audit, and information security. She is a highly motivated leader with strong skills in data analysis, planning and organization, and change management. She brings a thorough understanding of business goals, objectives, and processes to each project. Yoko has over 10 years of auditing experience.

She is a Certified Information System Auditor (CISA), and Certified Fraud Examiner (CFE).

### **Relevant Experience**

#### **BerryDunn (10/2012 to present)**

##### **Children and Family Services of New Hampshire – Forensic Accounting Services (10/2016 to 12/2016)**

Yoko led BerryDunn's team, providing forensic accounting services to Children and Family Services of New Hampshire, a nonprofit organization. The project included drafting initial findings and preparing a final audit report.

##### **Alaska Division of Legislative Audit (DLA) – General Controls / Application Controls Examination (01/2016 to present)**

Yoko is assisting the DLA in the identification and examination of the information technology general controls and application controls related to Alaska's Integrated Resource Information System (IRIS) with a goal of compliance and attestation of the general and application controls of IRIS. DLA will use the results of the review to plan the audit of the State's financial statements and single audit for fiscal years 2016 and 2017.

##### **HealthSource Rhode Island (HSRI) – Financial and Programmatic Audit (07/2015 to 01/2016)**

Yoko served as the project manager for the FY2014 financial and programmatic audit of Rhode Island's health insurance exchange, which was conducted in compliance with 45 CFR 55 to help ensure that internal controls and processes governing eligibility determination and enrollment were maintained.

##### **Maricopa County, AZ Internal Auditor's Department – Independent Assessment of IAD Recorder's Office Election Process (09/2018 to 11/2018)**

Yoko led BerryDunn's team providing an independent assessment of the County Records Office's processes for planning and executing Election Day activities for the 2018 primary election.

##### **Massachusetts HIX/IES Entities – IV&V Services (06/2014 to present).**

BerryDunn is currently providing IV&V for Massachusetts' HIX/IES implementation. Since 2014, Yoko has been leading the Financial Review task area for IV&V services, providing monthly financial status reporting, documenting cost allocation methodologies, reviewing System Integrator's invoices, and assisting with change request review. Her major responsibilities include review of the financial management process and tools for this large-scale project to help ensure integrity of the financial data, correct use of various funding sources based on the approved cost allocation methodology, and to help ensure efficiency of the financial management process. In addition, her team has assisted with the development of IAPD-Us, which have resulted in the Commonwealth receiving over \$110 million in federal funds under Title XIX.

##### **Minnesota Health Benefit Exchange (MNsure) – Programmatic Audit (09/2015 to present)**

Yoko is currently serving as project manager for the FY2016 programmatic audit of Minnesota's health insurance exchange, which was conducted in compliance with 45 CFR 55 to help ensure that internal controls and processes governing eligibility determination and enrollment were maintained. She also served as project manager for the FY2015 audit.

**Missouri Department of Social Services** – Independent Security Assessment (ISA) for Missouri Eligibility Determination and Enrollment System (MEDES) (06/2014 to 11/2014)

Yoko served as a project manager for BerryDunn's engagement to conduct an Independent Security Assessment of the MEDES, which is required for Missouri's continued Authority to Connect status with the Federal Data Services Hub. This assessment required identification and assessment of security risks related to the development and operation of the MEDES functions and to the confidentiality, privacy, integrity, and availability of critical, personally identifiable data. For this assessment, Yoko followed the best practices and the requirements of CMS' catalog of Minimum Acceptable Risk Controls for Exchanges and other state and federal privacy and security laws. This project also included the development of an action plan to mitigate the risks identified during the assessment.

**New Hampshire Liquor Commission** – *Audit Readiness and Business Process Improvement (06/2017 to present)*

Yoko provides process improvement and audit readiness services. BerryDunn's team reviews the current processes and procedures in place to prepare for, and respond to, the annual Comprehensive Annual Financial Report (CAFR) audit prepared using Governmental Accounting Standards Board (GASB) standards.

**Vermont Department of Vermont Health Access** – *Vermont Health Connect Financial and Programmatic Audit (01/2016 to present)*

Yoko is currently serving as project manager for the FY2016 financial and programmatic audit of Vermont's health insurance exchange. She also serves as a project manager for the FY15 audit. BerryDunn is providing a Yellowbook audit in compliance with 45 CFR 55 to help ensure that internal controls and processes governing eligibility determination and enrollment were maintained. Yoko managed all phases of the engagement including developing and maintaining the work plan. Additionally, she coordinated and monitored the internal resources and participated in fact-finding meetings.

**Washington Health Benefit Exchange (WAHBE)** – *Financial and Programmatic Audit (07/2016 to present)*

Yoko led the FY2016 programmatic audit of WAHBE, which was conducted in compliance with 45 CFR 55 to help ensure that internal controls and processes governing eligibility determination and enrollment were maintained. Yoko performed the eligibility and enrollment testing. Yoko is serving as project manager for the FY2017 financial and programmatic audit.

## **Education, Certification, and Memberships**

- MBA, specializing in Finance, Information Systems, and Supply Chain Services Management, University of Massachusetts
- BA, Economics, Kobe College, Hyogo, Japan
- Certified Fraud Examiner (CFE)
- Certified Government Financial Manager® (CGFM)
- Certified Information Systems Auditor (CISA)
- Member of Association of Government Accountants (AGA), the Association of Certified Fraud Examiners, and Information Systems Audit and Control Association® (ISACA)



## **Colin Buttarazzi, PMP®**

### **Senior Analyst**

Colin is a senior consultant in BerryDunn's Government Consulting Group with experience in communicating and executing strategic plans, coordinating membership development for various groups, and coordinating finance activities. He has worked on a wide range of projects with a focus on programmatic audit, forensic audit, financial process improvement, invoice review, and data analysis. Colin holds a Project Management Professional®

certification and uses best practices from the *Project Management Body of Knowledge (PMBOK® Guide)* to help clients achieve their project objectives.

### **Key Qualifications**

- Nearly six years compliance and risk management consulting
- Certified Project Management Professional®

### **Relevant Experience**

#### **BerryDunn (05/2015 to present)**

##### **State of Missouri, Division of Accounting – Overtime Pay Review (10/2021 to 12/2021)**

Colin was a lead analyst on the team that reviewed if employee payroll and compensatory time provided to essential government workers as a result of the COVID-19 pandemic was calculated in accordance with the requirements of the Fair Labor Standards Act (FLSA).

##### **Metropolitan Government of Nashville and Davidson County (Metro), TN Office of Internal Audit (OIA) – Program Audit and Monitoring Services (03/2019 to 05/2019)**

Colin worked as a project lead and senior auditor on two vendor audits structured as AUP engagements for the Office of Internal Audit. Colin led interviews, performed invoice and labor testing, reviewed contracts, and assisted with the development of the final report for the Office of Internal Audit.

##### **Children and Family Services of New Hampshire – Forensic Accounting Services (10/2016 to 12/2016)**

Colin was a lead analyst in providing Forensic Accounting Services to Children and Family Services of New Hampshire, a nonprofit organization. He assisted with on-site interviews and document review activities. The project included drafting initial findings, as well as preparing a final audit report.

##### **City of Alexandria, VA – Review of Community Based Mental Health and Substance Abuse Services (07/2015 to 02/2016)**

Colin worked on this project to review the City's Community Services Board (CSB), which oversees the use of public funds to provide mental health, intellectual disability, and substance abuse services. BerryDunn reviewed the CSB's processes for third-party billing to identify opportunities to improve the effectiveness of identifying and collecting revenues from third-party sources, submitting and monitoring pre-authorization requests to third-party pay sources, and management and determination of patient payment responsibilities, including co-payments, co-insurances, and deductibles. Colin performed data analysis and reviewed documents to ensure compliance with federal and state regulations. BerryDunn developed a report of recommendations to assist with the implementation of a more sustainable and efficient process.

#### **Board of Trustees for the University of Southern Maine (2012 to 2014)**

Colin attended Board of Trustees meetings as an undergraduate representative, traveling around the State of Maine and reporting back to the Student Government. He maintained constant communication with the Board of Trustees, the President of the University of Maine, the Vice President and Dean of Students, and the executives of the Undergraduate Student Government at the University. Colin served as an intermediary and often facilitated open discussion between the groups to establish common ground

and agreement. As a member of the Blue Sky Strategic Advisory Board (2014), Colin participated in the University's five-year strategic planning process. While a member of this board, Colin was the representative of the students and he worked to ensure student needs were properly addressed.

### **Education and Certifications**

- BS, Economics and Business Management, University of Maine
- Project Management Professional® (PMP®)
- Certified Associate in Project Management (CAPM®)

### **Publications and Presentations**

- "Internal Audit Potential for Not-for-Profit Organizations," a BerryDunn blog post, March 4, 2020
- "Was your COVID-19 essential worker hazard pay FLSA-compliant?" a BerryDunn blog post, December 23, 2021



## **Kiera O'Brien, BS**

### **Staff Analyst**

Kiera provides quality assurance and financial compliance auditing services. She is skilled in evaluating data sets and helping state and local government strengthen internal controls. She has expertise in providing business analysis, research, requirements definition, fact-finding, procurement support, and project coordination to government agency projects. She has an in-depth knowledge of the compliance template BerryDunn uses for programmatic

audits, and has experience leading a review to help ensure language is updated to comply with the latest 45 C.F.R. 155 guidance.

### **Relevant Experience**

#### **BerryDunn (06/2021 to present)**

##### **Washington Health Benefit Exchange (WAHBE) – Financial and Programmatic Audit (08/2021 to present)**

Kiera reviews client provided documentation in order to determine whether the exchange complied with applicable sections of the Affordable Care Act, and other applicable Federal Laws and Regulations.

##### **Star of Hope – (07/2021 to present)**

Kiera is an auditor reviewing royalty payments, expenditures, third-party payments, and reconciliation of accounting records for contract compliance.

##### **City of Buckley, Washington – Comprehensive Review of Utility Bills (07/2021 to present)**

Kiera is an auditor working on a review of the City of Buckley's utility billing system for commercial accounts. Kiera analyzes data for over 200 accounts and notes discrepancies in billed rates for further research.

##### **Missouri Department of Social Services – Review of Residential Treatment Facilities (07/2021 to 01/2022)**

Kiera was an analyst for a review of 39 Residential Treatment Facilities across Missouri. She performed reviews of over 100 cases selected for review. Kiera analyzed and synthesized the data and documentation our teams reviewed to complete the monitoring tools and reports for each provider and facility.

##### **State of Missouri, Division of Accounting - Overtime Pay Review (10/2021 to 12/2021)**

Kiera reviewed employee payroll and compensatory time during the pandemic and calculated payments in accordance with FLSA.

#### **Advisory Intern, Merrill Lynch (06/2019 to 08/2019)**

As a GWM Advisory intern, Kiera planned seminars and events for high net worth clients, analyzed stocks and create mock portfolio, and assisted financial advisors in preparation for client meetings.

#### **Rehab Office Coordinator, Genesis Healthcare (05/2018 to 07/2019)**

As a rehab office coordinator, Kiera performed insurance and doctor approval coordination using Genesis software medical platform. She also managed online medical platforms for patient billing and finances.

### **Education and Certifications**

- BS, Business Administration, University of Vermont Grossman School of Business

## Budget

In **Table 3** we have presented our proposed budget of **\$74,975** for this project. Our budget and work plan include one week of onsite interviews and testing and include testing of high risk areas related to purchases, contracts, vendor payments, credit card transactions, and banking transactions. If the City identifies any additional areas for testing outside of the initial scope, BerryDunn will bill those additional hours at a composite rate of \$220.

**Table 3: Proposed Budget**

Position	Hours	Rate	Cost
Project Principal	15	\$365	\$5,475.00
Project Manager	110	\$250	\$27,500.00
Senior Analyst	100	\$220	\$22,000.00
Staff Analyst	110	\$130	\$14,300.00
Subject Matter Expert	20	\$285	\$5,700.00
Total			<b>\$74,975.00</b>

# **PUBLIC ADVISORY GROUP**

## **PROPOSAL FOR FORENSIC AUDIT SERVICES**

**DUE FEBRUARY 7, 2022, TO:**

**DARIN CARRINGTON, FINANCE DIRECTOR**

**CITY OF PONTIAC**

**47450 WOODWARD AVENUE**

**PONTIAC, MI 48342**



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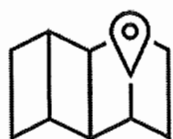
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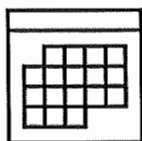
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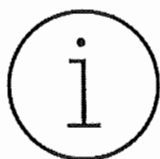
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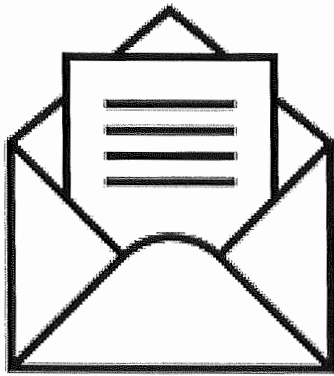
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# LETTER OF TRANSMITTAL

**PUBLIC  
ADVISORY  
GROUP**

February 7, 2022

Darin Carrington, Finance Director  
City Of Pontiac  
47450 Woodward Avenue  
Pontiac, MI 48342

Subject: Letter of Transmittal

Regarding: Request for Proposal for Forensic Audit Services

Director Carrington,

I am pleased to submit the following proposal in response to the City's above noted request for proposals on behalf of my firm, Public Advisory Group. The information in this proposal is guaranteed to remain valid until the conclusion of The City of Pontiac's procurement process.

For this engagement, Public Advisory Group's proposed project manager is Grant Gager. Grant is a detail-oriented project manager with extensive public finance experience who recently joined the firm after serving as the City of Ketchum Idaho's Director of Finance and Internal Services. Our team is immediately prepared to support The City of Pontiac in this forensic audit.

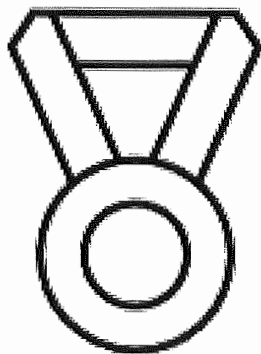
To learn more about Public Advisory Group, or to schedule a follow-up conversation, please contact proposed project manager Grant Gager at (208) 725-3259 or [Grant@PublicAdvisoryGroup.com](mailto:Grant@PublicAdvisoryGroup.com).

Respectfully submitted,

Chloe Berler  
Owner

**PO BOX 1469 • KETCHUM, IDAHO 83340**

**(208) 725-3259 • [info@PublicAdvisoryGroup.com](mailto:info@PublicAdvisoryGroup.com)**



# COMPANY PROFILE

## ABOUT US

Public Advisory Group is a woman-owned company that was formed to provide local governments cost-effective access to high-quality professional services. The company's practice is aligned in three service areas: advisory, advocacy and assistance. Our assistance line of business provides organizations with experienced municipal practitioners for critical time-sensitive projects.

While Public Advisory Group is headquartered in Ketchum, Idaho, **we are registered to transact business in Michigan by the State's Department of Licensing and Regulatory Affairs** (see page10). Public Advisory Group is similarly registered in Arizona, Colorado and Idaho to serve our public sector clients in those states. The Company maintains automobile, commercial and professional liability coverages of at least \$1 million per occurrence.

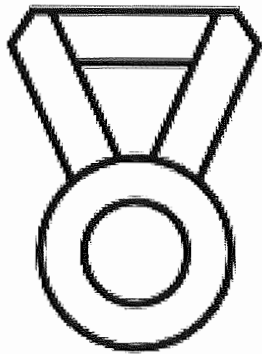
Public Advisory Group's core values of communication, hard-work and integrity lead our approach to each engagement. Guided by our "The Client Decides" motto, we undertake each project with an intent to exceed expectations as we deliver what our client is seeking. If awarded this project, Public Advisory Group will analyze the data and help the City's leadership understand the issues.

## FORENSIC ACCOUNTING

At Public Advisory Group, we know that allegations of fraud, misconduct and non-compliance are damaging to organizational credibility and employee morale. When confronted with such claims, it is important to commit to organizational integrity and determine what has occurred. And, **when taxpayer funds are involved, a commitment to integrity is of paramount importance**. Bringing in an independent investigator, separate from the existing audit team, to understand the issues is often the best solution.

Public Advisory Group is committed to helping local governments understand the true scope of financial misconduct and non-compliance. With practical experience in public sector accounting, procurement and records retention, our team possesses broad and deep practical experience in municipal administrative functions. Whether confronted with questions of billing, funds management, project accounting or similar activity, **our understanding of organizational function and transactional process in public agencies informs each investigation**. And, when we finish the review, our team helps entities identify areas of process improvement to increase internal control and oversight. **Public Advisory Group's team of specialists have the knowledge and experience your constituents deserve.**

As a former finance director at both the state and municipal level, proposed project manager Grant Gager has led strategic reviews of government programs for over a decade. With this experience performing financial reviews of taxpayer-funded programs, Grant is well-qualified to help The City of Pontiac review any financial situation and understand the full scale of issues that may be present.



# COMPANY PROFILE

**Public Advisory Group is proposing Grant Gager as its key employee for this engagement:** A brief description of Grant's education and experience follows. As project manager, **Grant will be supported by Public Advisory Group's administrative staff**, as well. No subconsultants are planned for this engagement. The nature of the specified work in this engagement will not produce a capacity constraint for the proposed project manager or support team.

## GRANT GAGER

Pennsylvania State University, Master of Business Administration, 2010.

University of Rochester, Bachelor of Arts, Economics, 2003.

## CITY OF KETCHUM

Proposed Project Manager Grant Gager served as the City's Director of Finance and Internal Services. Grant was tasked by the Mayor and City Administrator with the following relevant reviews:

**Housing In-lieu Fund:** At the Mayor's direction, Grant led a review of the City's Housing In-lieu Fund that received fees from real estate development projects in-lieu of building affordable housing units. Grant reviewed all revenues and expenditures of the fund and provided the City Council with a report of the fund's activity since its inception in 2004.

**Parks & Recreation Department Fees:** At the City Administrator's request Grant led a review into the park reservation process and activity for a 5-year period. The review resulted in a confidential report to the City Administrator that detailed findings and observations on the fee activity and processes as well as procedural change proposals.

**Local Sales Tax Usage:** Grant led a multi-city review of expenditures of local sales taxes provided to a separate public entity to ensure appropriate use of funds in conformance with statutory requirements.

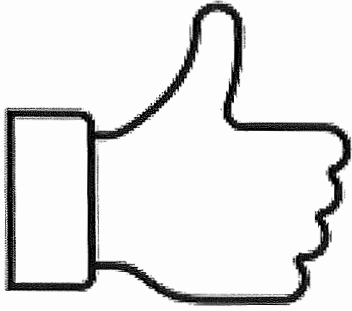
## CONNECTICUT GENERAL ASSEMBLY

Grant served as a non-partisan fiscal analyst for the Connecticut General Assembly where he managed financial reviews of statewide programs on behalf of legislative leadership including:

**State Police Overtime:** At the direction of Senate leadership, Grant reviewed overtime spending of State Troopers. The review developed operational change recommendations that led to \$36 million in annual overtime spending reductions and increased the reimbursement rate to 50%.

## AGENCY STEWARDSHIP

Grant Gager has served as a member of the Board of Directors for both the Idaho Independent Intergovernmental Authority and Mountain Rides Transportation Authority. Grant served as Board Secretary and a member of the Finance Committee for both entities during his time on each.



# REFERENCES

## **2021 ADVISORY CLIENT**

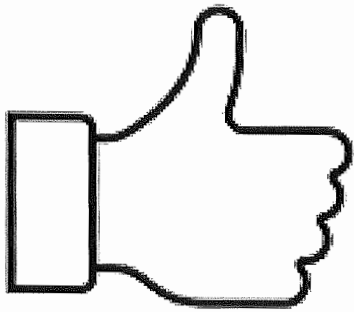
"Grant's work to understand my contracts, interpret the nuances, consider my goals, offer clarity and help me respond formally to all parties involved was amazing. His attention to detail far surpassed the other professionals I was speaking with as I was sorting out my options."

## **2021 ADVOCACY CLIENT**

"[Public Advisory Group]'s work took me from a place of worry and distrust to a place of empowerment and agency. I came away more educated and capable."

## **2021 ASSISTANCE CLIENT**

"I could rely on Grant to be thorough, professional, kind, patient, and well spoken. I strongly recommend Grant and Public Advisory Group."



# REFERENCES



City of Ketchum

August 14, 2020

Subject: Grant Gager

To Whom it May Concern,

As I prepare to step down from my role as City Administrator with the City of Ketchum, it is with great pleasure that I write this letter of recommendation for Grant Gager. With approval from both the Mayor and City Council, I hired Grant to be the City of Ketchum's Director of Finance & Internal Service in November 2016; a position that was newly created to provide oversight of the City's administrative functions. Since he joined the City, Grant has become an integral member of our leadership team along with the Mayor and me. In that role over the past four years, Grant has shown an ability to thoughtfully consider complex issues from many perspectives while challenging assumptions. Running a complex multi-function department in the City of Ketchum is not an easy task, but Grant has consistently shown that he understands how to analyze and respond to the many unexpected situations we face each day.

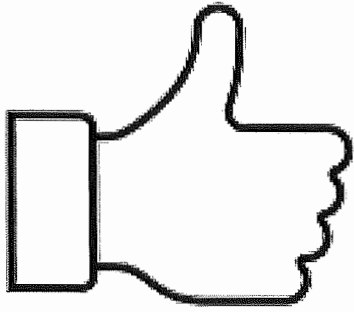
Over the past four years, I have entrusted Grant with responsibility for some of the City's more complex projects. Grant has arranged financing packages to fund new capital equipment and projects, including a voter-approved fire station. Not only did he execute the financing of that new station, but Grant has served as our internal project manager for both the design and construction phases of the project. This follows the success he had early in his tenure leading the roll-out of paid parking; a program that included investments in both physical infrastructure as well as the supporting information technology ecosystem. I have been impressed with Grant's ability to successfully manage such important and visible City projects in a schedule and budget conscious way.

While Grant has proven himself to be a capable project manager, I am similarly impressed by his ability to manage people. Whether it is the finance staff in the office or the code enforcement staff walking the streets, Grant has a great rapport with his teams. He has not only raised his employees' performance level, but they genuinely seem to enjoy working for him. Grant's interactions with the City Council and members of the public have drawn similar respect. Grant is able to explain complex financial issues, including the City budget, with ease and in a way that is easily understandable. More importantly, his door is always open, and he is an engaged listener always ready to help and offer solutions.

