



# BOARD OF COMMISSIONERS

1 S. Main St., 9<sup>th</sup> Floor  
Mount Clemens, Michigan 48043  
586.469.5125 ~ Fax: 586.469.5993  
www.macombBOC.com

## BOARD OF COMMISSIONERS

### REGULAR SESSION

THURSDAY, OCTOBER 16, 2014

### FINAL AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Invocation by **Commissioner Kathy Tocco**
5. Adoption of Agenda, **AS AMENDED, TO INCLUDE #16**
6. Approval of Minutes dated 9-25, 9-30 (special) and 10-9-14 **(previously distributed)**
7. Public Participation (five minutes maximum per speaker, or longer at the discretion of the Chairperson related only to issues contained on the agenda)
8. Correspondence from Executive (**none**)
9. **COMMITTEE REPORTS:**
  - a) Economic Development, October 8 (**page 1**) **(attached)**
  - b) Health and Human Services, October 14 (**no report**)
  - c) Infrastructure, October 14 (**no report**)
  - d) Finance, October 15 (**page 80**) **(attached)**

## MACOMB COUNTY BOARD OF COMMISSIONERS

David J. Flynn – Board Chair  
District 4

Kathy Tocco – Vice Chair  
District 11

Mike Boyle – Sergeant-At-Arms  
District 10

Toni Mocerì – District 1  
Don Brown – District 7

Marvin Sauger – District 2  
Kathy Vosburg – District 8

Veronica Klinefelt – District 3  
Fred Miller – District 9

Robert Mijac - District 5  
Bob Smith – District 12

James Carabelli – District 6  
Joe Sabatini – District 13

**BOARD OF COMMISSIONERS  
FINAL AGENDA  
OCTOBER 16, 2014**

**PAGE 2**

10. Approve Contract with URS Corporation/Engineering Services for Traffic Operations Center/Department of Roads **(adopted via bypass process on 9-12-14)** **(page 87)** **(attached)**
11. Board Chair's Report **(page 129)** **(attached)**
12. **PROCLAMATIONS:**
  - a) Proclaiming October 24, 2014 as Food Day in Macomb County (offered by Mocerri; recommended by Health and Human Services Committee on 10-14-14) **(page 149)** **(attached)**
13. New Business
14. Public Participation (five minutes maximum per speaker or longer at the discretion of the Chairperson)
15. Executive Session to Discuss Pending Litigation Re: Martha T. Berry **(page 151)** **(attached)**
16. Resolution Providing Direction Related to the Martha T. Berry Medical Care Facility **(page 160)** **(attached)**
17. Roll Call
18. Adjournment



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**October 8, 2014**

**TO: BOARD OF COMMISSIONERS**

**FROM: ROBERT MIJAC, CHAIR**  
**ECONOMIC DEVELOPMENT COMMITTEE**

**RE: RECOMMENDATION FROM ECONOMIC DEVELOPMENT**  
**COMMITTEE MEETING OF OCTOBER 8, 2014**

At a meeting of the Economic Development Committee, held Wednesday, October 8, 2014, the following recommendation was made and is being forwarded to the October 16, 2014 Full Board meeting for approval:

**1. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Carabelli, supported by Smith, to recommend that the Board of Commissioners approve the amended Chesterfield Towne Centre Properties Brownfield Redevelopment Work Plan and authorize the Macomb County Brownfield Redevelopment Authority staff to work with project stakeholders, the Michigan Economic Development Corporation (MEDC) and the Michigan Department of Environmental Quality (MDEQ) in the development of a State of Michigan approved plan; further, a copy of this Board of Commissioners’ action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED WITH MOCERI VOTING “NO.”**

**A MOTION TO ADOPT THE COMMITTEE REPORT WAS MADE BY CHAIR MIJAC, SUPPORTED BY VICE-CHAIR CARABELLI.**

**MACOMB COUNTY BOARD OF COMMISSIONERS**

- |  |   |  |                           |                              |
|--|---|--|---------------------------|------------------------------|
| David J. Flynn – Board Chair<br>District 4 | Kathy Tocco – Vice Chair<br>District 11 | Mike Boyle – Sergeant-At-Arms<br>District 10 |                           |                              |
| Toni Mocerì – District 1                   | Marvin Sauger – District 2              | Veronica Klinefelt – District 3              | Robert Mijac - District 5 | James Carabelli – District 6 |
| Don Brown – District 7                     | Kathy Vosburg – District 8              | Fred Miller – District 9                     | Bob Smith – District 12   | Joe Sabatini – District 13   |



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## Macomb County Executive Mark A. Hackel

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Mark F. Deldin  
Deputy County Executive

To: David Flynn, Board Chair

From: Pamela J. Lavers, Assistant County Executive

Date: September 11, 2014

**RE: Agenda Item – Planning & Economic Development, Chesterfield Towne Centre  
Brownfield Redevelopment Work Plan**

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Attached you will find documentation and a resolution from Planning & Economic Development Deputy Director, Vicky Rad, to approve the amended Chesterfield Towne Centre Properties Brownfield Redevelopment Work Plan and authorize the Macomb County Brownfield Redevelopment Authority staff to work with project stakeholders, the Michigan Economic Development Corporation (MEDC) and the Michigan Department of Environmental Quality (MDEQ) in the development of a State of Michigan approved plan.

The Executive Office respectfully submits this agenda item for the Commission's consideration and recommends approval of the amended Chesterfield Towne Centre Properties Brownfield Redevelopment Work Plan as stated above