I do expect Grant to be a long-time employee of the City of Ketchum. But, as I prepare to leave, I want to document my appreciation and recognition for his contributions to the City. I have thoroughly enjoyed working alongside Grant and know that he will bring success to any organization he may choose to join in the future. We've been lucky to have him here in Ketchum!

Thank you,

Suzanne Frick  
City Administrator



# REFERENCES

Because Public Advisory Group was recently formed, the company offers a mix of references from our current clients as well as the past employers of project manager Grant Gager:

## **CITY OF KETCHUM**

From November 2016 to February 2021, Grant Gager served as the City's Director of Finance and Internal Services. Grant led the City's financial and administrative operations and performed financial analyses, including those detailed on page 3 of this proposal.

Mayor Neil Bradshaw  
191 W. 5th Street  
Ketchum, ID 83340  
(208) 726-3841  
NBradshaw@KetchumIdaho.org

## **KETCHUM URBAN RENEWAL AGENCY**

Grant Gager served as the Agency Treasurer leading financial and administrative operations and performed financial analyses.

Chair Edward Johnson  
480 East Avenue  
Ketchum, ID 83340  
EJohnson@KetchumURA.org

## **THE ARGYROS**

Grant Gager and Public Advisory Group are currently engaged to support the Executive Director of The Argyros, a multi-use 450-seat non-profit performing arts center, with finance advisory services.

Executive Director Casey Mott  
121 S. Main Street  
Ketchum, ID 83340  
Casey@TheArgyros.org

## **CITY OF FORT COLLINS**

Grant Gager and Public Advisory Group are currently engaged to support the City with human resources consulting, including recruitment support services.

215 N Mason Street  
Fort Collins, CO 80522  
(970) 221-6216  
Reference Available Upon Request

## **NAMPA FIRE PROTECTION DISTRICT**

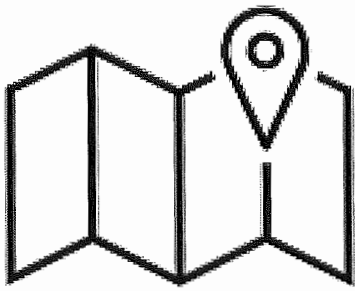
Grant Gager and Public Advisory Group are currently engaged to support the District with financial planning and analysis advisory services, including long-term tax forecasting and budget support.

9 12th Avenue S.  
Nampa, ID 83651  
(208) 468-5752  
Reference Available Upon Request

## **MARICOPA COUNTY**

Grant Gager and Public Advisory Group are currently engaged to support the County with executive recruitment services.

3800 N. Central  
Phoenix, AZ 85012  
(602) 506-6930  
Reference Available Upon Request



# PROJECT APPROACH

Public Advisory Group's core values of communication, hard-work and integrity lead our approach to each engagement. Guided by our "*The Client Decides*" motto, we undertake each project with an intent to exceed expectations as we deliver what our client is seeking. If awarded this project, Public Advisory Group will analyze the data and help the City's leadership understand the issues and how to improve internal controls to reduce future occurrences of misconduct. This is how we'll do it:

## PHASE 1: PROJECT KICK-OFF AND DATA GATHERING

Public Advisory Group will schedule a kick-off meeting with the City's project manager to **understand the full spectrum of needs and opportunities that this project will address** and ensure all areas are sufficiently and properly reviewed. Our fully-vaccinated team is able to hold the kick-off meeting in-person and will do so abiding by City public health policies at all times. In addition to establishing relationships and expectations with City staff, the project kick-off meeting also serves as an opportunity to establish project protocols and organizational matters including:

- ◆ Channels of Communication
- ◆ Data Sharing Standards
- ◆ Project Schedule

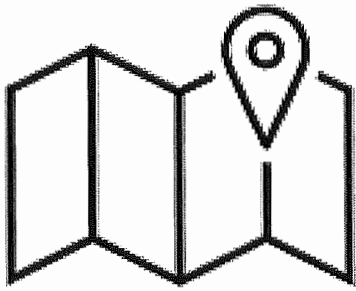
Public Advisory Group's project manager will also use this opportunity to perform an initial data and information gathering session to obtain project data from the City including:

- ◆ Contracts and Purchase Orders
- ◆ Financial Activity Reports
- ◆ Policies and Procedures

## PHASE 2: DATA ANALYSIS

With the necessary project data assembled, our team will initiate a process of understanding the full scale of issues present. Using our collective experience in accounting, contract administration, customer billing, fund administration, procurement and project management, the Public Advisory Group team will review transactional details and trace the activity to learn what has transpired.

And, we know that misconduct does not occur in a vacuum. **It is important for leadership to understand what happened and also why it happened.** Therefore, fully understanding what has occurred requires more than a simple analysis of financial transactions. A complete situational review will incorporate an investigation into the approvals, policies and procedures involved in the situation. By engaging in such a review, entities can reduce future legal liability, improve operations and rebuild employee morale.



# PROJECT APPROACH

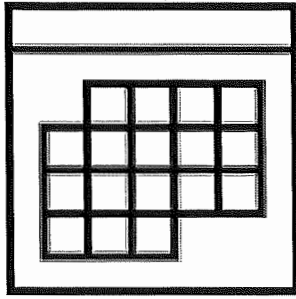
## PHASE 3: ISSUE REPORTING

Our fully-vaccinated team is able to meet with City leadership throughout the project to provide updates and gain input on the City's intentions and needs as the project progresses. Whether in-person, virtually or through written project updates, **Public Advisory Group's core value of communication is critical to every project we undertake.**

As our data review and analysis progresses, Public Advisory Group's project manager will work with the City project manager to draft a final report outlining the findings and observations of the investigation. **To ensure that no surprises occur late in the project, we will provide periodic updates detailing the progress, findings and observations of our review.** Depending upon the needs of the City, Public Advisory Group is able to identify policy and procedure revisions to help the City reduce the likelihood of future occurrences of misconduct. Forensic reviews of financial transactions can be a powerful risk management tool and our team's experience developing public agency policies and procedures allows Public Advisory Group to help our clients manage organizational risk and liability.

## PHASE 4: PROJECT CLOSE-OUT

Public Advisory Group recognizes the sensitive nature of forensic audit engagements. Therefore, we allow our clients to guide the final report and presentation process. While our team expects to provide a final report of findings and observations to the City accompanied by a presentation of some magnitude, we have also experienced projects where our work product is provided to clients through their external Counsel. Our team is pleased to perform however the City determines most appropriate. As our motto says, *The Client Decides.*



# PROJECT SCHEDULE

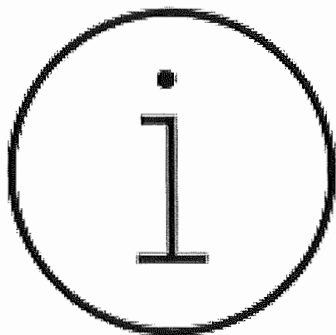
## OUR COMMITMENT

Public Advisory Group understands the City's intent to have the forensic review completed within six (6) months of award. Our team is available to immediately support The City of Pontiac and affirms our ability to appropriately staff the project to ensure its timely completion.

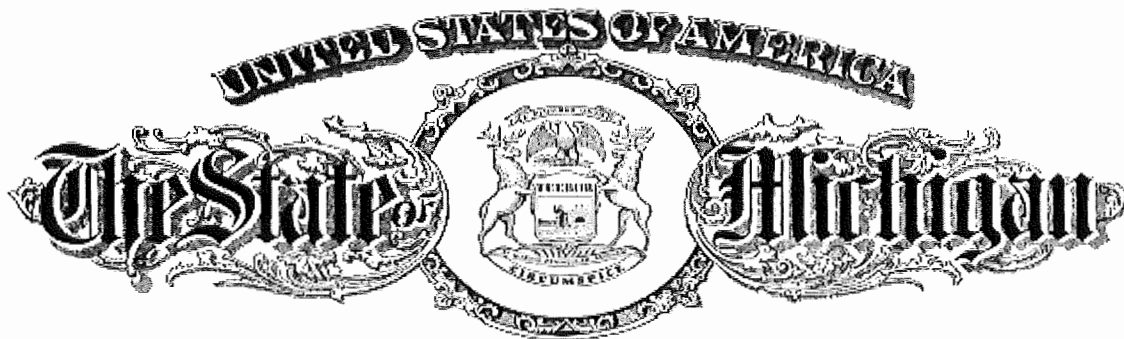
## PROPOSED SCHEDULE

Public Advisory Group is pleased to present the following project schedule for the City's review. A project schedule will be developed jointly with the City's project manager, if Public Advisory Group is selected for award.

Project Phase	Month of Project					
	1	2	3	4	5	6
Phase 1: Kick-off and Data Gathering	■					
Phase 2: Data Analysis		■	■	■		
Phase 3: Issue Reporting					■	
Phase 4: Project Close-out						■



## OTHER INFORMATION



*This is to Certify That*

**PUBLIC ADVISORY GROUP LLC**

*a FOREIGN LIMITED LIABILITY COMPANY existing under the laws of the state of Idaho*

*was validly authorized to transact business in Michigan on the 16th day of August, 2021,  
in conformity with 1993 PA 23.*

*Said company is authorized to transact in this state any business of the character set forth in its application which a domestic company formed under this act may lawfully conduct. The authority shall continue as long as the company retains its authority to transact such business in the jurisdiction of its organization, its authority to transact business in this state has not been suspended or revoked, and the company has not surrendered its authority to transact business in this state.*

*This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given it in every court and office within the United States.*

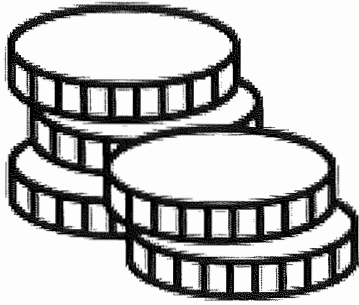


*In testimony whereof, I have hereunto set my hand,  
in the City of Lansing, this 16th day of August, 2021.*

*Linda Clegg*

Linda Clegg, Director

Corporations, Securities & Commercial Licensing Bureau



# PRICE PROPOSAL

## COST PROPOSAL

Public Advisory Group is pleased to provide the following fee proposal for The City of Pontiac's review and hopes that this proposal offers an economical way for the City to review the financial transactions and practices associated with certain issues. **Because Public Advisory Group is a new company, we are offering certain clients in our target geographic markets our most preferred pricing.** The State of Michigan and The City of Pontiac are two such markets that we would deeply value the opportunity to serve.

Public Advisory Group's hourly rates for roles that we expect may be utilized on this project are as follows:

Position	Fully-Burdened Hourly Rate
Project Manager	\$ 77.78
Project Investigator	\$ 64.89
Project Assistant	\$ 42.56

Based on past experience, Public Advisory Group estimates the following hours for each project phase. If selected for this engagement, our team can provide a not-to-exceed fee proposal for a specific review project.

Project Phase	Estimated Hours		
	Project Manager	Project Investigator	Project Assistant
Phase 1: Kick-off and Data Gathering	30	20	5
Phase 2: Data Analysis	30-70	75-250	15-25
Phase 3: Issue Reporting	25	50-70	15-25
Phase 4: Project Close-out	15	20	20

# **PUBLIC ADVISORY GROUP**

We extend our gratitude to the City for reviewing our credentials and project plan. Please know that Public Advisory Group would eagerly welcome The City of Pontiac as our newest public sector client!

Please Contact Proposed Project Manager Grant Gager With Any Inquiries or to Schedule A Follow-up Conversation

(208) 725-3259

# **CITY OF PONTIAC, MICHIGAN RFP FOR FORENSIC AUDIT SERVICES**

**GRASSI & CO. CPAS, P.C.**

**FEBRUARY 2022**



New York | New Jersey | Massachusetts | Florida

**GRASSI**  
ADVISORS & ACCOUNTANTS

PROPOSAL CONTENTS

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Appendix

    I. Team Bios.....

Prepared For: City of Pontiac, Michigan  
Darin Carrington, Finance Director

Prepared By: James T. O'Brien, CPA, CFF  
Partner  
E: JObrien@grassicpas.com  
T: 609.922.3042

## 01. EXECUTIVE SUMMARY

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Grassi & Co. CPA's, P.C., ("Grassi") is excited for the opportunity to provide The City of Pontiac, Michigan ("the City") Forensic Audit Services through the Request for Proposal.

Grassi, the 64th largest firm in the U.S., is a premier professional service organization specializing in accounting, auditing, tax, technology, and business consulting services. Grassi was founded in 1980 and has grown to have seven offices throughout Manhattan, Long Island, Westchester County, NY, Park Ridge, NJ, Needham, MA, and Palm Beach, FL as well as internationally through its association with Moore Global.

Grassi proudly serves our valued clients, strives to exceed industry and client expectations, and holds ourselves accountable. Selecting Grassi as your service provider will ensure you gain a business partner dedicated and committed to helping you achieve your objectives.

Throughout this proposal document, Grassi will highlight its consulting expertise in Forensic Accounting and will demonstrate its skills and expertise to provide the City with a trusted partner that will properly investigate, document, and substantiate the appropriateness of financial transactions of the City. This proposal will demonstrate the capabilities of our seasoned professionals and the value-add that clients receive when selecting Grassi to provide solutions through their diverse background experience and the wide range of expertise. Our uniquely qualified team has the experience as well as the expertise to address all of the City's needs. Below are a few key points which clearly distinguish our skills and solutions from the competition:

- Grassi's Forensic, Litigation and Valuation Service Practice Team has over thirty years of experience with credentials such as CPA, CFF and CFE with extensive financial crime investigative experience
- Grassi's service approach focuses on the critical processes, addresses potential risks, and helps ensure productive communication, timely responsiveness, and exceptional execution
- Access to other subject matter experts within Grassi, such as IT, cyber security, and human resources specialists
- Access to state-of-the-art technology solutions offered to Grassi clients to solve secure file transfers efficiently and effectively throughout the engagement
- We focus on achieving efficiencies by building an ongoing partnership with clients, and we view our relationship with the City as such a partnership
- Continuous communication with the City throughout the length of the engagement

Grassi employs over 400 professional and administrative staff who service our 2,000 client families. Grassi's approach to servicing the City would be focused on using virtual technologies. Undertaking a project such this one has its natural and inherent challenges. Grassi's team members have significant experience evaluating financial transactions a proven track record of identifying, substantiating the appropriateness of the transactional activity. A natural by-product of Grassi's forensic investigative process is providing clients recommendations for improvements to control processes that .

As one of the largest Accounting and Consulting firms in the nation, Grassi understands the importance of securing and protecting client electronic information. This process has also incorporated the need to share electronic information efficiently and effectively between the parties. As a result, Grassi's secure file sharing system easily allows for sharing of electronic information but employs the necessary controls to ensure the sharing of electronic information is secure. Grassi provides this service to clients at no additional cost.

We thank you for the opportunity to present our qualifications to provide forensic auditing services. We appreciate the opportunity to be considered. Should any questions arise about Grassi about our capabilities, please do not hesitate to contact us.

## 02. FIRM PROFILE

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### **Grassi & Co., CPAs, PC**

Founded in 1980 and incorporated in 1995, Grassi is an accounting and advisory firm, serving clients across the country for 40 years. Specializing in accounting, auditing, tax, technology, and business consulting services, Grassi has developed into a team of more than 300 professionals. The firm has grown as our clients have grown, allowing us to become one of the Top 100 largest firms in the U.S. according to Accounting Today and INSIDE Public Accounting.

Grassi is managed by CEO and Managing Partner, Louis C. Grassi and the firm specializes in professional services for Government, Not-for-Profit, Construction, Architecture & Engineering, Manufacturing & Distribution, Financial Services, Healthcare, Private Equity, Life Sciences, Retail, Technology, Media & Telecommunication, Transportation, and Energy & Natural Resources industries, among others.

Our goal has always been to add true value and provide clients with the tools needed for success. Grassi is built around a client-centered, practice-focused approach. Each practice group studies the dynamics of their industry, gathering the necessary information to make positive business improvements for clients. Our professionals meet with dozens of industry thought leaders and influential individuals within the industry—clients, prospects, and advisors (insurance consultants, bankers, attorneys, etc.)—to learn about key points and developments related to the industries they serve.

Our Governmental and Forensic Accounting and Litigation Services Practice groups will provide all phases of this process. Previous projects we have worked on range from large international issues to employee theft that impacts the local business operations. We offer a broad range of support services such as interviewing skills and analysis of large complex data sets, where connecting the dots is vital to documenting and substantiating the appropriateness and/or verifying the inappropriateness of the transactional activity. Our professionals provide clients with solutions that assist throughout every aspect of the engagement, including serving as an expert witness in civil litigation or a fact witness in the legal aspect of the project whether it for criminal and/or civil issues. Our expert reports and testimony are generally driving the litigation strategy and assisting legal counsel in developing the case strategy all the way through depositions and/or trial.

One reason for the success of Grassi's Forensic and Litigation Services Practice is partner involvement throughout all phases of the engagement. This philosophy has provided Grassi clients with accurate results as well as results that exceed expectations.

### **Grassi's Forensic Auditing Expertise**

Grassi's Partners provide clients with specialized consulting services which routinely address large volumes of complex data needs and incorporates our specialized forensic accounting skills to solve client problems. Grassi's consulting practice is national in scope serving clients throughout the United States. Grassi's partners have been qualified many times as expert witnesses and have provided expert testimony in Federal and State Courts throughout the country. Grassi's approach to offering its consulting services utilizes our specialized technical knowledge and experience in providing similar services through years of dedicated client service.

Grassi routinely provides specialized accounting techniques such as interviewing, computer assisted reviews such as data mining, monitoring of costs in a variety of settings as well as documenting transactional activity in order to support our analysis or opinions. As consultants we are trained to identify anomalies by using our expertise as well as our in depth experience. A brief overview of these techniques includes items such as

risk assessments, benchmarking, systems analysis, ratio analysis and other complex data analytical tools to substantiate the issue. Depending upon the task, Grassi's consulting team is structured to leverage its responsibilities with a dedicated full time team that has entry level, experienced staff and will utilize those rates to provide its clients the best value possible when providing services.

Grassi's consulting professionals provide assistance through all phases of the project and recommends its clients to utilize a phased approach to ensure the project stays on scope as well as in alignment with the client needs. We offer a broad range of support services to our clients and the success of our practice has been built on our expertise and experience as well as our focus and attention to delivering a valuable high quality work product. For example, Grassi's professionals have been qualified and provide testimony in depositions and/or trials, as well as assist counsel in developing their case strategy.

The Forensic, Litigation and Valuation Services Practice team works closely with attorneys to detect fraud, quantify damages, and settle claims or other disputes in the most cost-effective manner. Our Partners have over thirty years of experience providing successful results to its clients. Our team is comprised of professionals with the following credentials:

- Certified Public Accountant (CPA);
- Certified in Financial Forensics (CFF);
- Certified Fraud Examiner (CFE);
- Accredited Business Valuation Specialist (ABV);
- Accredited Senior Appraiser (ASA); and
- Certified Insolvency and Restructuring Accountant (CIRA).

As seen throughout the pages of this proposal, our experience with complex financial issues is routine and includes many large government entities. Additionally, besides our in-depth knowledge of Excel and Access, our state-of-the-art technology, Microsoft Power Business Intelligence is a software program we can use to run business analytics that can identify irregularities and anomalies that allows us to efficiently analyze and evaluate financial data to quickly arrive at conclusions and recommendations. This software also allows us to prepare comprehensive reports that include statistical analysis, if applicable, as well as graphical representations. Additionally, we utilize software like TeamMate Analytics which enables us to perform more comprehensive data analysis because we are able to expansively analyze large data sets.

Our forensic team has built its reputation based on partners with multi-discipline experience (audit, accounting, forensic, valuation, and litigation skill sets) that take a proactive role in the engagement from start to finish. We have seen many firms indicate this in their sales pitch, but our experience and engagement philosophy are the main reason we have built the success of our practice. Unlike the traditional accounting firm model, our model is top heavy with seasoned professionals providing these types of services on a full-time basis and we leverage down the work if it can be more efficiently and effectively processed by lower-level staff.

Project planning and supervision is incorporated from the first meeting and maintained throughout all phases of the engagement. Our forensic professionals have the skills to quickly identify issues as well as focus on the documents that support the appropriateness of the financial and operational documentation. Finally, maintaining credibility is key to performing a successful investigation. Beginning with the seriousness of the allegations that are taken very personally to verify and substantiate the appropriateness and/or inappropriateness of the transactional activity all the way through communication of either or both a written and verbal report which will be supported by the relevant data, documentation and information is paramount to our forensic process.

## 03. OUR APPROACH

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Grassi's experience working with clients when performing forensic engagements recommends structuring the engagement in a phased approach to help control costs as well as keep the forensic investigation on target with the objective to document and substantiate the appropriateness of the transactional activity. A natural by-product of the forensic investigation is the identification of control weaknesses that allowed the inappropriate and/or unauthorized activity to occur. The following phased approach provides detail on the expected procedures that will be performed during the investigation period:

- Phase I – Project Kick-off, Planning and Scoping – Expected Time Frame – 1 month
- Phase II – Detailed Forensic Analysis – 2 – 5 Months
- Phase III – Reporting – Month 6
- Phase IV – TBD / Other Specific Requested Tasks

### **Phase I – Project Kick-off, Planning and Scoping (Time / Work Plan – 1 – Month)**

The core task of Phase I of the project is understanding the City's needs as well as focusing on establishing an appropriate budget, timeline, and process expectations. It is also important during this Phase to establish the City's primary point of contact and any supporting team members that Grassi will be working with and reporting to on a regular basis.

Phase I includes the beginning of identifying available documents, establishing an understanding of the known issues/concerns. This phase also includes the process of beginning to collect the comprehensive information, support, and documentation for the forensic investigative services.

Phase I will also include preliminary analysis and planning required to establish expectations for the performance of the forensic accounting services. The success of the forensic investigation rests on the ability to obtain the supporting documentation and establish a process that will effectively serve as the transparent audit trail of the entire process.

Our unique expertise in fraud and forensic analysis will also be utilized to test and assess the fraud risks associated with the operations and help strengthen the current control environment and operational activities in order to prevent future opportunities for fraud, waste or abuse of funds to occur. Establishing the control processes/review will take place as part of the project kick-off.

### **Expected Activities**

- Kickoff meeting and coordination of activities with the City;
- Confirm with the City the scope of work;
- Establish budget expectations and set monthly limits and approvals;
- Regular / ongoing communications and coordination of data collection and document analysis;
- Begin securing and documenting the collection of electronic information to be analyzed;
- Establish a secure data sharing, storage, and security solution;
- Establish work plan and regular reporting timelines.

## **Phase II – Detailed Forensic Analysis (2 - 5 Months)**

The objective of Phase II is the analysis of the documentation and information received. Specifically, Phase II of the forensic investigation is the substantiation of the appropriateness and/or inappropriateness of the transactional activity. This process will focus on executing all areas of the investigative process. Complete collection of the electronic data, the analysis of the policies and procedures as well as performing a detailed source and uses analysis of the bank account activity. In addition, in Phase II we will perform the interviews as well as the field work necessary for data collection and document analysis. Finally, during Phase II of the investigation, we will participate in regular meetings and status updates as the process is ongoing. We will immediately notify the City if inappropriate activity is identified, as well as if employees are connected to the activity.

### **Expected Activities**

- Review internal control documentation to determine best practices and understand whether weaknesses exist or if issues are impacting the effectiveness of the organizational processes and procedures.
- Meet with and walk through the internal control functions with senior staff and middle management employees and executing officials to determine how the controls function and gain a detailed understanding of “what the employees understand” about how the controls function as what controls are failing throughout the organization.
- Review purchases, contracts, vendor payments, credit card transactions and/or banking transactions for evidence of non-compliance, fraud or mismanagement.
- Review contract, program deliverables, performance reports and similar documents from a risk standpoint to determine whether irregularities or unexplained variances exist and determine whether any violations of laws or regulations have occurred .
- Secure all computer forensics, data transfer and recover, and e-discovery documents to appropriately preserve and collect all necessary documents (if necessary).
- Perform interviews as determined by the investigative process.
- Secure data through positive confirmation with employees and vendors.
- Perform a detailed “sources and uses” of funds analysis through the bank and investment accounts (if any) to verify the appropriateness of the financial activity.
- Focus on red flag concerns identified in Phase I including items such as budgetary activities to substantiate the appropriateness of the activity.
- Focus on the securing of electronic data and our forensic data mining process to analyze and verify the appropriateness of financial activity.
- Finally, it is expected that ongoing progress reports will occur on a routine basis through weekly status updates.

## **Phase III – Reporting – (1 Month)**

The objective of this phase will be documenting and finalizing our substantiation of the transactional activity on a monthly basis in a formal report that will be published for transparency as well as accountability for the appropriateness of the activity.

## **Expected Activities**

Draft report and incorporate all necessary supporting documentation and analysis. Below, we have provided two links to detailed reports for large governmental projects to provide tangible insight into the level of detail and associated work product that was performed for similar entities.

The specific nature of what is included in a report occurs on a case by case basis. It is important to recognize that our skills, experience and expertise provide the insight to properly identify, document and support the financial and operational information that will substantiate the activity that occurred during the reporting period. The philosophy behind the detailed nature of the reporting process follows the steps necessary that would be used to convince a trier of fact that the financial and operational activity understand and answer any questions about the appropriateness of the transactional activity.

## **Report Format**

Grassi believes this is a critical evaluation area for the City because documenting and appropriately substantiating the analysis requires the forensic team to be accurate as well as thorough with its approach as well as its supporting workpapers. This will be critical in the legal process. Grassi's recommendation to scan the hard copy documents directly relates to the reporting process and plans to incorporate the scanned documents directly into its final report. The links below provide the City with actual reports that clients have chosen to make available publicly and provide a window into the detail and nature of what the work product from Grassi will be based upon.

<http://www.readingareawater.com/wp-content/uploads/2014/06/Forensic-Investigation-Report-of-RAWA-4.21.17.pdf>

<http://harrisburgcitycontroller.com/wp-content/uploads/Harrisburg-Report.pdf>

## **Phase IV – TBD / Other Specific Requested Tasks**

Phase IV is included to address the likelihood that unforeseen issues, tasks or needs for additional consulting services arise and Grassi's philosophy is to raise awareness to this aspect of the client service delivery model. Grassi does not want to surprise clients with bills for services that are requested by the client but that are outside the initial scope of the engagement. Grassi has the experience, skills and capacity to take on any additional out of scope assignments at the request of the City during this process.

## 04. SIMILAR ENGAGEMENTS

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**Client:** State of Colorado

**Contact:** Paul Benington, First Assistant Attorney General Water Resources Unit Natural Resources and Environment Section Colorado Department of Law

E: paul.benington@coag.gov

T: 720-508-6309

**Project Description:** Mr. O'Brien was engaged to investigate and assist the State of Colorado with litigation in a case that requires expertise in forensic accounting, including reviewing or researching financial statements, balance sheets, conveyances, SEC filings, the valuation of assets (including water, land and facility assets and personal property), corporate documents, corporate entity status, corporate governance, and stock and tax matters. The objective was to advise the Water Resources Unit in discovery and in preparation for or during any witness interviews or depositions. Mr. O'Brien prepared an expert report and was prepared to testify at trial. The litigation settled favorably for the client prior to trial.

**Client:** Oakland County Michigan

**Contact:** Jody Weissler DeFoe

E: [defoej@oakgov.com](mailto:defoej@oakgov.com)

T: 248.858.0625

**Project Description:** Oakland County needed a forensic audit/investigation of the Treasurer's Management of Property Tax Foreclosures for foreclosures and auctions held between 2009 and 2019. This audit was to be performed in accordance with generally accepted government auditing standards set forth in the most recently published U.S. Government Accountability Office's (GAO) Government Auditing Standards, and other professional standards as required.

The project focused on the Michigan Public Act 206 of 1893, as amended (MCL 211.1 et seq.), the General Property Tax Act (GPTA) was amended in 1999 and significantly changed the method delinquent property taxes are processed in Michigan. Under the amended Act, if all property taxes are not paid after two years of delinquency, the foreclosing government unit (in this case Oakland County Treasurer) is required to foreclose and auction the property. The proceeds from the auction are to be deposited in a restricted account. The Act designates the types of costs that the surplus proceeds can be used to pay and allows the remaining balance to be transferred to the government's general fund. There is no procedure in the Act that allows the former property owner to recover the excess proceeds from the sale of their foreclosed property.

Grassi's role was to verify the surplus generated on the properties sold at auction and confirm whether the properties sold for a surplus were adequately supported with the costs associated with the foreclosure. In addition, we created a detailed audit trail for each surplus property to be used in the litigation to independently confirm and substantiate the appropriateness of the surplus amount. The total surplus generated from the sales was approximately \$45 million.

**Client:** Reading Area Water Authority

**Contact:** Bill Murray, Executive Director

E: Bill.Murray@readingareawater.com

T: 610-406-6300

**Project Description:** Engaged by a large public utility to investigate whether inappropriate financial activity occurred with the prior leadership team. Our investigation is still ongoing. We have documented numerous inappropriate and unauthorized financial activity, some of which have led to civil and potentially criminal legal actions. During our investigation, we identified several customers that were not being billed properly and one customer was billed at 10 percent of its usage. Our investigation resulted in the public utility company collecting in excess of \$750,000 for the current fiscal year and will allow them to continue to collect these monthly fees on a going forward basis. The public utility is currently in negotiations with customers to recover approximately \$4.2 million of improperly and/or unbilled services for the prior 4 years. The civil action is ongoing with close to \$100 million in dispute.

<http://www.readingareawater.com/wp-content/uploads/2014/06/Forensic-Investigation-Report-of-RAWA-4.21.17.pdf>

**Client:** The Harrisburg Authority

**Contact:** Douglas F. Schleicher, Esquire

Klehr Harrison Harvey Branzburg LLP

E: DSchleicher@klehr.com

T: 215-569-2795

**Project Description:** Mr. O'Brien was a key team member engaged by The Harrisburg Authority (since renamed Capital Region Water, the "Authority") to independently investigate and document the financial crisis experienced by the City of Harrisburg due to the Authority's debt issuances. The link below provides a copy of the report that was issued and made public by the Board of Directors of the Authority and provides an example of the detailed nature of the expert witness and consulting services we provide to clients.

<http://harrisburgcitycontroller.com/wp-content/uploads/Harrisburg-Report.pdf>

The link to The Harrisburg Authority Forensic Investigation Report is provided to demonstrate the comprehensive nature of the team's skills and experience, as well as the meticulous nature and information necessary to substantiate, reconstruct and report on the appropriateness of historical activities. The Harrisburg Authority Report led to at least one Grand Jury investigation and a series of indictments as well as civil litigation.

## 05. STAFFING

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### Key Personnel

The Grassi Team's proposed staff for the engagement is seasoned and experienced. Resumes are included as Appendix I. The Grassi Team will consist of the following key professionals:

**James O'Brien, CPA, CFF** is a seasoned forensic specialist and provides a variety of forensic and financial consulting and accounting related services to attorneys, insurance companies, governmental agencies and public and private corporations. The matters he routinely addresses involve disputes within construction, insurance, healthcare, technology, commercial and real estate companies. Prior to joining Grassi, Jim spent approximately 28 years with international and regional public accounting firms and two years with a specialty-consulting firm. He concentrates his practice in providing expert witness services, litigation consulting and forensic investigations. Jim focuses of his practice is on assisting clients with reconstruction of financial activity to document—whether fraudulent and/or inappropriate financial transactions have occurred. Jim routinely testifies in court assisting the trier of fact determine the quantum of damages. The forensic investigations encompass analysis of financial statements, tax returns, general ledgers and other original books of entry. Jim also routinely analyzes contracts and agreements in dispute, which requires the estimation of damages, lost profits related to the dispute. The matters generally involve a breach of contract claim, intellectual property and/or other contractual issues.

Mr. James O'Brien's will lead the forensic team for this investigation. Mr. O'Brien is a recognized thought leader throughout the forensic accounting sphere. Mr. O'Brien was selected as one of nine principal authors for the American Institute of Certified Public Accountants ("AICPA") Forensic & Valuation Services Practice Aid "Forensic Accounting-Fraud Investigations." This Practice Aid was developed as an educational and reference material for the approximate 400,000 AICPA members to provide guidance when performing these types of consulting services. The Practice Aid is viewed as the industry standard for performing on forensic accounting services. In addition to drafting the Practice Aid, Mr. O'Brien was also a co-author of the Report Writing Guide "Forensic Accounting: Investigation Report Writing. The Report Writing Guide provides AICPA members a valuable resource containing best practices and approaches when drafting a forensic accounting report. Mr. O'Brien was also selected as one of seven principal authors of the AICPA Forensic & Valuation Services Practice Aid 10-1 "Serving as an Expert Witness or Consultant." This Practice Aid was developed to assist practitioners who serve in these roles the technical guidance necessary to perform these types of services. Throughout Mr. O'Brien's professional career, he has been involved in numerous projects of similar size and scale to the services requested by the City.

**Zachariah M. Hauck** provides a variety of financial consulting and forensic accounting services to attorneys and clients of public and private companies. His expertise lays within performing financial analyses, document analysis, and assisting in the preparation of expert reports and exhibits. Zach has worked on a wide range of matters including bankruptcy, fraud and forensic investigations, complex commercial litigation, construction disputes, business valuations, data mining and database analysis.

**Tony Sebastian** provides a variety of forensic accounting analyses for forensic and litigation-based engagements such as fraud investigations, bankruptcies, marital dissolutions, economic damages as well as general engagements involving the tracing of funds and assets. He has experience in utilizing data analytics, data mining, and business intelligence software with expertise in the writing of expert reports, expert disclosures, and affidavits to be used in court proceedings. He also performs business valuation financial analysis and economic research as well as assist in the writing of business valuation reports.

***Grassi will utilize associate level staff based on availability. Grassi has the experience and capability to scale project staffing up or down based on project needs. Grassi will not need to outsource any work for this project.***

#### **A Commitment to Staff Continuity**

We recognize the importance of staff continuity and how unexpected changes in staff can negatively impact an engagement. As such, we will not remove a key member of the team without discussing it with you, unless the team member decides to leave the firm. Turnover is a natural occurrence at any organization; however, you can be assured that we will not reassign staff for our convenience or to serve other clients. When a change is unavoidable, new professionals will be introduced to you as far in advance as possible to avoid any disruption.

Grassi has been recognized as one of the best companies to work for by Best Companies Group and this is a key factor in our employee retention and overall staff continuity on engagements. Over the past three years, the firm's voluntary turnover experience has been below the industries average.

#### **Grassi Internal Training**

Grassi continually develops training courses to enhance our ability to retain the best and brightest professionals. We believe this to be critical to the success of both our service approach and our business strategy. As such, it is firm policy that all professionals meet an annual 40-hour CPE requirement.

We take special care to ensure that our professionals, from the most experienced partners to the new assistant accountants, in particular your selected engagement team members, are trained in the unique aspects of insurance accounting and auditing. The extent of training provided to our staff and management group, and the experience gained by working with clients in your industry, helps ensure that your engagement team is well versed in the matters affecting the City.

## 06. FEES

Our extensive experience performing forensic auditing services will provide you with a high degree of confidence that your operations are sound and the organization is on the right path. Our clients typically view our fees as investments upon which they will receive a return, either in the form of cost savings and/or a higher degree of comfort that the project is being managed properly and efficiently.

PHASE	ESTIMATED HOURS	ESTIMATED COST
Phase I	100	\$ 25,000
Phase II	TBD	\$ TBD
Phase III	TBD	\$ TBD
Phase IV	**As Requested**	\$ TBD

Based on the information provided in the RFP, we are unable to provide a meaningful estimate of the effort necessary to perform the forensic investigation. The cost drivers to performing a forensic investigation is centered on the volume of transactions that need to be documented and substantiated. For example, the more years that operational concerns exist and the higher number of transactions that occurred, drive the cost of the forensic investigation.

### Hourly Rates

As a firm policy, we do not present our clients with surprise bills. Any additional work that comes up during the course of your engagement will be discussed with you in advance of us performing any work beyond the scope of this engagement.

The following is a chart indicating our standard hourly rates:

PROFESSIONAL LEVEL	2022 HOURLY RATES
Partners	\$ 500 - \$ 650
Principals	\$ 400 - \$ 475
Managers	\$ 300 - \$ 375
Senior-Level Staff	\$ 250
Junior-Level Staff   Support	\$ 90 - \$ 225

Should you have any additional questions regarding fees, we would appreciate the opportunity to discuss them with you.

# **James O'Brien, CPA/ CFF**

## **EDUCATION**

- B.S. in Accounting from York College of Pennsylvania (1989)
- Certified Public Accountant in Pennsylvania (CPA)
- Certified Financial Forensics (CFF)

## **PROFESSIONAL EXPERIENCE**

### **Grassi and Company Forensic Accounting & Litigation Services (2019 - Present)**

Mr. O'Brien provides forensic and financial consulting and accounting related services to attorneys, insurance companies, governmental agencies and public and private corporations. Matters routinely involve disputes with construction companies, healthcare providers, technology, commercial and real estate since 1990. Prior to joining Grassi and Company, he spent approximately 28 years with national and regional accounting firms and two years with a specialty consulting firm. He specializes in providing financial consulting analyses related to matters in dispute and performing investigative services that are generally related to reconstructing financial activity related to fraudulent financial transactions. Specifically, a majority of the analyses performed relate to litigation and/or forensic investigative services. Such as lost profits analysis, breach of contract, intellectual property disputes, financial projections, discounted cash flow analysis. Responsibilities are carried out through financial and forensic analysis of: financial statements and tax returns; general ledgers and other original books of entry; relevant contracts and agreements; and industry data.

### **Management Planning, Inc. Forensic Accounting/Litigation Services (2017 – 2019)**

### **Baker Tilly - Forensic Accounting & Litigation Services (2001 - 2017) PricewaterhouseCoopers LLP - Financial**

### **Advisory Services (1997 - 2001)**

### **Temple University Adjunct Professor teaching Forensic Accounting at the Fox School of Business (2019)**

**PROFESSIONAL AFFILIATIONS:**

- American (AICPA) and Pennsylvania Institutes of Certified Public Accountants (PICPA)
- AICPA Litigation Services Task Force -2009-2013
- AICPA Fraud Task Force -2013-2015
- AICPA Lost Profits Task Force - 2014-2016

**LECTURES/PRESENTATIONS:**

"You Can Try a Case Against a Design Professional Successfully with a Jury" presented at the ABA Construction Superconference (December 2017) (Co-Presenter)

"Can XBRL Data Be Used to Detect Financial Statement Misrepresentation?" presented at the American Institute of Certified Public Accountants' Forensic & Valuation Services Conference (November 2014) (Co-Presenter)

"eXtensible Business Reporting Language: The Future of Financial Reporting," AICPA Webinar (September 2014) (Co-Presenter)

"Voices of Fraud," Web Series AICPA Webinar (June 2014) (Co-Presenter) "Voices of Fraud," Web Series AICPA Webinar (November 2013)

"Governmental and Not-for-Profit Fraud," presented at the American Institute of Certified Public Accountants' National Forensic and Valuation Services Conference (November 2012) (Co-Presenter)

**PUBLICATIONS:**

Performing Credible Lost Profits Analyses (Co-author), The Comprehensive Guide to Economic Damages, Fifth Edition, Chapter 10 (2018)

Performing Credible Lost Profits Analyses (Co-author), The Comprehensive Guide to Economic Damages, Fourth Edition, Chapter 10 (2016)

Forensic Accounting: Investigation Report Writing - A Resource Containing Best Practices and Approaches (Co-author), AICPA, Forensic and Valuation Services Section (2014)

Forensic Accounting - Fraud Investigations (Co-author), AICPA, Forensic and Valuation Services Section, Practice Aid (2014)

Lost Profits Calculations - Methods and Procedures (Co-author), The Comprehensive Guide to Lost Profits and Other Commercial Damages, 3rd Edition, Chapter 9 (2013)

Lessons Learned in Financial Crisis Management (Co-author), The Legal Intelligencer (2012)

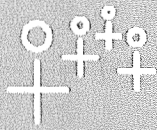
Lost Profits Calculations - Methods and Procedures (Co-author), The Comprehensive Guide to Lost Profits Damages for Experts and Attorneys, Business Valuation Resources, LLC, 2011 Edition, Chapter 9 (2011)

**TESTIMONY:**

<u>Date</u>	<u>Jurisdiction</u>	<u>Type</u>	<u>Matter</u>
2021	J.A.M.S. ARBITRATION	Deposition	MARK CALLAZZO and HANSEL, individually and as members of Alpha Funding Partners, LLC DH Lending LLC and MMC Lending LLC v. FREDERICK ASSINI, ANDREW SMITH and WHITE PINES MANAGEMENT ALPHA FUNDING PARTNERS, LLC
2021	American Arbitration Association	Testimony	SHOREHAVEN HOMEOWNERS ASSOCIATION, INC. v. JONASVAR INC.
2020	Superior Court Of New Jersey Chancery Division, Chancery Part Burlington County	Deposition	DEL VEL Chem Company, Inc.; and Denise Delmastro, Individually and Derivatively on behalf of DEL VEL Chem Company, Inc. v. Steven Pollack; Lisa Goldwasser; John Does #1-10, and ABC Corporations #1-10
2020	American Arbitration	Testimony	Salvatore Franciosa Productions, LLC v. Breaking Glass Pictures, LLC
2019	Supreme Court of the State of New York, County of New York	Deposition	EMIL, LLC, directly and derivatively on behalf of 10839 Associates v. Barry J. Jacobson, Larry A. Wohl, Joseph P. Day Realty Corp., and Rosenberg & Chesnov CPA's, LLP and 10939 Associates and 108 West 39th Street
2019	Supreme Court of the State of New York, County of New York	Deposition	Alrose Steinway, LLC v. Jaspan Schlesinger LLP and Stephen P. Epstein, Esq.
2019	United States District Court Eastern District of	Deposition	Anthony Chong and MT133132, Inc.v. 7-Eleven, Inc.

**TESTIMONY:**

<u><i>Date</i></u>	<u><i>Jurisdiction</i></u>	<u><i>Type</i></u>	<u><i>Matter</i></u>
2019	United States District Court Eastern District of Pennsylvania	Deposition	Azmi Takiedine v. 7-Eleven, Inc.
2019	Supreme Court of the State of New York, County of Albany	Deposition	Mark A. Galasso as the personal representative of the estate of Marti A. Galasso, deceased, individually, and as a shareholder of Cobleskill Galasso, deceased, individually, and as a shareholder of Cobleskill Stone Products, Inc. v. Cobleskill Stone Products, Inc., et al.
2019	Supreme Court of the State of New York, County of New	Testimony	Ruandro, LLC v. Richard Born, Sean MacPherson, Eric Goode, Ira Drukier, and Sire Hotel Company, LLC
2018	Superior Court of New Jersey	Testimony	Wakefern Food Corp., et. al. v. Lexington Insurance Company, et. al.
2018	Superior Court of New Jersey	Deposition	Wakefern Food Corp., et. al. v. Lexington Insurance Company, et. al.
2017	American Arbitration	Testimony	Constructure Management, Inc. v. Star Development Group LLC, Et al.



# Curriculum Vitae



## **Zachariah M. Hauck**

267 885 5924

[zhauck@grassicpas.com](mailto:zhauck@grassicpas.com)

Senior Manager in the Forensic, Litigation, and Valuation Services practice at Grassi, working out of Philadelphia, Pennsylvania.

## **Experience**

- > Provides a variety of financial consulting and forensic accounting services to attorneys and clients of public and private companies
- > Performs financial analyses, document analyses, and assists in the preparation of expert reports and exhibits
- > Has worked on a wide range of matters including bankruptcy, fraud and forensic investigations, complex commercial litigation, construction disputes, insurance matters, intellectual property litigation, shareholder partnership disputes, business valuations, data mining and database analysis
- > Plans and performs complex data analytics using various software applications including Microsoft Excel, and Microsoft Access
- > Assists clients with large complex database reconstruction and analytics

## **Education**

Drexel University – Philadelphia, PA

Bachelor of Science (BS), Dual Concentration in Finance and Legal Studies

Master of Business Administration (MBA), Dual Concentration in Business Analytics and Entrepreneurship/Innovation Management



## **Tony Sebastian**

*Consulting, Forensic, Litigation & Valuation Services Supervisor*

[tsebastian@grassicpas.com](mailto:tsebastian@grassicpas.com)

Tony is a consulting, forensic, litigation & valuation team member at Grassi with over five years of consulting, forensic, litigation & valuation experience. Tony consults on matters involving reports and analyses for agreed-upon procedures, due diligence and confidential information memorandums. In addition, he performs various consulting-based testing such as profitability analysis, cost analysis, and control environment testing.

Additionally, he provides a variety of forensic accounting analyses for forensic and litigation-based engagements such as fraud investigations, bankruptcies, marital dissolutions, economic damages as well as general engagements involving the tracing of funds and assets. He has experience in utilizing data analytics, data mining, and business intelligence software with expertise in the writing of expert reports, expert disclosures, and affidavits to be used in court proceedings.

He also performs business valuation financial analysis and economic research as well as assist in the writing of business valuation reports.

Prior to joining Grassi, Tony worked at a local mid-sized public accounting firm in New York, where he worked as a forensic accountant responsible for similar engagements as stated above.

Tony is fluent in English and Malayalam, a southern Indian dialect. At Grassi, Tony is a member of the IT Think Tank and the TeamMate Analytics groups. He is also a member of professional associations such as the AICPA, NYSSCPA, NAVCA, and ACFE.

Tony earned his Masters in Accounting, magna cum laude, from Long Island University in addition to a Bachelor of Science in Economics from the University at Albany, SUNY. Moreover, he also holds a certificate from Rutgers University for Big Data Analytics.

# **B**

# **DISCUSSION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

*Executive Branch*

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

**FROM:** Abdul H. Siddiqui, City Engineer

**DATE:** February 15, 2022

**RE: Mill Street Reconstruction Project**

The City of Pontiac received and publicly opened bids for the referenced improvement project on Monday, February 7, 2022. The project is the full reconstruction of Mill St in downtown from Water to Huron. The project includes the road pavement, sidewalks, driveways, and a partnership with OCWRC to upgrade the water main and related appurtenances.

A total of five (5) bids were received for the project in the amounts as follows:

1. Pamar Enterprises	\$1,622,250.70 (\$1,138,827.80)
2. Great Lakes Contracting	\$1,699,896.46 (\$1,174,132.31)
3. Mark Anthony Contracting	\$1,728,187.40 (\$1,166,408.10)
4. FDM Contracting	\$1,738,547.06 (\$1,218,579.56)
5. Major Contracting Group	\$1,740,788.58 (\$1,296,056.44)

The project was advertised with a pavement alternate of roller compacted concrete, and the low bid for that alternate was from Pamar Enterprises at \$1,650,114.35 (\$1,166,691.45).

The apparent low bidder on the project is Pamar Enterprises. However, the Engineering Division is still in the process of reviewing the proposals and bids and will provide a Recommendation of Award next week.

Construction is anticipated to start in mid-March with anticipated completion within one hundred and twenty (120) days.

Funding for the project is identified in FY 21-22 Major Street Fund.

**TABULATION OF BID ALTERNATE**  
**Project: Mill Street Improvement Project**  
**Client: City of Pontiac, Michigan**

City of Pontiac  
47450 Woodward Ave.  
Pontiac, MI 48236

Project: Name: R2201 - Mill Street Improvement Project  
Bid Opening: February 7, 2022, 9:30 am

**Engineer's Opinion of Cost:**

Nowak & Fraus Engineers  
46777 Woodward Ave.  
Pontiac, MI 48236  
Ph: 248-332-7931  
Fax: 248-332-8257

**Low Bidder:**

Pamar Enterprises, Inc.  
31604 Pamar Court  
New Haven, MI 48048  
Ph: 586-749-8593

ITEM			QUANTITY		UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
Part A								
1100001	1	Mobilization, Max. 10%	1	LSUM	\$135,000.00	\$135,000.00	\$162,000.00	\$162,000.00
2050030	2	Machine Grading	11.5	STA	\$2,500.00	\$28,750.00	\$5,600.00	\$64,400.00
2040050	3	Pavt, Rem	3,751	SY	\$7.00	\$26,257.00	\$5.00	\$18,755.00
5010005	4	HMA Surface, Rem	3,489	SY	\$6.00	\$20,934.00	\$4.00	\$13,956.00
2040055	5	Sidewalk, Rem	1,486	SY	\$12.00	\$17,832.00	\$2.50	\$3,715.00
2030011	6	Dr Structure, Rem	27	EA	\$350.00	\$9,450.00	\$100.00	\$2,700.00
2030015	7	Sewer, Rem, Less Than 24 inch	974	FT	\$11.50	\$11,201.00	\$5.00	\$4,870.00
2050016	8	Excavation, Earth	1,000	CYD	\$7.00	\$7,000.00	\$34.00	\$34,000.00
8100403	9	Sign, Rem	27	EA	\$15.00	\$405.00	\$10.00	\$270.00
8030051	10	Sidewalk, Clay Brick Paver, Rem	488	SF	\$5.00	\$2,440.00	\$0.99	\$483.12
2057021	11	Subgrade Undercutting, Type IV	500	CYD	\$35.00	\$17,500.00	\$50.00	\$25,000.00
3060020	12	Maintenance Gravel	1,000	TON	\$30.00	\$30,000.00	\$10.00	\$10,000.00
8187001	13	Conduit, Rem, Modified	2,200	FT	\$1.00	\$2,200.00	\$4.50	\$9,900.00
8187002	14	Cable, Rem, Modified	2,200	FT	\$1.00	\$2,200.00	\$1.50	\$3,300.00
3020020	15	Aggregate Base, 8 inch	3,103	SY	\$16.00	\$49,648.00	\$18.00	\$55,854.00
3020016	16	Aggregate Base, 6 inch	203	SY	\$12.50	\$2,537.50	\$17.50	\$3,552.50
2050023	17	Granular Material, CI II	346	CYD	\$12.00	\$4,152.00	\$35.00	\$12,110.00
6027011	114	Compacted Concrete Pavement, 9 inch	2,752	SY	\$100.00	\$275,200.00	\$67.00	\$184,384.00
8030044	19	Sidewalk, Conc, 4 inch	11,703	SF	\$5.50	\$64,366.50	\$7.00	\$81,921.00
8032002	20	Curb Ramp, Conc, 6 inch	1,402	SF	\$10.00	\$14,020.00	\$8.00	\$11,216.00
8010007	21	Driveway, Nonreinf Conc, 8 inch	193	SY	\$60.00	\$11,580.00	\$60.00	\$11,580.00
8020037	22	Curb and Gutter, Conc, Det F3	64	FT	\$25.00	\$1,600.00	\$55.00	\$3,520.00
8030010	23	Detectable Warning Surface	74	FT	\$35.00	\$2,590.00	\$50.00	\$3,700.00
8030030	24	Curb Ramp Opening, Conc	74	FT	\$30.00	\$2,220.00	\$30.00	\$2,220.00
4040073	25	Underdrain, Subgrade, 6 inch	2,065	FT	\$10.00	\$20,650.00	\$12.00	\$24,780.00
4030200	26	Dr Structure, 24 inch dia	2	EA	\$1,300.00	\$2,600.00	\$3,500.00	\$7,000.00
4030210	27	Dr Structure, 48 inch dia	12	EA	\$2,200.00	\$26,400.00	\$4,500.00	\$54,000.00
4030250	28	Dr Structure, Add Depth of 48 inch dia, 8 foot to 15 foot	9	FT	\$120.00	\$1,080.00	\$50.00	\$450.00
4030005	29	Dr Structure Cover, Adj, Case 1	9	EA	\$200.00	\$1,800.00	\$650.00	\$5,850.00
4030280	30	Dr Structure Cover, Adj, Add Depth	18	FT	\$230.00	\$4,140.00	\$350.00	\$6,300.00
4030010	31	Dr Structure Cover, Type B	11	EA	\$500.00	\$5,500.00	\$500.00	\$5,500.00
4030025	32	Dr Structure Cover, Type D	1	EA	\$500.00	\$500.00	\$550.00	\$550.00
4030050	33	Dr Structure Cover, Type K	11	EA	\$500.00	\$5,500.00	\$650.00	\$7,150.00
4027001	34	Sewer, CI E, 10 inch, Tr Det B	27	FT	\$35.00	\$945.00	\$155.00	\$4,185.00
4020600	35	Sewer, CI E, 12 inch, Tr Det B	291	FT	\$40.00	\$11,640.00	\$160.00	\$46,560.00
5010025	36	Hand Patching	61	TON	\$110.00	\$6,710.00	\$220.00	\$13,420.00
6020207	37	Joint, Expansion, E2	52	FT	\$18.50	\$962.00	\$25.00	\$1,300.00
6020208	118	Joint, Expansion, E3	197	FT	\$20.00	\$3,940.00	\$15.00	\$2,955.00
6020200	116	Joint, Contraction, Cp	1,765	FT	\$14.00	\$24,710.00	\$0.01	\$17.65
6020211	117	Joint, Plane-of-Weakness, W	3,165	FT	\$3.00	\$9,495.00	\$1.50	\$4,747.50
6020250	41	Joint, Contraction Cp, Intersection	130	FT	\$14.00	\$1,820.00	\$12.10	\$1,573.00
6030030	42	Lane Tie, Epoxy Anchored	1,000	EA	\$2.00	\$2,000.00	\$8.50	\$8,500.00
2080020	43	Erosion Control, Inlet Protection, Fabric Drop	16	EA	\$120.00	\$1,920.00	\$55.00	\$880.00
7107010	44	Vault Roof Waterproofing	550	SF	\$25.00	\$13,750.00	\$10.00	\$5,500.00
7077010	45	Vault Roof Decking System	550	SF	\$55.00	\$30,250.00	\$10.00	\$5,500.00
2067021	46	Vault Abandon	25	CYD	\$100.00	\$2,500.00	\$100.00	\$2,500.00
8187003	47	Conduit, DB, 1, 2 inch	2,070	FT	\$8.00	\$16,560.00	\$4.50	\$9,315.00
8187004	48	Conduit, DB, 2, 2 inch	2,070	FT	\$8.00	\$16,560.00	\$1.50	\$3,105.00
8187005	49	Conduit, DB, 3, 2 inch	40	FT	\$8.00	\$320.00	\$18.50	\$740.00
8187006	50	Conduit, Directional Bore, 2 inch	90	FT	\$35.00	\$3,150.00	\$27.00	\$2,430.00
8182288	51	Cable, Equipment Grounding Wire, 1/C#2	2,115	FT	\$2.00	\$4,230.00	\$35.00	\$74,025.00
8182309	52	Hh, Polymer Conc	10	EA	\$700.00	\$7,000.00	\$80.00	\$800.00
8187007	53	Cable, St Ltg, 600V, 1, 1/C#6 & 1, #2 Neutral, Modified	2,115	FT	\$4.00	\$8,460.00	\$5.00	\$10,575.00
8190280	54	Light Std Fdn, Rem	3	EA	\$275.00	\$825.00	\$1,250.00	\$3,750.00
8190279	55	Light Std Fdn	3	EA	\$2,000.00	\$6,000.00	\$7.00	\$21.00
8190278	56	Light Std Arm, Rem and Salv	3	EA	\$150.00	\$450.00	\$250.00	\$750.00
8190276	57	Light Std Arm, Install Salv	3	EA	\$250.00	\$750.00	\$2,500.00	\$7,500.00
8190306	58	Light Std Shaft, Rem and Salv	3	EA	\$150.00	\$450.00	\$125.00	\$375.00
8190301	59	Light Std Shaft, Install Salv	3	EA	\$250.00	\$750.00	\$250.00	\$750.00
8190365	60	Luminaire, Rem and Salv	3	EA	\$150.00	\$450.00	\$250.00	\$750.00
8190350	61	Luminaire, Install Salv	3	EA	\$250.00	\$750.00	\$500.00	\$1,500.00
8120350	62	Sign, Type B, Temp, Prismatic, Furn	668	SF	\$55.00	\$36,726.25	\$4.00	\$2,672.00
8120351	63	Sign, Type B, Temp, Prismatic, Oper	668	SF	\$1.00	\$667.75	\$0.01	\$6.68
8120310	64	Sign Cover	2	EA	\$25.00	\$50.00	\$25.00	\$50.00
8120130	65	Lighted Arrow, Type B, Furn	2	EA	\$500.00	\$1,000.00	\$400.00	\$800.00
8120131	66	Lighted Arrow, Type B, Oper	2	EA	\$1.00	\$2.00	\$0.01	\$0.02
8120252	67	Plastic Drum, Fluorescent, Furn	100	EA	\$20.00	\$2,000.00	\$18.00	\$1,800.00
8120253	68	Plastic Drum, Fluorescent, Oper	100	EA	\$1.00	\$100.00	\$0.01	\$1.00
8120012	69	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	20	EA	\$95.00	\$1,900.00	\$65.00	\$1,300.00
8120013	70	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	20	EA	\$1.00	\$20.00	\$0.01	\$0.20

8120330	71	Sign, Portable, Changeable Message, Furn	3	EA	\$2,000.00	\$6,000.00
8120331	72	Sign, Portable, Changeable Message, Oper	3	EA	\$1.00	\$3.00
8100410	73	Sign, Type IVA	79	SF	\$20.00	\$1,580.00
8100411	74	Sign, Type IVB	108.25	SF	\$20.00	\$2,165.00
8100425	75	Sign, Type VB	6.75	SF	\$25.00	\$168.75
8100371	76	Post, Steel, 3 LB	217	FT	\$7.00	\$1,519.00
8100340	77	Post Hole Through Conc for Steel Post	14	EA	\$7.00	\$98.00
8120246	78	Pavt Mrkg, Wet Reflective, Type R, Tape, 4 inch, Yellow, Temp	1,100	FT	\$1.50	\$1,650.00
8110307	79	Rem Curing Compound, for Longit Mrkg, 4 inch	250	FT	\$1.00	\$250.00
8110321	80	Rem Curing Compound, for Spec Mrkg	610	SF	\$2.00	\$1,220.00
8110091	81	Pavt Mrkg, Polyurea, 4 inch White	250	FT	\$1.00	\$250.00
8110092	82	Pavt Mrkg, Polyurea, 4 inch Yellow	250	FT	\$1.00	\$250.00
8110110	83	Pavt Mrkg, Polyurea, 12 inch, Crosswalk	414	FT	\$5.50	\$2,277.00
8110114	84	Pavt Mrkg, Polyurea, 24 inch, Stop Bar	112	FT	\$12.00	\$1,344.00
8110412	85	Pavt Mrkg, Polyurea, Rt Turn Arrow	2	EA	\$175.00	\$350.00
8110405	86	Pavt Mrkg, Polyurea, Lt Turn Arrow	1	EA	\$175.00	\$175.00
8110343	87	Rem Spec Mrkg	85	SF	\$2.00	\$170.00
8120370	88	Traf Regulator Control	1	LSUM	\$15,000.00	\$15,000.00
8120170	89	Minor Traf Devices	1	LSUM	\$15,000.00	\$15,000.00
8167051	90	Restoration	1	LSUM	\$7,500.00	\$7,500.00
8020038	91	Curb and Gutter, Conc, Det F4	2,227	FT	\$25.00	\$55,675.00

Subtotal Part A: \$1,139,710.75

ITEM	QUANTITY	UNIT PRICE	AMOUNT
Part B			
8230134	91	Water Main, 12 inch, Cut and Plug	3 EA \$800.00 \$2,400.00
8230131	92	Water Main, 6 inch, Cut and Plug	2 EA \$800.00 \$1,600.00
8230091	93	Hydrant, Rem	2 EA \$750.00 \$1,500.00
8237051	94	Gate Well, Rem	3 EA \$750.00 \$2,250.00
8237052	95	Water Service, Cut and Plug	2 EA \$750.00 \$1,500.00
8237001	96	Water Main, Rem	184 FT \$100.00 \$18,400.00
8230166	97	Water Main, DI, 12 inch, Tr Det G	1,208 FT \$200.00 \$241,600.00
8230156	98	Water Main, DI, 8 inch, Tr Det G	5 FT \$150.00 \$750.00
8230151	99	Water Main, DI, 6 inch, Tr Det G	112 FT \$125.00 \$14,000.00
8230440	100	Polyethylene Encasement	1,473 FT \$2.00 \$2,946.00
8230040	101	Fire Hydrant	3 EA \$2,500.00 \$7,500.00
8237052	102	Water Main Connection	4 EA \$1,500.00 \$6,000.00
8230240	103	Water Serv	4 EA \$1,000.00 \$4,000.00
8230054	104	Gate Valve and Box, 12 inch	5 EA \$2,500.00 \$12,500.00
8230052	105	Gate Valve and Box, 8 inch	1 EA \$2,000.00 \$2,000.00
8230051	106	Gate Valve and Box, 6 inch	3 EA \$1,500.00 \$4,500.00
8237050	107	Insertion Valve and Box, 12 inch	4 EA \$1,500.00 \$6,000.00
5010005	108	HMA Surface, Rem	321 SY \$6.00 \$1,926.00
2040050	109	Pavt, Rem	321 SY \$7.00 \$2,247.00
3020016	110	Aggregate Base, 6 inch	321 SY \$12.50 \$4,012.50
6020106	111	Conc Pavt, Nonreinf, 9 inch	321 SY \$60.00 \$19,260.00
5010025	112	Hand Patching	40 TON \$110.00 \$4,400.00
8120190	113	Part Width Intersection Construction	2 EA \$1,500.00 \$3,000.00

Subtotal Part B: \$364,291.50

Base Bid Total: \$1,504,002.25

\$3,000.00	\$9,000.00
\$0.01	\$0.03
\$18.00	\$1,422.00
\$18.00	\$1,948.50
\$18.00	\$121.50
\$8.00	\$1,736.00
\$50.00	\$700.00
\$2.05	\$2,255.00
\$0.65	\$162.50
\$2.55	\$1,555.50
\$2.50	\$625.00
\$2.50	\$625.00
\$5.50	\$2,277.00
\$10.50	\$1,176.00
\$185.00	\$370.00
\$185.00	\$185.00
\$2.55	\$216.75
\$15,000.00	\$15,000.00
\$15,000.00	\$15,000.00
\$1,000.00	\$1,000.00
\$25.00	\$55,675.00
Subtotal Part A:	\$1,166,691.45

\$1,900.00	\$5,700.00
\$1,100.00	\$2,200.00
\$550.00	\$1,100.00
\$650.00	\$1,950.00
\$550.00	\$1,100.00
\$20.00	\$3,680.00
\$201.00	\$242,808.00
\$170.00	\$850.00
\$160.00	\$17,920.00
\$0.80	\$1,178.40
\$6,500.00	\$19,500.00
\$4,500.00	\$18,000.00
\$2,500.00	\$10,000.00
\$3,000.00	\$15,000.00
\$1,900.00	\$1,900.00
\$1,500.00	\$4,500.00
\$17,500.00	\$70,000.00
\$4.00	\$1,284.00
\$5.00	\$1,605.00
\$17.50	\$5,617.50
\$130.00	\$41,730.00
\$220.00	\$8,800.00
\$3,500.00	\$7,000.00
Subtotal Part B:	\$483,422.90
Base Bid Total:	\$1,650,114.35

**TABULATION OF BIDS**  
**Project No. R2201 - MillStreet Reconstruction Project**  
**Client: City of Pontiac, Michigan**

City of Pontiac  
47450 Woodward Ave.  
Pontiac, MI 48236

Project: Name: R2201 - Mill Street Improvement Project  
Bid Opening: February 7, 2022, 9:30 am

**Engineer's Opinion of Cost:**  
  
**Nowak & Fraus Engineers**  
46777 Woodward Ave.  
Pontiac, MI 48236  
Ph: 248-332-7931  
Fax: 248-332-8257

**Low Bidder:**

**Pamar Enterprises, Inc.**  
31604 Pamar Court  
New Haven, MI 48048  
Ph: 586-749-8593

ITEM			QUANTITY		UNIT PRICE	AMOUNT
Part A						
1100001	1	Mobilization, Max. 10%	1	LSUM	\$135,000.00	\$135,000.00
2050030	2	Machine Grading	11.5	STA	\$2,500.00	\$28,750.00
2040050	3	Pavt, Rem	3,751	SY	\$7.00	\$26,257.00
5010005	4	HMA Surface, Rem	3,489	SY	\$6.00	\$20,934.00
2040055	5	Sidewalk, Rem	1,486	SY	\$12.00	\$17,832.00
2030011	6	Dr Structure, Rem	27	EA	\$350.00	\$9,450.00
2030015	7	Sewer, Rem, Less Than 24 inch	974	FT	\$11.50	\$11,201.00
2050016	8	Excavation, Earth	1,000	CYD	\$7.00	\$7,000.00
8100403	9	Sign, Rem	27	EA	\$15.00	\$405.00
8030051	10	Sidewalk, Clay Brick Paver, Rem	488	SF	\$5.00	\$2,440.00
2057021	11	Subgrade Undercutting, Type IV	500	CYD	\$35.00	\$17,500.00
3060020	12	Maintenance Gravel	1,000	TON	\$30.00	\$30,000.00
8187001	13	Conduit, Rem, Modified	2,200	FT	\$1.00	\$2,200.00
8187002	14	Cable, Rem, Modified	2,200	FT	\$1.00	\$2,200.00
3020020	15	Aggregate Base, 8 inch	3,103	SY	\$16.00	\$49,648.00
3020016	16	Aggregate Base, 6 inch	203	SY	\$12.50	\$2,537.50
2050023	17	Granular Material, CI II	346	CYD	\$12.00	\$4,152.00
6020166	18	Conc Pavt With Integral Curb, Nonreinf, 9 inch	3,103	SY	\$60.00	\$186,180.00
8030044	19	Sidewalk, Conc, 4 inch	11,703	SF	\$5.50	\$64,366.50
8032002	20	Curb Ramp, Conc, 6 inch	1,402	SF	\$10.00	\$14,020.00
8010007	21	Driveway, Nonreinf Conc, 8 inch	193	SY	\$60.00	\$11,580.00
8020037	22	Curb and Gutter, Conc, Det F3	64	FT	\$25.00	\$1,600.00
8030010	23	Detectable Warning Surface	74	FT	\$35.00	\$2,590.00
8030030	24	Curb Ramp Opening, Conc	74	FT	\$30.00	\$2,220.00
4040073	25	Underdrain, Subgrade, 6 inch	2,065	FT	\$10.00	\$20,650.00
4030200	26	Dr Structure, 24 inch dia	2	EA	\$1,300.00	\$2,600.00
4030210	27	Dr Structure, 48 inch dia	12	EA	\$2,200.00	\$26,400.00
4030250	28	Dr Structure, Add Depth of 48 inch dia, 8 foot to 15 foot	9	FT	\$120.00	\$1,080.00
4030005	29	Dr Structure Cover, Adj, Case 1	9	EA	\$200.00	\$1,800.00
4030280	30	Dr Structure Cover, Adj, Add Depth	18	FT	\$230.00	\$4,140.00
4030010	31	Dr Structure Cover, Type B	11	EA	\$500.00	\$5,500.00
4030025	32	Dr Structure Cover, Type D	1	EA	\$500.00	\$500.00
4030050	33	Dr Structure Cover, Type K	11	EA	\$500.00	\$5,500.00
4027001	34	Sewer, CI E, 10 inch, Tr Det B	27	FT	\$35.00	\$945.00
4020600	35	Sewer, CI E, 12 inch, Tr Det B	291	FT	\$40.00	\$11,640.00
5010025	36	Hand Patching	61	TON	\$110.00	\$6,710.00
6020207	37	Joint, Expansion, E2	52	FT	\$18.50	\$962.00
6020208	38	Joint, Expansion, E3	197	FT	\$20.00	\$3,940.00
6020200	39	Joint, Contraction, Cp	1,765	FT	\$14.00	\$24,710.00
6020310	40	Joint, Plane-of-Weakness W, Intersection	115	FT	\$3.00	\$345.00
6020250	41	Joint, Contraction Cp, Intersection	130	FT	\$14.00	\$1,820.00
6030030	42	Lane Tie, Epoxy Anchored	1,000	EA	\$2.00	\$2,000.00
2080020	43	Erosion Control, Inlet Protection, Fabric Drop	16	EA	\$120.00	\$1,920.00
7107010	44	Vault Roof Waterproofing	550	SF	\$25.00	\$13,750.00
7077010	45	Vault Roof Decking System	550	SF	\$55.00	\$30,250.00
2067021	46	Vault Abandon	25	CYD	\$100.00	\$2,500.00
8187003	47	Conduit, DB, 1, 2 inch	2,070	FT	\$8.00	\$16,560.00
8187004	48	Conduit, DB, 2, 2 inch	2,070	FT	\$8.00	\$16,560.00
8187005	49	Conduit, DB, 3, 2 inch	40	FT	\$8.00	\$320.00
8187006	50	Conduit, Directional Bore, 2 inch	90	FT	\$35.00	\$3,150.00
8182288	51	Cable, Equipment Grounding Wire, 1/C#2	2,115	FT	\$2.00	\$4,230.00
8182309	52	Hh, Polymer Conc	10	EA	\$700.00	\$7,000.00
8187007	53	Cable, St Ltg, 600V, 1, 1/C#6 & 1, #2 Neutral, Modified	2,115	FT	\$4.00	\$8,460.00
8190280	54	Light Std Fdn, Rem	3	EA	\$275.00	\$825.00
8190279	55	Light Std Fdn	3	EA	\$2,000.00	\$6,000.00
8190278	56	Light Std Arm, Rem and Salv	3	EA	\$150.00	\$450.00
8190276	57	Light Std Arm, Install Salv	3	EA	\$250.00	\$750.00
8190306	58	Light Std Shaft, Rem and Salv	3	EA	\$150.00	\$450.00
8190301	59	Light Std Shaft, Install Salv	3	EA	\$250.00	\$750.00
8190365	60	Luminarie, Rem and Salv	3	EA	\$150.00	\$450.00
8190350	61	Luminarie, Install Salv	3	EA	\$250.00	\$750.00
8120350	62	Sign, Type B, Temp, Prismatic, Furn	668	SF	\$55.00	\$36,726.25
8120351	63	Sign, Type B, Temp, Prismatic, Oper	668	SF	\$1.00	\$667.75
8120310	64	Sign Cover	2	EA	\$25.00	\$50.00
8120130	65	Lighted Arrow, Type B, Furn	2	EA	\$500.00	\$1,000.00
8120131	66	Lighted Arrow, Type B, Oper	2	EA	\$1.00	\$2.00
8120252	67	Plastic Drum, Fluorescent, Furn	100	EA	\$20.00	\$2,000.00
8120253	68	Plastic Drum, Fluorescent, Oper	100	EA	\$1.00	\$100.00
8120012	69	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	20	EA	\$95.00	\$1,900.00

UNIT PRICE	AMOUNT
\$162,000.00	\$162,000.00
\$5,600.00	\$64,400.00
\$5.00	\$18,755.00
\$4.00	\$13,956.00
\$2.50	\$3,715.00
\$100.00	\$2,700.00
\$5.00	\$4,870.00
\$34.00	\$34,000.00
\$10.00	\$270.00
\$0.99	\$483.12
\$50.00	\$25,000.00
\$10.00	\$10,000.00
\$4.50	\$9,900.00
\$1.50	\$3,300.00
\$18.00	\$55,854.00
\$17.50	\$3,552.50
\$35.00	\$12,110.00
\$63.00	\$195,489.00
\$7.00	\$81,921.00
\$8.00	\$11,216.00
\$60.00	\$11,580.00
\$55.00	\$3,520.00
\$50.00	\$3,700.00
\$30.00	\$2,220.00
\$12.00	\$24,780.00
\$3,500.00	\$7,000.00
\$4,500.00	\$54,000.00
\$50.00	\$450.00
\$650.00	\$5,850.00
\$350.00	\$6,300.00
\$500.00	\$5,500.00
\$550.00	\$550.00
\$650.00	\$7,150.00
\$155.00	\$4,185.00
\$160.00	\$46,560.00
\$220.00	\$13,420.00
\$25.00	\$1,300.00
\$15.00	\$2,955.00
\$12.10	\$21,356.50
\$1.00	\$115.00
\$12.10	\$1,573.00
\$8.50	\$8,500.00
\$55.00	\$880.00
\$10.00	\$5,500.00
\$10.00	\$5,500.00
\$100.00	\$2,500.00
\$4.50	\$9,315.00
\$1.50	\$3,105.00
\$18.50	\$740.00
\$27.00	\$2,430.00
\$35.00	\$74,025.00
\$80.00	\$800.00
\$5.00	\$10,575.00
\$1,250.00	\$3,750.00
\$7.00	\$21.00
\$250.00	\$750.00
\$2,500.00	\$7,500.00
\$125.00	\$375.00
\$250.00	\$750.00
\$250.00	\$750.00
\$500.00	\$1,500.00
\$4.00	\$2,672.00
\$0.01	\$6.68
\$25.00	\$50.00
\$400.00	\$800.00
\$0.01	\$0.02
\$18.00	\$1,800.00
\$0.01	\$1.00
\$65.00	\$1,300.00

8120013	70	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	20	EA	\$1.00	\$20.00
8120330	71	Sign, Portable, Changeable Message, Furn	3	EA	\$2,000.00	\$6,000.00
8120331	72	Sign, Portable, Changeable Message, Oper	3	EA	\$1.00	\$3.00
8100410	73	Sign, Type IVA	79	SF	\$20.00	\$1,580.00
8100411	74	Sign, Type IVB	108.25	SF	\$20.00	\$2,165.00
8100425	75	Sign, Type VB	6.75	SF	\$25.00	\$168.75
8100371	76	Post, Steel, 3 LB	217	FT	\$7.00	\$1,519.00
8100340	77	Post Hole Through Conc for Steel Post	14	EA	\$7.00	\$98.00
8120246	78	Pavt Mrkg, Wet Reflective, Type R, Tape, 4 inch, Yellow, Temp	1,100	FT	\$1.50	\$1,650.00
8110307	79	Rem Curing Compound, for Longit Mrkg, 4 inch	250	FT	\$1.00	\$250.00
8110321	80	Rem Curing Compound, for Spec Mrkg	610	SF	\$2.00	\$1,220.00
8110091	81	Pavt Mrkg, Polyurea, 4 inch White	250	FT	\$1.00	\$250.00
8110092	82	Pavt Mrkg, Polyurea, 4 inch Yellow	250	FT	\$1.00	\$250.00
8110110	83	Pavt Mrkg, Polyurea, 12 inch, Crosswalk	414	FT	\$5.50	\$2,277.00
8110114	84	Pavt Mrkg, Polyurea, 24 inch, Stop Bar	112	FT	\$12.00	\$1,344.00
8110412	85	Pavt Mrkg, Polyurea, Rt Turn Arrow	2	EA	\$175.00	\$350.00
8110405	86	Pavt Mrkg, Polyurea, Lt Turn Arrow	1	EA	\$175.00	\$175.00
8110343	87	Rem Spec Mrkg	85	SF	\$2.00	\$170.00
8120370	88	Traf Regulator Control	1	LSUM	\$15,000.00	\$15,000.00
8120170	89	Minor Traf Devices	1	LSUM	\$15,000.00	\$15,000.00
8167051	90	Restoration	1	LSUM	\$7,500.00	\$7,500.00
Subtotal Part A:					\$985,865.75	

\$0.01	\$0.20
\$3,000.00	\$9,000.00
\$0.01	\$0.03
\$18.00	\$1,422.00
\$18.00	\$1,948.50
\$18.00	\$121.50
\$8.00	\$1,736.00
\$50.00	\$700.00
\$2.05	\$2,255.00
\$0.65	\$162.50
\$2.55	\$1,555.50
\$2.50	\$625.00
\$2.50	\$625.00
\$5.50	\$2,277.00
\$10.50	\$1,176.00
\$185.00	\$370.00
\$185.00	\$185.00
\$2.55	\$216.75
\$15,000.00	\$15,000.00
\$15,000.00	\$15,000.00
\$1,000.00	\$1,000.00
Subtotal Part A:	\$1,138,827.80

ITEM			QUANTITY		UNIT PRICE	AMOUNT
Part B						
8230134	91	Water Main, 12 inch, Cut and Plug	3	EA	\$800.00	\$2,400.00
8230131	92	Water Main, 6 inch, Cut and Plug	2	EA	\$800.00	\$1,600.00
8230091	93	Hydrant, Rem	2	EA	\$750.00	\$1,500.00
8237051	94	Gate Well, Rem	3	EA	\$750.00	\$2,250.00
8237052	95	Water Service, Cut and Plug	2	EA	\$750.00	\$1,500.00
8237001	96	Water Main, Rem	184	FT	\$100.00	\$18,400.00
8230166	97	Water Main, DI, 12 inch, Tr Det G	1,208	FT	\$200.00	\$241,600.00
8230156	98	Water Main, DI, 8 inch, Tr Det G	5	FT	\$150.00	\$750.00
8230151	99	Water Main, DI, 6 inch, Tr Det G	112	FT	\$125.00	\$14,000.00
8230440	100	Polyethylene Encasement	1,473	FT	\$2.00	\$2,946.00
8230040	101	Fire Hydrant	3	EA	\$2,500.00	\$7,500.00
8237052	102	Water Main Connection	4	EA	\$1,500.00	\$6,000.00
8230240	103	Water Serv	4	EA	\$1,000.00	\$4,000.00
8230054	104	Gate Valve and Box, 12 inch	5	EA	\$2,500.00	\$12,500.00
8230052	105	Gate Valve and Box, 8 inch	1	EA	\$2,000.00	\$2,000.00
8230051	106	Gate Valve and Box, 6 inch	3	EA	\$1,500.00	\$4,500.00
8237050	107	Insertion Valve and Box, 12 inch	4	EA	\$12,500.00	\$50,000.00
5010005	108	HMA Surface, Rem	321	SY	\$6.00	\$1,926.00
2040050	109	Pavt, Rem	321	SY	\$7.00	\$2,247.00
3020016	110	Aggregate Base, 6 inch	321	SY	\$12.50	\$4,012.50
6020106	111	Conc Pavt, Nonreinf, 9 inch	321	SY	\$60.00	\$19,260.00
5010025	112	Hand Patching	40	TON	\$110.00	\$4,400.00
8120190	113	Part Width Intersection Construction	2	EA	\$1,500.00	\$3,000.00
Subtotal Part B:						\$408,291.50

	\$1,900.00	\$5,700.00
	\$1,100.00	\$2,200.00
	\$550.00	\$1,100.00
	\$650.00	\$1,950.00
	\$550.00	\$1,100.00
	\$20.00	\$3,680.00
	\$201.00	\$242,808.00
	\$170.00	\$850.00
	\$160.00	\$17,920.00
	\$0.80	\$1,178.40
	\$6,500.00	\$19,500.00
	\$4,500.00	\$18,000.00
	\$2,500.00	\$10,000.00
	\$3,000.00	\$15,000.00
	\$1,900.00	\$1,900.00
	\$1,500.00	\$4,500.00
	\$17,500.00	\$70,000.00
	\$4.00	\$1,284.00
	\$5.00	\$1,605.00
	\$17.50	\$5,617.50
	\$130.00	\$41,730.00
	\$220.00	\$8,800.00
	\$3,500.00	\$7,000.00
Subtotal Part B:		\$483,422.90
Base Bid Total:		<u>\$1,622,250.70</u>
	\$67.00	\$184,384.00
	\$25.00	\$55,675.00
	\$0.01	\$17.65
	\$1.50	\$4,747.50
	\$15.00	\$2,955.00
Subtotal Bid-Alternate:		\$247,779.15

BID ALTERNATE ITEMS (OPTIONAL)			QUANTITY		UNIT PRICE	AMOUNT
6027011	114	Compacted Concrete Pavement, 9 inch	2,752	SY	\$100.00	\$275,200.00
8020038	115	Curb and Gutter, Conc, Det F4	2,227	FT	\$25.00	\$55,675.00
6020200	116	Joint, Contraction, Cp	1,765	FT	\$14.00	\$24,710.00
6020211	117	Joint, Plane-of-Weakness, W	3,165	FT	\$3.00	\$9,495.00
6020208	118	Joint, Expansion, E3	197	FT	\$20.00	\$3,940.00
			Subtotal Bid-Alternate:			\$369,020.00

Note: Items in red have been corrected by the engineer.

Great Lakes Contracting Solutions  
2300 Edinburgh Rd.  
Waterford, MI 48328  
Ph: 313-962-0400

Mark Anthony Contracting, Inc.  
4844 Old Plank Rd.  
Milford, MI 48381  
Ph: 248-606-7727

ITEM				QUANTITY		UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
Part A									
1100001	1	Mobilization, Max. 10%	1	LSUM		\$115,000.00	\$115,000.00	\$64,447.35	\$64,447.35
2050030	2	Machine Grading	11.5	STA		\$3,340.00	\$38,410.00	\$2,866.16	\$32,960.84
2040050	3	Pavt, Rem	3,751	SY		\$8.90	\$33,383.90	\$13.27	\$49,775.77
5010005	4	HMA Surface, Rem	3,489	SY		\$5.00	\$17,445.00	\$4.47	\$15,595.83
2040055	5	Sidewalk, Rem	1,486	SY		\$9.00	\$13,374.00	\$9.34	\$13,879.24
2030011	6	Dr Structure, Rem	27	EA		\$775.00	\$20,925.00	\$10.65	\$287.55
2030015	7	Sewer, Rem, Less Than 24 inch	974	FT		\$15.00	\$14,610.00	\$12.85	\$12,515.90
2050016	8	Excavation, Earth	1,000	CYD		\$27.60	\$27,600.00	\$29.19	\$29,190.00
8100403	9	Sign, Rem	27	EA		\$11.00	\$297.00	\$10.65	\$287.55
8030051	10	Sidewalk, Clay Brick Paver, Rem	488	SF		\$2.75	\$1,342.00	\$3.06	\$1,493.28
2057021	11	Subgrade Undercutting, Type IV	500	CYD		\$40.00	\$20,000.00	\$62.16	\$31,080.00
3060020	12	Maintenance Gravel	1,000	TON		\$31.20	\$31,200.00	\$33.40	\$33,400.00
8187001	13	Conduit, Rem, Modified	2,200	FT		\$3.81	\$8,382.00	\$4.79	\$10,538.00
8187002	14	Cable, Rem, Modified	2,200	FT		\$2.03	\$4,466.00	\$1.60	\$3,520.00
3020020	15	Aggregate Base, 8 inch	3,103	SY		\$13.00	\$40,339.00	\$11.43	\$35,467.29
3020016	16	Aggregate Base, 6 inch	203	SY		\$9.95	\$2,019.85	\$10.95	\$2,222.85
2050023	17	Granular Material, CI II	346	CYD		\$47.25	\$16,348.50	\$46.34	\$16,033.64
6020166	18	Conc Pavt With Integral Curb, Nonreinf, 9 inch	3,103	SY		\$69.00	\$214,107.00	\$67.46	\$209,328.38
8030044	19	Sidewalk, Conc, 4 inch	11,703	SF		\$5.65	\$66,121.95	\$6.16	\$72,090.48
8032002	20	Curb Ramp, Conc, 6 inch	1,402	SF		\$8.90	\$12,477.80	\$6.60	\$9,253.20
8010007	21	Driveway, Nonreinf Conc, 8 inch	193	SY		\$62.10	\$11,985.30	\$69.14	\$13,344.02
8020037	22	Curb and Gutter, Conc, Det F3	64	FT		\$23.00	\$1,472.00	\$36.23	\$2,318.72
8030010	23	Detectable Warning Surface	74	FT		\$40.00	\$2,960.00	\$30.55	\$2,260.70
8030030	24	Curb Ramp Opening, Conc	74	FT		\$23.00	\$1,702.00	\$18.85	\$1,394.90
4040073	25	Underdrain, Subgrade, 6 inch	2,065	FT		\$11.50	\$23,747.50	\$18.69	\$38,594.85
4030200	26	Dr Structure, 24 inch dia	2	EA		\$1,500.00	\$3,000.00	\$1,833.32	\$3,666.64
4030210	27	Dr Structure, 48 inch dia	12	EA		\$3,500.00	\$42,000.00	\$2,862.05	\$34,344.60
4030250	28	Dr Structure, Add Depth of 48 inch dia, 8 foot to 15 foot	9	FT		\$350.00	\$3,150.00	\$2,763.48	\$24,871.32
4030005	29	Dr Structure Cover, Adj, Case 1	9	EA		\$475.00	\$4,275.00	\$237.52	\$2,137.68
4030280	30	Dr Structure Cover, Adj, Add Depth	18	FT		\$250.00	\$4,500.00	\$185.36	\$3,336.48
4030010	31	Dr Structure Cover, Type B	11	EA		\$500.00	\$5,500.00	\$589.23	\$6,481.53
4030025	32	Dr Structure Cover, Type D	1	EA		\$675.00	\$675.00	\$769.73	\$769.73
4030050	33	Dr Structure Cover, Type K	11	EA		\$775.00	\$8,525.00	\$863.30	\$9,496.30
4027001	34	Sewer, CI E, 10 inch, Tr Det B	27	FT		\$75.70	\$2,043.90	\$136.00	\$3,672.00
4020600	35	Sewer, CI E, 12 inch, Tr Det B	291	FT		\$117.30	\$34,134.30	\$135.45	\$39,415.95
5010025	36	Hand Patching	61	TON		\$223.30	\$13,621.30	\$439.85	\$26,830.85
6020207	37	Joint, Expansion, E2	52	FT		\$24.00	\$1,248.00	\$26.52	\$1,379.04
6020208	38	Joint, Expansion, E3	197	FT		\$7.50	\$1,477.50	\$9.29	\$1,830.13
6020200	39	Joint, Contraction, Cp	1,765	FT		\$13.50	\$23,827.50	\$12.98	\$22,909.70
6020310	40	Joint, Plane-of-Weakness W, Intersection	115	FT		\$2.25	\$258.75	\$1.10	\$126.50
6020250	41	Joint, Contraction Cp, Intersection	130	FT		\$12.70	\$1,651.00	\$14.32	\$1,861.60
6030030	42	Lane Tie, Epoxy Anchored	1,000	EA		\$6.50	\$6,500.00	\$10.07	\$10,070.00
2080020	43	Erosion Control, Inlet Protection, Fabric Drop	16	EA		\$150.00	\$2,400.00	\$75.95	\$1,215.20
7107010	44	Vault Roof Waterproofing	550	SF		\$20.00	\$11,000.00	\$31.42	\$17,281.00
7077010	45	Vault Roof Decking System	550	SF		\$40.00	\$22,000.00	\$6.28	\$3,454.00
2067021	46	Vault Abandon	25	CYD		\$675.00	\$16,875.00	\$439.85	\$10,996.25
8187003	47	Conduit, DB, 1, 2 inch	2,070	FT		\$20.30	\$42,021.00	\$19.70	\$40,779.00
8187004	48	Conduit, DB, 2, 2 inch	2,070	FT		\$35.55	\$73,588.50	\$28.76	\$59,533.20
8187005	49	Conduit, DB, 3, 2 inch	40	FT		\$50.75	\$2,030.00	\$37.28	\$1,491.20
8187006	50	Conduit, Directional Bore, 2 inch	90	FT		\$30.45	\$2,740.50	\$85.20	\$7,668.00
8182288	51	Cable, Equipment Grounding Wire, 1/C#2	2,115	FT		\$3.05	\$6,450.75	\$5.33	\$11,272.95
8182309	52	Hh, Polymer Conc	10	EA		\$913.50	\$9,135.00	\$1,331.25	\$13,312.50
8187007	53	Cable, St Ltg, 600V, 1, 1/C#6 & 1, #2 Neutral, Modified	2,115	FT		\$5.08	\$10,744.20	\$7.46	\$15,777.90
8190280	54	Light Std Fdn, Rem	3	EA		\$203.00	\$609.00	\$266.25	\$798.75
8190279	55	Light Std Fdn	3	EA		\$2,030.00	\$6,090.00	\$2,662.50	\$7,987.50
8190278	56	Light Std Arm, Rem and Salv	3	EA		\$81.20	\$243.60	\$133.13	\$399.39
8190276	57	Light Std Arm, Install Salv	3	EA		\$101.50	\$304.50	\$266.25	\$798.75
8190306	58	Light Std Shaft, Rem and Salv	3	EA		\$121.80	\$365.40	\$266.25	\$798.75
8190301	59	Light Std Shaft, Install Salv	3	EA		\$812.00	\$2,436.00	\$532.50	\$1,597.50
8190365	60	Luminarie, Rem and Salv	3	EA		\$40.60	\$121.80	\$53.25	\$159.75
8190350	61	Luminarie, Install Salv	3	EA		\$610.00	\$1,830.00	\$133.13	\$399.39
8120350	62	Sign, Type B, Temp, Prismatic, Furn	668	SF		\$4.10	\$2,738.80	\$4.26	\$2,845.68
8120351	63	Sign, Type B, Temp, Prismatic, Oper	668	SF		\$0.01	\$6.68	\$0.01	\$6.68
8120310	64	Sign Cover	2	EA		\$25.40	\$50.80	\$26.63	\$53.26
8120130	65	Lighted Arrow, Type B, Furn	2	EA		\$406.00	\$812.00	\$426.00	\$852.00
8120131	66	Lighted Arrow, Type B, Oper	2	EA		\$0.01	\$0.02	\$0.01	\$0.02
8120252	67	Plastic Drum, Fluorescent, Furn	100	EA		\$18.30	\$1,830.00	\$19.17	\$1,917.00
8120253	68	Plastic Drum, Fluorescent, Oper	100	EA		\$0.01	\$1.00	\$0.01	\$1.00
8120012	69	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	20	EA		\$66.00	\$1,320.00	\$69.23	\$1,384.60
8120013	70	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	20	EA		\$0.01	\$0.20	\$0.01	\$0.20
8120330	71	Sign, Portable, Changeable Message, Furn	3	EA		\$3,045.00	\$9,135.00	\$3,195.00	\$9,585.00
8120331	72	Sign, Portable, Changeable Message, Oper	3	EA		\$0.01	\$0.03	\$0.01	\$0.03

8100410	73	Sign, Type IVA	79	SF	\$18.27	\$1,443.33	\$19.17	\$1,514.43
8100411	74	Sign, Type IVB	108.25	SF	\$18.27	\$1,977.73	\$19.17	\$2,075.15
8100425	75	Sign, Type VB	6.75	SF	\$18.27	\$123.32	\$19.17	\$129.40
8100371	76	Post, Steel, 3 LB	217	FT	\$8.20	\$1,779.40	\$8.52	\$1,848.84
8100340	77	Post Hole Through Conc for Steel Post	14	EA	\$50.75	\$710.50	\$53.25	\$745.50
8120246	78	Pavt Mrkg, Wet Reflective, Type R, Tape, 4 inch, Yellow, Temp	1,100	FT	\$2.08	\$2,288.00	\$2.18	\$2,398.00
8110307	79	Rem Curing Compound, for Longit Mrkg, 4 inch	250	FT	\$0.66	\$165.00	\$0.69	\$172.50
8110321	80	Rem Curing Compound, for Spec Mrkg	610	SF	\$2.60	\$1,586.00	\$2.72	\$1,659.20
8110091	81	Pavt Mrkg, Polyurea, 4 inch White	250	FT	\$2.55	\$637.50	\$2.66	\$665.00
8110092	82	Pavt Mrkg, Polyurea, 4 inch Yellow	250	FT	\$2.55	\$637.50	\$2.66	\$665.00
8110110	83	Pavt Mrkg, Polyurea, 12 inch, Crosswalk	414	FT	\$5.60	\$2,318.40	\$5.86	\$2,426.04
8110114	84	Pavt Mrkg, Polyurea, 24 inch, Stop Bar	112	FT	\$10.70	\$1,198.40	\$11.18	\$1,252.16
8110412	85	Pavt Mrkg, Polyurea, Rt Turn Arrow	2	EA	\$187.80	\$375.60	\$197.03	\$394.06
8110405	86	Pavt Mrkg, Polyurea, Lt Turn Arrow	1	EA	\$187.80	\$187.80	\$197.03	\$197.03
8110343	87	Rem Spec Mrkg	85	SF	\$2.60	\$221.00	\$2.72	\$231.20
8120370	88	Traf Regulator Control	1	LSUM	\$10,000.00	\$10,000.00	\$18,018.56	\$18,018.56
8120170	89	Minor Traf Devices	1	LSUM	\$18,000.00	\$18,000.00	\$15,743.94	\$15,743.94
8167051	90	Restoration	1	LSUM	\$7,500.00	\$7,500.00	\$9,425.25	\$9,425.25
Subtotal Part A:					\$1,174,132.31		Subtotal Part A:	\$1,166,408.10
<b>ITEM</b>					<b>QUANTITY</b>			
<b>Part B</b>								
8230134	91	Water Main, 12 inch, Cut and Plug	3	EA	\$2,030.00	\$6,090.00	\$2,130.00	\$6,390.00
8230131	92	Water Main, 6 inch, Cut and Plug	2	EA	\$1,015.00	\$2,030.00	\$1,065.00	\$2,130.00
8230091	93	Hydrant, Rem	2	EA	\$812.00	\$1,624.00	\$852.00	\$1,704.00
8237051	94	Gate Well, Rem	3	EA	\$812.00	\$2,436.00	\$852.00	\$2,556.00
8237052	95	Water Service, Cut and Plug	2	EA	\$812.00	\$1,624.00	\$852.00	\$1,704.00
8237001	96	Water Main, Rem	184	FT	\$30.45	\$5,602.80	\$31.95	\$5,878.80
8230166	97	Water Main, DI, 12 inch, Tr Det G	1,208	FT	\$201.00	\$242,808.00	\$210.87	\$254,730.96
8230156	98	Water Main, DI, 8 inch, Tr Det G	5	FT	\$190.85	\$954.25	\$200.22	\$1,001.10
8230151	99	Water Main, DI, 6 inch, Tr Det G	112	FT	\$170.55	\$19,101.60	\$178.92	\$20,039.04
8230440	100	Polyethylene Encasement	1,473	FT	\$2.05	\$3,019.65	\$2.13	\$3,137.49
8230040	101	Fire Hydrant	3	EA	\$7,714.00	\$23,142.00	\$8,094.00	\$24,282.00
8237052	102	Water Main Connection	4	EA	\$12,687.50	\$50,750.00	\$13,312.50	\$53,250.00
8230240	103	Water Serv	4	EA	\$6,597.50	\$26,390.00	\$6,922.50	\$27,690.00
8230054	104	Gate Valve and Box, 12 inch	5	EA	\$4,567.50	\$22,837.50	\$4,792.50	\$23,962.50
8230052	105	Gate Valve and Box, 8 inch	1	EA	\$2,842.00	\$2,842.00	\$2,982.00	\$2,982.00
8230051	106	Gate Valve and Box, 6 inch	3	EA	\$1,928.50	\$5,785.50	\$2,023.50	\$6,070.50
8237050	107	Insertion Valve and Box, 12 Inch	4	EA	\$16,747.50	\$66,990.00	\$17,572.50	\$70,290.00
5010005	108	HMA Surface, Rem	321	SY	\$5.00	\$1,605.00	\$4.47	\$1,434.87
2040050	109	Pavt, Rem	321	SY	\$8.90	\$2,856.90	\$13.27	\$4,259.67
3020016	110	Aggregate Base, 6 inch	321	SY	\$9.95	\$3,193.95	\$10.98	\$3,524.58
6020106	111	Conc Pavt, Nonreinf, 9 inch	321	SY	\$69.00	\$22,149.00	\$72.89	\$23,397.69
5010025	112	Hand Patching	40	TON	\$223.30	\$8,932.00	\$439.85	\$17,594.00
8120190	113	Part Width Intersection Construction	2	EA	\$1,500.00	\$3,000.00	\$1,885.05	\$3,770.10
Subtotal Part B:					\$525,764.15		Subtotal Part B:	\$561,779.30
Base Bid Total:					\$1,699,896.46		Base Bid Total:	\$1,728,187.40
<b>BID ALTERNATE ITEMS (OPTIONAL)</b>					<b>QUANTITY</b>			
6027011	114	Compacted Concrete Pavement, 9 inch	2,752	SY	\$72.00	\$198,144.00	\$59.60	\$164,019.20
8020038	115	Curb and Gutter, Conc, Det F4	2,227	FT	\$22.50	\$50,107.50	\$33.93	\$75,562.11
6020200	116	Joint, Contraction, Cp	1,765	FT	\$13.50	\$23,827.50	\$0.01	\$17.65
6020211	117	Joint, Plane-of-Weakness, W	3,165	FT	\$2.25	\$7,121.25	\$1.10	\$3,481.50
6020208	118	Joint, Expansion, E3	197	FT	\$7.50	\$1,477.50	\$16.34	\$3,218.98
Subtotal Bid-Alternate:					\$280,677.75		Subtotal Bid-Alternate:	\$246,299.44

Note: Items in red have been corrected by the engineer.

F.D.M. Contracting, Inc.  
49156 Van Dyke  
Shelby Township, MI 48317  
Ph: 586-786-9220

Major Contracting Group, Inc.  
12222 Greenfield Rd.  
Detroit, MI 48227  
Ph: 313-220-6560

ITEM		QUANTITY		UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
Part A							
1100001	1	Mobilization, Max. 10%	1	LSUM	\$140,000.00	\$140,000.00	\$150,000.00
2050030	2	Machine Grading	11.5	STA	\$4,600.00	\$52,900.00	\$2,000.00
2040050	3	Pavt, Rem	3,751	SY	\$10.00	\$37,510.00	\$14.00
5010005	4	HMA Surface, Rem	3,489	SY	\$4.00	\$13,956.00	\$4.34
2040055	5	Sidewalk, Rem	1,486	SY	\$8.00	\$11,888.00	\$14.00
2030011	6	Dr Structure, Rem	27	EA	\$300.00	\$8,100.00	\$600.00
2030015	7	Sewer, Rem, Less Than 24 inch	974	FT	\$25.00	\$24,350.00	\$42.00
2050016	8	Excavation, Earth	1,000	CYD	\$35.00	\$35,000.00	\$16.00
8100403	9	Sign, Rem	27	EA	\$50.00	\$1,350.00	\$10.00
8030051	10	Sidewalk, Clay Brick Paver, Rem	488	SF	\$4.00	\$1,952.00	\$6.00
2057021	11	Subgrade Undercutting, Type IV	500	CYD	\$35.00	\$17,500.00	\$42.00
3060020	12	Maintenance Gravel	1,000	TON	\$30.00	\$30,000.00	\$21.00
8187001	13	Conduit, Rem, Modified	2,200	FT	\$3.75	\$8,250.00	\$4.50
8187002	14	Cable, Rem, Modified	2,200	FT	\$2.00	\$4,400.00	\$1.50
3020020	15	Aggregate Base, 8 inch	3,103	SY	\$13.50	\$41,890.50	\$14.00
3020016	16	Aggregate Base, 6 inch	203	SY	\$14.50	\$2,943.50	\$12.00
2050023	17	Granular Material, CI II	346	CYD	\$19.50	\$6,747.00	\$42.00
6020166	18	Conc Pavt With Integral Curb, Nonreinf, 9 inch	3,103	SY	\$59.00	\$183,077.00	\$80.00
8030044	19	Sidewalk, Conc, 4 inch	11,703	SF	\$3.90	\$45,641.70	\$6.00
8032002	20	Curb Ramp, Conc, 6 inch	1,402	SF	\$4.60	\$6,449.20	\$12.00
8010007	21	Driveway, Nonreinf Conc, 8 inch	193	SY	\$60.00	\$11,580.00	\$74.00
8020037	22	Curb and Gutter, Conc, Det F3	64	FT	\$26.00	\$1,664.00	\$40.00
8030010	23	Detectable Warning Surface	74	FT	\$30.00	\$2,220.00	\$40.00
8030030	24	Curb Ramp Opening, Conc	74	FT	\$26.00	\$1,924.00	\$42.00
4040073	25	Underdrain, Subgrade, 6 inch	2,065	FT	\$15.00	\$30,975.00	\$14.00
4030200	26	Dr Structure, 24 inch dia	2	EA	\$2,900.00	\$5,800.00	\$3,400.00
4030210	27	Dr Structure, 48 inch dia	12	EA	\$6,800.00	\$81,600.00	\$4,000.00
4030250	28	Dr Structure, Add Depth of 48 inch dia, 8 foot to 15 foot	9	FT	\$400.00	\$3,600.00	\$600.00
4030005	29	Dr Structure Cover, Adj, Case 1	9	EA	\$700.00	\$6,300.00	\$500.00
4030280	30	Dr Structure Cover, Adj, Add Depth	18	FT	\$400.00	\$7,200.00	\$350.00
4030010	31	Dr Structure Cover, Type B	11	EA	\$700.00	\$7,700.00	\$500.00
4030025	32	Dr Structure Cover, Type D	1	EA	\$750.00	\$750.00	\$650.00
4030050	33	Dr Structure Cover, Type K	11	EA	\$850.00	\$9,350.00	\$700.00
4027001	34	Sewer, CI E, 10 inch, Tr Det B	27	FT	\$95.00	\$2,565.00	\$150.00
4020600	35	Sewer, CI E, 12 inch, Tr Det B	291	FT	\$95.00	\$27,645.00	\$160.00
5010025	36	Hand Patching	61	TON	\$350.00	\$21,350.00	\$250.00
6020207	37	Joint, Expansion, E2	52	FT	\$15.00	\$780.00	\$21.00
6020208	38	Joint, Expansion, E3	197	FT	\$15.00	\$2,955.00	\$12.00
6020200	39	Joint, Contraction, Cp	1,765	FT	\$1.00	\$1,765.00	\$14.00
6020310	40	Joint, Plane-of-Weakness W, Intersection	115	FT	\$1.00	\$115.00	\$2.50
6020250	41	Joint, Contraction Cp, Intersection	130	FT	\$1.00	\$130.00	\$14.00
6030030	42	Lane Tie, Epoxy Anchored	1,000	EA	\$5.00	\$5,000.00	\$8.00
2080020	43	Erosion Control, Inlet Protection, Fabric Drop	16	EA	\$125.00	\$2,000.00	\$114.00
7107010	44	Vault Roof Waterproofing	550	SF	\$35.00	\$19,250.00	\$12.00
7077010	45	Vault Roof Decking System	550	SF	\$35.00	\$19,250.00	\$17.00
2067021	46	Vault Abandon	25	CYD	\$350.00	\$8,750.00	\$1,000.00
8187003	47	Conduit, DB, 1, 2 inch	2,070	FT	\$20.00	\$41,400.00	\$18.50
8187004	48	Conduit, DB, 2, 2 inch	2,070	FT	\$35.00	\$72,450.00	\$27.00
8187005	49	Conduit, DB, 3, 2 inch	40	FT	\$50.00	\$2,000.00	\$35.00
8187006	50	Conduit, Directional Bore, 2 inch	90	FT	\$30.00	\$2,700.00	\$80.00
8182288	51	Cable, Equipment Grounding Wire, 1/C#2	2,115	FT	\$3.00	\$6,345.00	\$5.00
8182309	52	Hh, Polymer Conc	10	EA	\$900.00	\$9,000.00	\$1,250.00
8187007	53	Cable, St Ltg, 600V, 1, 1/C#6 & 1, #2 Neutral, Modified	2,115	FT	\$5.00	\$10,575.00	\$7.00
8190280	54	Light Std Fdn, Rem	3	EA	\$200.00	\$600.00	\$250.00
8190279	55	Light Std Fdn	3	EA	\$2,000.00	\$6,000.00	\$2,500.00
8190278	56	Light Std Arm, Rem and Salv	3	EA	\$100.00	\$300.00	\$125.00
8190276	57	Light Std Arm, Install Salv	3	EA	\$100.00	\$300.00	\$250.00
8190306	58	Light Std Shaft, Rem and Salv	3	EA	\$120.00	\$360.00	\$250.00
8190301	59	Light Std Shaft, Install Salv	3	EA	\$800.00	\$2,400.00	\$500.00
8190365	60	Luminarie, Rem and Salv	3	EA	\$40.00	\$120.00	\$50.00
8190350	61	Luminarie, Install Salv	3	EA	\$600.00	\$1,800.00	\$125.00
8120350	62	Sign, Type B, Temp, Prismatic, Furn	668	SF	\$4.00	\$2,672.00	\$4.00
8120351	63	Sign, Type B, Temp, Prismatic, Oper	668	SF	\$0.01	\$6.68	\$0.01
8120310	64	Sign Cover	2	EA	\$25.00	\$50.00	\$25.00
8120130	65	Lighted Arrow, Type B, Furn	2	EA	\$400.00	\$800.00	\$400.00
8120131	66	Lighted Arrow, Type B, Oper	2	EA	\$1.00	\$2.00	\$0.01
8120252	67	Plastic Drum, Fluorescent, Furn	100	EA	\$18.00	\$1,800.00	\$18.00
8120253	68	Plastic Drum, Fluorescent, Oper	100	EA	\$1.00	\$100.00	\$0.01
8120012	69	Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	20	EA	\$65.00	\$1,300.00	\$65.00
8120013	70	Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	20	EA	\$0.01	\$0.20	\$0.01
8120330	71	Sign, Portable, Changeable Message, Furn	3	EA	\$3,000.00	\$9,000.00	\$3,000.00
8120331	72	Sign, Portable, Changeable Message, Oper	3	EA	\$0.01	\$0.03	\$0.01

8100410	73	Sign, Type IVA	79	SF	\$18.00	\$1,422.00	\$18.00	\$1,422.00
8100411	74	Sign, Type IVB	108.25	SF	\$18.00	\$1,948.50	\$18.00	\$1,948.50
8100425	75	Sign, Type VB	6.75	SF	\$18.00	\$121.50	\$18.00	\$121.50
8100371	76	Post, Steel, 3 LB	217	FT	\$8.00	\$1,736.00	\$8.00	\$1,736.00
8100340	77	Post Hole Through Conc for Steel Post	14	EA	\$50.00	\$700.00	\$50.00	\$700.00
8120246	78	Pavt Mrkg, Wet Reflective, Type R, Tape, 4 inch, Yellow, Temp	1,100	FT	\$2.05	\$2,255.00	\$2.05	\$2,255.00
8110307	79	Rem Curing Compound, for Longit Mrkg, 4 inch	250	FT	\$0.65	\$162.50	\$0.65	\$162.50
8110321	80	Rem Curing Compound, for Spec Mrkg	610	SF	\$2.55	\$1,555.50	\$2.55	\$1,555.50
8110091	81	Pavt Mrkg, Polyurea, 4 inch White	250	FT	\$2.50	\$625.00	\$2.50	\$625.00
8110092	82	Pavt Mrkg, Polyurea, 4 inch Yellow	250	FT	\$2.50	\$625.00	\$2.50	\$625.00
8110110	83	Pavt Mrkg, Polyurea, 12 inch, Crosswalk	414	FT	\$5.50	\$2,277.00	\$5.50	\$2,277.00
8110114	84	Pavt Mrkg, Polyurea, 24 inch, Stop Bar	112	FT	\$10.50	\$1,176.00	\$10.50	\$1,176.00
8110412	85	Pavt Mrkg, Polyurea, Rt Turn Arrow	2	EA	\$185.00	\$370.00	\$185.00	\$370.00
8110405	86	Pavt Mrkg, Polyurea, Lt Turn Arrow	1	EA	\$185.00	\$185.00	\$185.00	\$185.00
8110343	87	Rem Spec Mrkg	85	SF	\$2.55	\$216.75	\$2.55	\$216.75
8120370	88	Traf Regulator Control	1	LSUM	\$15,000.00	\$15,000.00	\$4,000.00	\$4,000.00
8120170	89	Minor Traf Devices	1	LSUM	\$25,000.00	\$25,000.00	\$30,000.00	\$30,000.00
8167051	90	Restoration	1	LSUM	\$35,000.00	\$35,000.00	\$6,000.00	\$6,000.00
					Subtotal Part A:	\$1,218,579.56	Subtotal Part A:	\$1,296,056.44
<b>ITEM</b>					<b>QUANTITY</b>			
<b>Part B</b>								
8230134	91	Water Main, 12 inch, Cut and Plug	3	EA	\$2,000.00	\$6,000.00	\$2,000.00	\$6,000.00
8230131	92	Water Main, 6 inch, Cut and Plug	2	EA	\$1,000.00	\$2,000.00	\$1,200.00	\$2,400.00
8230091	93	Hydrant, Rem	2	EA	\$800.00	\$1,600.00	\$600.00	\$1,200.00
8237051	94	Gate Well, Rem	3	EA	\$800.00	\$2,400.00	\$600.00	\$1,800.00
8237052	95	Water Service, Cut and Plug	2	EA	\$800.00	\$1,600.00	\$1,200.00	\$2,400.00
8237001	96	Water Main, Rem	184	FT	\$30.00	\$5,520.00	\$40.00	\$7,360.00
8230166	97	Water Main, DI, 12 inch, Tr Det G	1,208	FT	\$198.00	\$239,184.00	\$200.00	\$241,600.00
8230156	98	Water Main, DI, 8 inch, Tr Det G	5	FT	\$188.00	\$940.00	\$200.00	\$1,000.00
8230151	99	Water Main, DI, 6 inch, Tr Det G	112	FT	\$168.00	\$18,816.00	\$180.00	\$20,160.00
8230440	100	Polyethylene Encasement	1,473	FT	\$2.00	\$2,946.00	\$1.00	\$1,473.00
8230040	101	Fire Hydrant	3	EA	\$7,600.00	\$22,800.00	\$6,000.00	\$18,000.00
8237052	102	Water Main Connection	4	EA	\$12,500.00	\$50,000.00	\$10,000.00	\$40,000.00
8230240	103	Water Serv	4	EA	\$6,500.00	\$26,000.00	\$6,000.00	\$24,000.00
8230054	104	Gate Valve and Box, 12 inch	5	EA	\$4,500.00	\$22,500.00	\$3,400.00	\$17,000.00
8230052	105	Gate Valve and Box, 8 inch	1	EA	\$2,800.00	\$2,800.00	\$2,000.00	\$2,000.00
8230051	106	Gate Valve and Box, 6 inch	3	EA	\$1,900.00	\$5,700.00	\$1,600.00	\$4,800.00
8237050	107	Insertion Valve and Box, 12 inch	4	EA	\$16,500.00	\$66,000.00	\$530.00	\$2,120.00
5010005	108	HMA Surface, Rem	321	SY	\$4.00	\$1,284.00	\$4.34	\$1,393.14
2040050	109	Pavt, Rem	321	SY	\$10.00	\$3,210.00	\$14.00	\$4,494.00
3020016	110	Aggregate Base, 6 inch	321	SY	\$8.50	\$2,728.50	\$12.00	\$3,852.00
6020106	111	Conc Pavt, Nonreinf, 9 inch	321	SY	\$59.00	\$18,939.00	\$80.00	\$25,680.00
5010025	112	Hand Patching	40	TON	\$400.00	\$16,000.00	\$250.00	\$10,000.00
8120190	113	Part Width Intersection Construction	2	EA	\$500.00	\$1,000.00	\$3,000.00	\$6,000.00
					Subtotal Part B:	\$519,967.50	Subtotal Part B:	\$444,732.14
					Base Bid Total:	\$1,738,547.06	Base Bid Total:	\$1,740,788.58
<b>BID ALTERNATE ITEMS (OPTIONAL)</b>					<b>QUANTITY</b>			
6027011	114	Compacted Concrete Pavement, 9 inch	2,752	SY	-	-	\$84.00	\$231,168.00
8020038	115	Curb and Gutter, Conc, Det F4	2,227	FT	-	-	\$34.00	\$75,718.00
6020200	116	Joint, Contraction, Cp	1,765	FT	-	-	\$14.00	\$24,710.00
6020211	117	Joint, Plane-of-Weakness, W	3,165	FT	-	-	\$2.00	\$6,330.00
6020208	118	Joint, Expansion, E3	197	FT	-	-	\$12.00	\$2,364.00
					Subtotal Bid-Alternate:	-	Subtotal Bid-Alternate:	\$340,290.00

Note: Items in red have been corrected by the engineer.

**#1**

**ORDINANCE**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

*Executive Branch*

---

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

**FROM:** Khalfani Stephens, Deputy Mayor

**DATE:** February 15, 2022

**RE:** **Ordinance Amendment Chapter 42, Community Development, Article VII Rehabilitation Agreements Amendment**

---

The City of Pontiac Rehabilitation Agreement program allows individuals to enter into an agreement with the City to rehabilitate a condemned property back to a state of habitability within a six-month period. In return, the City agrees to withhold proceeding with the demolition process on the property. To enter into these agreements, property owners are required to purchase a bond on behalf of the City, which is returned upon the receipt of a Certificate of Compliance. If the property owner fails to comply with the agreement obligations, the City then uses the bond to pay for the cost of demolition of the property.

To date, the Rehabilitation Agreement program has resulted in the rehabilitation of over 100 City properties, and additionally saved the City the cost of potential demolition of those properties. We would like to continue to build upon the success of the program, while modifying its enabling ordinance to rectify some issues that have arisen in its administration.

The attached Ordinance amendment, as proposed for first reading, substantively modifies the Ordinance Chapter 42, *Community Development*, Article VII, *Rehabilitation Agreements*, as follows:

- Administration of the program is transferred from the Economic Development Director to the Building Official
- Cash Bonds are required for all demolition costs as determined by the Building Official
- An exception to the property owner bonding requirement for homesteaded properties has been eliminated. This is due to a higher rate of breaches of these agreements, and the fact that in the circumstance of such breaches the City has little recourse against the property owner.

Attachments

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

The City of Pontiac ordains:

ARTICLE VII. REHABILITATION AGREEMENTS

**42-239 Purpose.**

The purpose of this article is to develop a method to allow for the lawful rehabilitation of condemned buildings that have been ordered demolished by the Pontiac Board of Appeals. Further, this article is intended to discourage property speculators from acquiring condemned properties for the express purpose of creating substandard dwellings for human occupancy or other use.

**42-240 Condemned buildings ineligible for permits.**

Any property with a registered demolition order as recorded by the Oakland County Register of Deeds is not eligible to receive a building, mechanical, plumbing, electrical or occupancy permit or a certificate of compliance unless the property owner enters into a rehabilitation agreement with the City prior to the issuance of any permit.

**42-241 Rehabilitation agreements.**

The Building Official~~Community Development Director~~, or any duly appointed designee, may enter into a rehabilitation agreement with a property owner to rehabilitate condemned buildings. A rehabilitation agreement must include the following:

(1) *Property maintenance inspection required.* The property owner(s) shall apply to obtain a property maintenance inspection of the premises/structure(s) from the City of Pontiac Building Department~~Department of Community Development~~ prior to the execution of the rehabilitation agreement, which will result in the issuance of a property maintenance inspection report that will specify all of the improvements and/or repairs required to bring the premises/structure(s) into compliance with the applicable building code(s) and municipal ordinances, the report which shall be incorporated into the rehabilitation agreement. The property owner shall pay the appropriate fee for the property maintenance inspection.

(2) *Payment of demolition bond.*

a. The property owner must post a cash bond in the amount equal to the cost of the demolition as determined by the Building Official~~Community Development Director~~, which will be based on

the average square foot demolition cost for the most recent demolition bid received and awarded by the City.

~~b. For structures requiring a bond of more than \$15,000.00, a cash bond shall be secured for \$15,000.00 and a cash or surety bond approved by the City for the remainder shall be secured by the property owner and submitted to the City.~~

eb. The bond is fully refunded to the owner, without interest, upon the issuance of a certificate of compliance for the subject property.

ec. If the property owner fails to adhere to the terms of the rehabilitation agreement, the City shall may retain the ~~cash portion of the demolition~~ bond to pay for demolition costs and/or cover associated legal costs ~~required to effect compliance with the terms of the surety bond.~~

~~e. A demolition bond shall not be required for a single family home or duplex of no more than two units, one of which shall be 100 percent homestead by the property owner, if the property owner has never taken advantage of this subsection and has been a resident of the City of Pontiac for the last five years and:~~

~~i. Pays a nonrefundable \$100.00 application fee;~~

~~ii. Agrees in writing to have all improvements completed within 180 days of signing the rehabilitation agreement;~~

~~iii. Agrees to occupy the house upon the issuance of a certificate of compliance for a period of one year and applies for, receives, and maintains the property with a principal residence exemption certificate;~~

~~iv. Signs a provision in the rehabilitation agreement that places a lien on the property in the amount of the calculated demolition bond that will expire one year after the certificate of compliance is issued if the property owner complies with subsection (1)(e)(ii) of this section, and the amount of such lien will immediately be forfeited to the City upon sale if the property is used for rental purposes during the first year;~~

~~v. Does not have an existing property rehabilitation agreement;~~

- ~~vi. Pays all outstanding property taxes on the parcel that are due to the Oakland County Treasurer and the City of Pontiac or that are in the process of being returned to the Oakland County Treasurer as delinquent;~~
- ~~vii. Is fully compliant with all provisions of the City's income tax ordinance;~~
- ~~viii. Agrees as a provision of the rehabilitation agreement that all open construction permits can be revoked by the City if the certificate of compliance has not been issued within the 180 days or posts a bond in the amount required by the ordinance at the time of the revocation or cost to complete repairs;~~
- ~~ix. Demonstrates that the property owner has the financial resources to pay for the estimated costs of renovation at the time that the agreement is signed. Evidence of financial resources may include paystubs, bank statements, or written evidence of other financing sources demonstrating the assets are available to complete the estimated cost of repairs;~~
- ~~x. Shows proof of residency for the last five years;~~
- ~~xi. The house remains unoccupied until such time that the certificate of compliance is issued;~~
- ~~xii. The City shall not have incurred any demolition-related costs on the property.~~

(3) *Permit application.* Property owner(s) shall make application to the City for all required building permits within seven days after execution of the rehabilitation agreement and all other necessary permits within 30 days.

(4) *Schedule of rehabilitation.* Property owner(s) shall rehabilitate and/or repair said structure(s) in a lawful manner in compliance with the rehabilitation agreement during ~~the a~~ 180-day period after making proper application and obtaining the requisite permits from the City. **An additional 60-day period shall be allowed for properties located within the Historic District.**

(5) *Inspections.*

- a. Property owner(s) shall allow the City to conduct any and all necessary inspections at a mutually agreed-upon time between the parties.

b. Property owner shall be responsible for calling the Building Safety Division to schedule all necessary inspections.

(6) *Property maintenance.*

a. The exterior of the premises shall be kept free of all debris and trash.

b. Lawn and grass must be maintained in conformance with chapter 122, article III.

c. Sidewalks adjacent to the property shall be kept free of all snow and ice in accordance with the Code of Ordinances.

(7) *Other terms.*

a. Recognition by the property owner that the owner will adhere to the provisions of this article.

b. By execution of a rehabilitation agreement the property owner waives all his rights to appeal.

c. Such other information that the **Building Official**~~Director of Community Development~~ determines is required to be included.

(8) *Demolition expenses.* No property shall be eligible for a rehabilitation agreement if the City has incurred any demolition-related costs on the property ~~unless a service fee is added to the costs of the rehabilitation agreement in an amount equivalent to the demolition-related costs previously incurred on the property.~~

**42-242 Termination of rehabilitation agreement.**

(a) At the expiration of the 180-day period, if the building subject to the terms of the rehabilitation agreement has not been rehabilitated or repaired as required by section 42-240, with a certificate of occupancy or compliance having been issued for the structure(s), the City may immediately proceed with demolition and use the demolition bond to pay for the demolition **as well as other associated costs.** After all demolition costs have been paid, and if there is any balance, such balance shall be returned to the property owner without interest. ~~There shall not be a~~ **Any extensions of this rehabilitation agreement permitted, shall be at the sole discretion of the Building Official and upon their finding that such an extension is in the best interests of the City of Pontiac.**

(b) If a rehabilitation agreement has been fulfilled by the property owner, and a certificate of occupancy or compliance has been issued, the Building Official~~Director of Community Development~~ shall request the Board of Appeals to lift the decision and order of demolition and remove such decision and order from the record of the Oakland County Register of Deeds.

**#2**

# **RESOLUTION**



State of Michigan  
Michigan Gaming Control Board  
Millionaire Party Licensing  
3062 W. Grand Blvd, Suite L-700  
Detroit, MI 48202-6062  
Phone: (313) 456-4940  
Fax: (313) 456-3405  
Email: Millionaireparty@michigan.gov  
www.michigan.gov/mgcb

## LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES

(Required by MCL 432.103(k)(ii))

At a \_\_\_\_\_ meeting of the \_\_\_\_\_  
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by \_\_\_\_\_ on \_\_\_\_\_  
DATE

at \_\_\_\_\_ a.m./p.m. the following resolution was offered:  
TIME

Moved by \_\_\_\_\_ and supported by \_\_\_\_\_

that the request from \_\_\_\_\_ of \_\_\_\_\_,  
NAME OF ORGANIZATION CITY

county of \_\_\_\_\_, asking that they be recognized as a nonprofit  
COUNTY

organization operating in the community, for the purpose of obtaining charitable gaming licenses, be

considered for \_\_\_\_\_  
APPROVAL/DISAPPROVAL

<b>APPROVAL:</b>	Yeas: _____	<b>DISAPPROVAL:</b>	Yeas: _____
	Nays: _____		Nays: _____
	Absent: _____		Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted

by the \_\_\_\_\_ at a \_\_\_\_\_  
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on \_\_\_\_\_  
DATE

SIGNED: \_\_\_\_\_  
TOWNSHIP, CITY, OR VILLAGE CLERK  
\_\_\_\_\_  
PRINTED NAME AND TITLE  
\_\_\_\_\_  
ADDRESS

Organization Information: \_\_\_\_\_  
ORGANIZATION'S MAILING ADDRESS, STREET, CITY, ZIP  
\_\_\_\_\_  
ORGANIZATION'S PRINCIPAL OFFICER NAME AND TITLE  
( )  
PHONE NUMBER

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
**FILING ENDORSEMENT**

***This is to Certify that the*** ARTICLES OF INCORPORATION

***for***

FOXHOLE

***ID Number:*** 802469339

***received by electronic transmission on*** June 26, 2020 ***, is hereby endorsed.***

***Filed on*** June 26, 2020 ***, by the Administrator.***

***The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.***



***In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 26th day of June, 2020.***

*Linda Clegg*

**Linda Clegg, Interim Director**

**Corporations, Securities & Commercial Licensing Bureau**



Form Revision Date 07/2011

## ARTICLES OF INCORPORATION For use by DOMESTIC NONPROFIT CORPORATION

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

### ARTICLE I

The name of the corporation is:

FOXHOLE

### ARTICLE II

The purpose or purposes for which the corporation is formed are:

Through martial arts we provide veterans an outlet to overcome various transitional challenges; including but not limited to PTSD and suicide prevention.

### ARTICLE III

The Corporation is formed upon  basis.

If formed on a stock basis, the total number of shares the corporation has authority to issue is

If formed on a nonstock basis, the description and value of its real property assets are (if none, insert "none"):

none

The description and value of its personal property assets are (if none, insert "none"):

none

The corporation is to be financed under the following general plan:

Donations, contributions, and grants from individuals and organizations, and income from investments and other available sources.

The Corporation is formed on a  basis.

### ARTICLE IV

The street address of the registered office of the corporation and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: MODESTO DE LA O  
2. Street Address: 800 CESAR CHAVEZ AVE  
Apt/Suite/Other:  
City: PONTIAC  
State: MI

Zip Code: 48340

3. Registered Office Mailing Address:

P.O. Box or Street  
Address:  
Apt/Suite/Other:  
City:  
State:

Zip Code:

## ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name	Residence or Business Address
OSCAR BRUMMITT	278 LEROY, CLAWSON, MI 48017 USA
MODESTO DE LA O	29 ROSSHIRE COURT, PONTIAC, MI 48341 USA
JOHN BOMBETTO	40034 CAPITOL DRIVE, STERLING HEIGHTS, MI 48313 USA

## Article VI

Effective Date: 06/26/2020

Use the space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added.

II. THE CORPORATION SHALL PROVIDE VETERANS ACCESS TO A MARTIAL ARTS PROGRAM, SUCH AS BRAZILIAN JIU JITSU, MUAY THAI, SAMBO, AND MIXED MARTIAL ARTS. THESE MARTIAL ARTS WILL SERVE AS A FORM OF THERAPY TO HELP VETERANS WITH TRANSITIONAL ASSISTANCE TO CIVILIAN LIFE. THE CORPORATION INTENDS TO HAVE THESE VETERANS INTERACT WITH OTHER VETERAN AND GENERATE MEANINGFUL RELATIONSHIPS. THIS TYPE OF INTERACTION WILL HELP ESTABLISH A FAMILIAR CAMARADERIE THAT VETERANS APPRECIATE.

THE CORPORATION SHALL INVOLVE VETERANS AND EXPERTS RELATED IN EACH OF THESE MARTIAL ARTS. THE CORPORATION WILL ENCOURAGE A HEALTHY OUTLET AND DEMONSTRATE THROUGH PERSONAL ACCOUNTS THAT THERE IS ANOTHER WAY, A HEALTHIER WAY, TO DEAL WITH TRANSITIONAL CHALLENGES.

THE CORPORATION WILL MAINTAIN AN ATMOSPHERE OF CAMARADERIE AND ENCOURAGEMENT FOR VETERANS. SIGNIFICANT AREAS OF FOCUS INCLUDE SUICIDE PREVENTION AND REINTEGRATION TO MISSION AND PURPOSE. THE FAMILIARITY OF THE ENVIRONMENT TO THE VETERANS CAN SHOW DEDICATION TO ONE ANOTHER, TEAMWORK, SHARING OF KNOWLEDGE, CAMARADERIE, TRUST, AND ACCOUNTABILITY.

Signed this 26th Day of June, 2020 by the incorporator(s).

Signature	Title	Title if "Other" was selected
Modesto De la O	Incorporator	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

☐ Decline ☒ Accept



Department of the Treasury  
Internal Revenue Service  
Tax Exempt and Government Entities  
P.O. Box 2508  
Cincinnati, OH 45201

FOXHOLE  
800 CESAR CHAVEZ AVE  
PONTIAC, MI 48340

Date:  
07/12/2021  
Employer ID number:  
85-1906511  
Person to contact:  
Name: Customer Service  
ID number: 31954  
Telephone: (877) 829-5500  
Accounting period ending:  
December 31  
Public charity status:  
170(b)(1)(A)(vi)  
Form 990 / 990-EZ / 990-N required:  
Yes  
Effective date of exemption:  
June 26, 2020  
Contribution deductibility:  
Yes  
Addendum applies:  
No  
DLN:  
26053478002821

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin  
Director, Exempt Organizations  
Rulings and Agreements

**#3**

**RESOLUTION**



# PONTIAC CITY COUNCIL RESOLUTION

## Recognizing Pontiac Historian Esmo Woods

**Whereas** Pontiac, Michigan has a rich and enduring legacy of Black community members who have made a significant impact on the cultural, sociological, economic, political, legal, athletic, and innovation trends in our community, region, state, nation, and world;

**Whereas** Mr. Esmo Woods was born in Pontiac, attended and graduated from Pontiac's public schools, was the barrier-breaking first Black student elected Pontiac High School class president by his classmates, was elected to the Michigan All-State Basketball Team that same year, raised a dynamic family, and still resides in our city these many decades later;

**Whereas** Mr. Woods pursued a rigorous education in the field of history, graduated from Fisk University as a History major, undertook his graduate studies at Columbia University, and wrote his graduate thesis on the late historian and sociologist Dr. W.E.B. DuBois, whom Mr. Woods interviewed before Dr. DuBois had moved to Ghana and passed away there;

**Whereas** Mr. Woods had a long and successful career, including as a City of Pontiac employee on the administrative staff of Pontiac General Hospital including as Director of Community Relations and as the coordinator of the hospital's efforts to secure grant funding;

**Whereas** Mr. Woods has been a leading historian of our community for generations, authoring multiple books, chronicling the stories of Pontiac's Black residents, inspiring other local history enthusiasts, and writing the comprehensive "Pontiac: The Making of a U.S. Automobile Capital, 1818 to 1950" in 1991;

**Whereas** Pontiac City Council has declared February 2022 as Black History Month, and is committed to advancing the celebration of Black history this month and the entire year; now,

**Therefore, Be It Resolved**, the Pontiac City Council hereby recognizes Pontiac historian Esmo Woods for his remarkable lifetime of achievements and his extensive work to save and share Pontiac's Black History and the history of the entire community; and further

**Resolved**, the City Council encourages Pontiac residents to learn about Mr. Woods, to read his publications chronicling our community's history, and reflect on the substantial effort he expended to save the stories from our city's past; and further

**Resolved**, the City Council considers Mr. Esmo Woods as a Pontiac Citizen of Great Distinction.

**PONTIAC CITY COUNCIL** • Pontiac, Michigan • February 15, 2022

**Mike McGuinness**, Council President

**Mikal Goodman**, Councilmember

**Brett Nicholson**, Councilmember

**Melanie Rutherford**, Councilmember

**William A. Carrington**, President Pro Tem

**Kathalee James**, Councilmember

**William Parker, Jr.**, Councilmember



**#4**

**RESOLUTION**



# PONTIAC CITY COUNCIL RESOLUTION

## Advocating for Broader Recognition of Trailblazer Elizabeth Denison Forth

**Whereas** Elizabeth Denison Forth was born into slavery in present-day Macomb County, Michigan in 1786 and lived until 1866, accomplishing a great deal during her lifetime, which included an arduous journey of fleeing to Canada in order to obtain freedom for her and her family;

**Whereas**, among many other fascinating aspects of her life, Elizabeth Denison Forth was the first African American property owner in Pontiac and all of Oakland County, with the 1825 purchase of land in Pontiac along present-day Paddock Street and University Drive at the city's Oak Hill Cemetery;

**Whereas** research also indicates that Elizabeth Denison Forth is the first known African American woman to have purchased property in all of Michigan, located right here in our city;

**Whereas** the late Pontiac historian Cora Bradshaw, then-Oakland University Professor Gottfried Brieger, author Esmo Woods, and other local activists collaborated to draw greater awareness to Elizabeth Denison Forth's trailblazing story in past decades, which culminated in the placement of a Michigan Historical Marker at her former property in Oak Hill Cemetery in 1992;

**Whereas** there have been renewed efforts to spotlight her amazing life and accomplishments, which include Oakland County-sponsored installations and the Oakland County Pioneer & Historical Society reprinting of an Elizabeth Denison Forth biography written by the late Isabella Swan, with a new foreword by Oakland University Professor De Witt S. Dykes, Jr.;

**Whereas** Pontiac City Council has declared February 2022 as Black History Month, and is committed to advancing the celebration of Black history this month and the entire year; now,

**Therefore, Be It Resolved**, the Pontiac City Council hereby advocates for broader recognition of trailblazer Elizabeth Denison Forth; and further

**Resolved**, the City Council encourages Pontiac residents to learn about Elizabeth Denison Forth and reflect on the trailblazing achievements of her incredible life; and further

**Resolved**, the City Council salutes the efforts by Oakland County's government to spotlight her story, and the proactive efforts of Pontiac residents Ron Gay, Rosie Lance-Richardson, Portia Fields-Anderson, Nancy Calendine, and others to advocate for commemorating her legacy; and further

**Resolved**, the City Council commits to researching other meaningful efforts that the City of Pontiac can undertake to ensure Elizabeth Denison Forth is more broadly recognized and celebrated.

**PONTIAC CITY COUNCIL** • Pontiac, Michigan • February 15, 2022

Mike McGuinness, *Council President*

Mikal Goodman, *Councilmember*

Brett Nicholson, *Councilmember*

Melanie Rutherford, *Councilmember*

William A. Carrington, *President Pro Tem*

Kathalee James, *Councilmember*

William Parker, Jr., *Councilmember*



**#5**

# **RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

*Executive Branch*

---

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

**FROM:** Abdul H Siddiqui, PE, City Engineer

**DATE:** February 8, 2021

**RE:** **MDOT Local Bridge Program Funding Agreement – University and Kennett (Contract No. 21-5506)**

The Michigan Department of Transportation (MDOT) has prepared and delivered the attached funding agreement for construction of the University and Kennett Bridges Capital Preventive Maintenance Project. The construction for this project is mostly funded through the State's Local Bridge Funds totaling \$541,785. The total estimated cost of the project is \$570,300, with the City's portion of the project being \$28,515. This project will be budgeted in fiscal year 2022/23.

The funding is provided based on competitive application. These projects go through an MDOT bid letting and are awarded and funded by MDOT. The City will be responsible for our match on the project as stated above.

It is the recommendation of the Department of Public Works, Engineering Division that the City sign the attached MDOT funding agreement for construction of the University and Kennett Bridges Capital Preventive Maintenance Project:

WHEREAS, The City of Pontiac has received a Local Bridge funding agreement from the Michigan Department of Transportation, and;

WHEREAS, The Department of Public Works, Engineering Division has reviewed the funding agreement, and;

WHEREAS, The project will be budgeted in the 2022/23 Major Street budget,

NOW, THEREFORE,  
BE IT RESOLVED, The Pontiac City Council authorizes the Mayor to sign the MDOT funding agreement (Contract No. 21-5506) for construction of the University and Kennett Bridges Capital Preventive Maintenance Project.

AHS

attachments

LOCAL BRIDGE  
NON FED

CAB  
Control Section MCS 63000  
Job Number 206102CON  
Structure #8259; #8263  
Contract No. 21-5506

## PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF PONTIAC, MICHIGAN, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in Pontiac, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated January 10, 2022, attached hereto and made a part hereof:

Capital preventative maintenance on the structure #8259, which carries University Drive over the Grand Trunk Western Railroad, and on the structure #8263, which carries Kennett Road over the Canadian National and Grand Trunk Western Railroad, T03N, R10E, City of Pontiac, Oakland County, Michigan; including epoxy deck overlay, concrete coating of mechanically stabilized earth walls, sidewalk and deck patching, silane treatment of railing and fascia, expansion deck joint replacement, beam end concrete pavement repairs and hot mix asphalt approach resurfacing; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to State law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT has been approved for financing in part with funds appropriated to the Local Bridge Fund pursuant to Section 10(5) of Act 51, Public Acts of 1951, as amended, for the state Local Bridge Program; and

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except for construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

The Michigan Department of Environment, Great Lakes, and Energy has informed the DEPARTMENT that it adopted new administrative rules (R 325.10101, et. seq.) which prohibit any governmental agency from connecting and/or reconnecting lead and/or galvanized service lines to existing and/or new water main. Questions regarding these administrative rules should be directed to the Michigan Department of Environment, Great Lakes, and Energy. The cost associated with replacement of any lead and/or galvanized service lines, including but not limited to contractor claims, will be the sole responsibility of the REQUESTING PARTY.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the project including advertising and awarding the construction contract for the PROJECT. Such administration shall be in accordance with PART II Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

- A. Design or cause to be designed the plans for the PROJECT.
- B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.

- C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

5. The PROJECT COST shall be met in part by state Local Bridge Funds. The state Local Bridge Funds will be applied to the PROJECT COST in an amount equal to 95 percent of those PROJECT COSTS eligible for participation by such funds. The remaining 5 percent of the PROJECT COST, after deduction of state Local Bridge Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not paid by state Local Bridge Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less State Funds earned as the PROJECT progresses.

7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the approaches being constructed as a part of the PROJECT.

8. The contracting parties do hereby agree to be bound by all of the provisions and conditions set forth in PART II hereof which are applicable to the PROJECT.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail.

9. The REQUESTING PARTY certifies that it is not aware if and has no reason to believe that the property on which the work is to be performed under this agreement is a facility, as defined by the Michigan Natural Resources and Environmental Protection Act [(NREPA), PA 451, 1994, as amended 2012]; MCL 324.20101(1)(s). The REQUESTING PARTY also certifies that it is not a liable party pursuant to either Part 201 or Part 213 of NREPA, MCL 324.20126 et seq. and MCL 324.21323a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will acquire property for the use of either a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release of any hazardous materials at or on the property. The REQUESTING PARTY

is not a person who is liable for response activity costs, pursuant to MCL 324.20101 (vv) and (ww).

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to Michigan Department of Environment, Great Lakes, and Energy, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, if applicable, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that, if applicable, remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Michigan Department of Environment, Great Lakes, and Energy and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use the state Local Bridge Funds.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT does not relieve the REQUESTING PARTY and the local agencies, as applicable, of their exclusive jurisdiction of the highway or bridge structure(s) and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway or bridge structure(s), described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

17. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

18. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction, and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT, and its officials, agents and employees, the

REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.

- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto; upon the adoption of the necessary resolution approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract; and with approval by the State Administrative Board.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF PONTIAC

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

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

By \_\_\_\_\_  
Department Director MDOT

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



January 10, 2022

EXHIBIT I

CONTROL SECTION MCS 63000  
JOB NUMBER 206102CON  
STRUCTURE #8259; #8263

TOTAL  
ESTIMATED  
COST

STATE LOCAL  
BRIDGE FUNDS  
(EST 95%)

BALANCE  
REQ. PARTY'S  
SHARE

STRUCTURE AND APPROACHES

Construction (Contracted)	\$570,300	\$541,785	\$28,515
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NO DEPOSIT REQUIRED

DOT

TYPE B  
BUREAU OF HIGHWAYS  
03-15-93

## PART II

### STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

## SECTION I

### COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
  - 1. Engineering
    - a. FAPG (6012.1): Preliminary Engineering
    - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
    - c. FAPG (23 CFR 635A): Contract Procedures
    - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
  - 2. Construction
    - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
    - b. FAPG (23 CFR 140B): Construction Engineering Costs
    - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
    - d. FAPG (23 CFR 635A): Contract Procedures
    - e. FAPG (23 CFR 635B): Force Account Construction
    - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
  - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
  - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
3. Modification Or Construction Of Railroad Facilities
- a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
  - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
- 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
  - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
  - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

## SECTION II

### PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

- F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than \$100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.
- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

### SECTION III

#### ACCOUNTING AND BILLING

A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

- a. Agencies expending a total of \$500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

- The Reporting Package
- The Data Collection Form
- The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than \$500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Education  
Accounting Service Center  
Hannah Building  
608 Allegan Street  
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.
3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than \$1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number \_\_\_\_\_", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.
5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than \$1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.
2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).
5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

## SECTION IV

### MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

- B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.
- C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

## SECTION V

### SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.
- C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

## APPENDIX A

### PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

**APPENDIX B**  
**TITLE VI ASSURANCE**

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
  - a. Withholding payments to the contractor until the contractor complies; and/or
  - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

## **APPENDIX C**

### **TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES**

#### **Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)**

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:**

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:**

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

**#6**

**RESOLUTION**



# CITY OF PONTIAC FINANCE DEPARTMENT

**TO:** City Council President Mike McGuinness and City Council Members

**FROM:** Darin Carrington, Finance Director

**CC:** Mayor Tim Greimel; Deputy Mayor Khalfani Stephens; Attorney Anthony Chubb

**DATE:** February 10, 2022

**RE:** **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$100,000 for Sick Time Payouts**

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The City has been involved in litigation with several former City employees involving the payment of unused sick time. During the time that the City was under an Emergency Manager, these employees were denied payments for unused sick time. The court has recently found in favor of these former employees and the City has been ordered to make settlement payments to a number of former employees for their unused sick time. There are currently a number of other former employees who are entitled to these same payouts based on the court's recent findings in these earlier cases.

In order to make these payments, as well as other expected during this fiscal year, the Administration is hereby requesting that the General Fund budget be amended. This amendment would allocate \$100,000 to the General Fund account 101-266-959.003. To help offset these costs, the Administration plans to request withdrawal from the City's Self Insurance Retention Fund. This withdrawal from the Retention Fund would offset in part or in whole the costs for the requested budget amendment.

It is hereby requested that the City Council approve this proposed budget amendment.

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

*Whereas, the City of Pontiac approved the 2021-22 budget on June 24, 2021 and;*

*Whereas, the Administration is proposing to the City Council to increase the appropriations for the current fiscal year 2021-2022 for payments in the amount of \$100,000 to account 101-266-959.003-Settlement Payments; and*

*Whereas, the increased appropriations will not cause the fund balance in the General Fund to go below the policy mandated thresholds and;*

*NOW THEREFORE be resolved that the City Council hereby approves the amendment for the fiscal year 2021-2022 as requested by the Administration for account 101-266-959.003-Settlement Payments in the amount of \$100,000\_.*

***This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.***

**#7**

# **RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

Finance Department

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**TO:** City Council President Mike McGuinness and City Council Members

**FROM:** Darin Carrington, Finance Director

**CC:** Mayor Tim Greimel and Deputy Mayor Khalfani Stephens

**DATE:** February 11, 2022

**RE:** **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$72,000 to the General Fund account 101-774-745.003 – City Events.**

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During the first half of this current fiscal year, there were expenditures that exceeded the Council approved budgeted appropriations for General Fund GL Account 101-774-745.003 – City Events. The FY 2021-22 Budget allocated \$30,000 in funds for this account. Through December 31, 2021, there were a number of expenditures that were made out of this GL Account and the total estimated expenses were approximately \$102,000.

The \$102,000 in expenses incurred during the first half of this fiscal year were for a number of different events. A detailed breakdown of these events and an itemized listing of the expenses are attached to this memorandum.

It is hereby requested that the City Council approve this proposed budget amendment.

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

*Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;*

*Whereas, the City Council approved the appropriation for GL Account 101-774-745.003 – City Events in the amount of \$30,000; and*

*Whereas, from July 1, 2021 through December 31, 2021 expenses from GL Account 101-774-745.003 were approximately \$102,000 and thus exceeded the amount that had been duly appropriated by City Council; and*

*Whereas, in order to ensure that the budgeted appropriations remain in compliance with the City's Charter, the Budget Ordinance and state law, the Administration is proposing a budget amendment for the General Fund; and*

*Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year FY 2021-2022 in the amount of \$72,000 to the General Fund GL Account 101-774-745.003 – City Events; and*

*Whereas, to fund this additional appropriation, \$72,000 is transferred out of the General Fund Balance GL account 101-000-390.000 and \$72,000 is transferred to the General Fund GL Account 101-774-745.003 – City Events;*

**NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration transferring \$72,000 out of the General Fund Balance GL account 101-000-390.000 and \$72,000 is transferred into General Fund GL Account 101-774-745.003 – City Events.**

***This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.***

**City Events Expenditures  
July 2021 - October 2021**

**Miscellaneous**

Date	Vendor	Service/Description	Amount
07/16/2021	Scott's Lock & Key	State of the City-Locks & Key	181.05
08/26/2021	Lee Industrial Contracting	Generators for State of the City	3,397.50
07/02/2021	Le'Andria Johnson	Community Concerts	2,500.00
08/23/2021	eSigns	Aug1 Concert banner/Ewalt	1,382.65
09/21/2021	Home Depot	Supplies - 3lb drilling hamme	19.06
10/21/2021		Park Cleanup for Mayoral Event-9/30	400.00
			<u>7,880.26</u>

**Pontiac Music Festival**

Date	Vendor	Service/Description	Amount
07/30/2021	JTW Event Management	2021 Pontiac Music Festival/Power V	3,000.00
07/30/2021	Pike Street Pool, LLC	Pontiac Music Festival Services for 8/	9,000.00
07/30/2021	Rental City	Rental Chairs	4,500.00
07/30/2021	Rental City	Truck Rental	250.00
07/30/2021	Rental City	Service Fee	475.00
07/30/2021	Rental City	Delivery Fee	300.00
07/30/2021	S&R Event Rental	Rental of Tent, tables, etc.	3,440.00
			<u>20,965.00</u>

**Roadkill**

Date	Vendor	Service/Description	Amount
08/13/2021	Lafayette Grande Catering	Catering Fees	5,000.00
08/13/2021	S&R Event Rental	Roadkill 2021 -Tent, tables, etc...	3,252.00
			<u>8,252.00</u>

**Power Week**

Date	Vendor	Service/Description	Amount
08/20/2021	JTW Event Management	Professional Fees	3,000.00
08/20/2021	Jonathan Witz & Assoc.	Professional Fees	3,500.00
08/20/2021	Premier Ticket Service	Parking Services	1,824.50
08/20/2021	Premier Ticket Service	Parking Services	414.00
08/20/2021	Prostar Professional Service	Security Services	1,308.00
10/01/2021	Prostar Professional Service	Security Services	8,677.50
			<u>18,724.00</u>

**Grand Total**

**55,821.26**

2020 State of the City  
Expense Report

<b>State of the City Expenses - December 2021</b>				
	<b>Company</b>	<b>Service Provided</b>	<b>Amount</b>	
<b>Entertainment</b>				
	LaMarsha Spann	Sang National Anthem	\$ 100.00	
	Mark Lee	Master of Ceremony		
	DJ Jerry Cole	DJ	\$ 150.00	
			<b>Total</b>	<b>\$ 250.00</b>
<b>Services/Goods</b>				
	P's & Q's Bakery	Cookies for Event	\$ 450.00	
	Nick Corners		\$ 303.94	
	Rileys Catering		\$ 600.00	
			<b>Total</b>	<b>\$ 1,353.94</b>
<b>Swag/Awards</b>				
	Plastic Bags/Sanitizer Face Mask	Swag Item		
	Perfect Imprints	Swag Item	\$ 1,475.00	
	Golden Openings	Keys to the City	\$ 2,456.84	
	Golden Openings		\$ 1,654.56	
	Engraving Awards		\$ 895.00	
	Golden Openings		\$ 60.00	
	Sami's Printing		\$ 480.00	
	Amazon	Gift Bags	\$ 103.81	
	Amazon	Tissue Paper	\$ 27.54	
	Staples	labels, tags, filler	\$ 130.23	
	PNC credit card	misc charges	\$ 677.71	
			<b>Total</b>	<b>\$ 7,960.69</b>
<b>Services</b>				
	Goldner Walsh	Flowers and plants	\$ 1,068.00	
	Professional Instant Printing	Program Booklets	\$ 900.00	
	Hobson Media	Photography	\$ 1,200.00	
	Chimine Anderson	Personal Services	\$ 5,000.00	
	Fathom	Video Services	\$ 4,700.00	
			<b>Total</b>	<b>\$ 12,868.00</b>
<b>Venue</b>				
	M-1 Concourse	Facility Rental	\$ 23,005.00	
			<b>Total</b>	<b>\$ 23,005.00</b>
			<b>Grand Total</b>	<b>\$ 45,437.63</b>

**#8**

# **RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

Finance Department

**TO:** City Council President Mike McGuinness and City Council Members

**FROM:** Darin Carrington, Finance Director

**CC:** Mayor Tim Greimel and Deputy Mayor Khalfani Stephens

**DATE:** February 11, 2022

**RE:** Resolution to approve a budget amendment for Legal Services for FY 2021-22

City Council, as part of the FY 2021-22 budget process, approved a number of appropriations for several GL accounts that are used to cover the costs of the City's legal services. In a number of these appropriations, the amount budgeted is below the reasonable expectation for expenses that will be incurred during this fiscal year. While we are mindful of the need to monitor the costs associated with our legal services, and the new Administration has taken steps to manage these costs more efficiently, there are several instances where expenses have exceeded the budgeted amount or are reasonably projected to exceed the budgeted amounts.

The accounts that we have identified as needing to be revised by a budget amendment are detailed in the attached document.

In order to appropriately budget for the projected costs for Legal Services for the remainder of the fiscal year we are requesting a budget amendment to the following accounts and in the amounts listed:

<u>GL Account</u>	<u>Amendment</u>
101-266-804.000 – Legal Services	\$25,000
101-266-804.018 – Legal Services GMH	\$110,000
101-266-804.022 – Legal Services Prosecutions	\$120,000
101-266-804.022 – Legal Services MI Tax Tribunal	\$45,000
101-266-804.023 – Legal Services Code Enforcem	\$8,000

It is hereby requested that the City Council approve this proposed budget amendment.

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

*Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;*

*Whereas, the City Council approved the appropriation for Legal Services in the following GL Accounts and budgeted amounts:*

<u>GL Account</u>	<u>Budgeted</u>
101-266-804.000 – Legal Services	\$25,000
101-266-804.018 – Legal Services GMH	\$50,000
101-266-804.022 – Legal Services Prosecutions	\$250,000
101-266-804.022 – Legal Services MI Tax Tribunal	\$10,000
101-266-804.023 – Legal Services Code Enforcem	\$6,500

Whereas, these amounts budgeted are below the projected costs expected to be incurred in FY 2021-22; and

Whereas, in order to ensure that the budgeted appropriations remain in compliance with the City's Charter, the Budget Ordinance and state law, the Administration is proposing a budget amendment for the General Fund; and

Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year FY 2021-2022 to the GL Accounts and the amounts listed as follows:

<u>GL Account</u>	<u>Amendment</u>
101-266-804.000 – Legal Services	\$25,000
101-266-804.018 – Legal Services GMH	\$110,000
101-266-804.022 – Legal Services Prosecutions	\$120,000
101-266-804.022 – Legal Services MI Tax Tribunal	\$45,000
101-266-804.023 – Legal Services Code Enforcem	\$8,000

Whereas, to fund this additional appropriation, \$308,000 is transferred out of the General Fund Balance GL account 101-000-390.000 and a total of \$308,000 is transferred to the General Fund GL Accounts and the amounts listed above;

NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration transferring \$308,000 out of the General Fund Balance GL account 101-000-390.000 and \$308,000 is transferred into General Fund GL Accounts for Legal Services as detailed above.

***This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.***

**#9**

**RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

Finance Department

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**TO:** City Council President Mike McGuinness and City Council Members

**FROM:** Darin Carrington, Finance Director

**CC:** Mayor Tim Greimel and Deputy Mayor Khalfani Stephens

**DATE:** February 11, 2022

**RE:** **Resolution to approve a budget amendment for Fiscal Year 2021-22 to allocate a total of \$182,000 to the Youth Recreation Fund GL account 208-756-941.000 – Services – Building & Land Rental.**

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For the FY 2021-22 budget, there were no appropriations made for the Youth Recreation Fund GL Account 208-756-941.000 – Services – Building & Land Rental. However, during the first half of this current fiscal year, monthly expenditures were made in the amount of \$26,000 per month for the rental of the recreation center located at 825 Golf Drive. The amount of these payments made from July 1, 2021 through January 2022 were a total of \$182,000.

Due to there being no duly appropriated funds for this GL account, these expenditures exceeded the Council approved budgeted appropriations by \$182,000. In order to ensure the Fund's budgeted appropriations are in compliance a budget amendment in the amount of \$182,000 is being requested.

It is hereby requested that the City Council approve this proposed budget amendment.

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

*Whereas, the City of Pontiac timely approved the FY 2021-22 budget on June 24, 2021 and;*

*Whereas, the City Council did not provide for any appropriation for GL Account 208-756-941.000 – Services – Building & Land Rental; and*

*Whereas, from July 1, 2021 through January 2022 expenses from GL Account 208-756-941.000 – Services – Building & Land Rental were approximately \$182,000 and thus exceeded the amount that had been duly appropriated by City Council; and*

*Whereas, in order to ensure that the budgeted appropriations remain in compliance with the City's Charter, the Budget Ordinance and state law, the Administration is proposing a budget amendment for the Youth Recreation Fund; and*

*Whereas, the Administration is proposing to the City Council to increase the appropriations for the current year FY 2021-2022 in the amount of 182,000 to the GL Account 208-756-941.000 – Services – Building & Land Rental; and*

*Whereas, to fund this additional appropriation, \$182,000 is transferred out of the Youth Recreation Fund Balance GL account 208-000-390.000 and \$182,000 is transferred to Youth Recreation Fund GL Account 208-756-941.000 – Services – Building & Land Rental;*

**NOW THEREFORE be resolved that the City Council hereby approves the amendment for the Fiscal Year 2021-22 Budget as requested by the Administration transferring \$182,000 out of Youth Recreation Fund Balance GL Account 208-000-390.000 and \$182,000 is transferred into Youth Recreation Fund GL Account 208-756-941.000 – Services – Building & Land Rental.**

***This item cannot be approved until after the resolution to authorize the City Clerk to publish the notice of the budget amendment has been approved and one week after the publication of the notice. It takes 5 votes to approve a budget amendment.***

**#10**

**RESOLUTION**



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

*Executive Branch*

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

**FROM:** Khalfani Stephens, Deputy Mayor

**DATE:** February 15, 2021

**RE: Reorganization of City departments**

The City of Pontiac currently has limited capacity to provide human resource management. The City has approximately 107 employees for which it must provide services. These services are currently provided by one full time HR professional and 1 FTE with no previous HR experience. Additionally an audit needs to be conducted to ensure that the City departments are organized in a manner that is most supportive of providing the level of service that our residents, businesses and visitors deserve. For that reason, the administration submits the following request for assistance in Human Resource Management:

WHEREAS, The City of Pontiac has approximately 106 active employees (including the court employees) and;

WHEREAS, The City of Pontiac only has one professional HR staff to provide needed services and;

WHEREAS, The City is severely out of date with standard material such as job descriptions, standard operating procedures, compensation studies etc. and;

WHEREAS, The city would like to include comprehensive changes to the organization of city departments as part of the new budget and;

WHEREAS, The budget recommendation must be submitted to City Council by May;

NOW, THEREFORE,  
BE IT RESOLVED, The Pontiac City Council authorizes the Mayor to sign enter into a temporary contract with the National Career Group for a period not to exceed 1 month and a cost not to exceed \$16,000 to assist with reorganizing the City of Pontiac HR department and also reorganizing city departments in general and;

BE IT FURTHER  
RESOLVED, That the City will issue an RFP for services to include not only those listed above, but also recruitment onboarding and other HR associated needs, the results of which are to be brought before Council for action by the time that the temporary contract with national Career Group ends.

KS



# CITY OF PONTIAC

## OFFICIAL MEMORANDUM

Finance Department

**TO:** City Council President Mike McGuinness and City Council Members

**FROM:** Deputy Mayor Khalfani Stephens *T.S.*

**CC:** Mayor Tim Greimel and Finance Director Darin Carrington

**DATE:** February 14, 2022

**RE:** Positions/Salaries within City Departments that Exceed the 2021-22 Budget

Honorable Council President and Members of the City Council:

During a review of the city organization charts, it was discovered that the former Administration either created unbudgeted positions or exceeded the approved budgeted salary for certain positions within city departments.

Below is a list of the positions that were either not budgeted for during the 2021-22 budget negotiations or exceeded the approved budgeted amount.

	Budgeted Salary	Actual Salary	Difference
(Grant Writer)/Sr. Financial Analyst	\$75,000	\$90,000	\$15,000
Sr. Financial Analyst	\$75,000	\$81,300	\$6,300
HR Manager	\$74,000	\$80,000	\$6,000
Deputy Finance Director	\$0	\$94,000	\$94,000
<b>Total difference</b>			<b>\$121,300</b>

Budget amendments for this variance have not yet come before you as the discussion of what to do with specific positions is part of the greater HR restructuring question that we plan to bring to you as part of the budget proposal. In addition to the overage on wages, there are increased costs that the City is experiencing for fringes, taxes, etc. Those numbers are not absolute, but estimated to be approximately an additional **\$36,390** for a total estimated unallocated expense of **\$157,390**.

Again, a budget amendment was not included for this item on the February 15, 2022 agenda as it is our intent to address personnel issues as we get into the reorganization, which requires the HR assistance that is requested for action on the agenda of February 15, 2022.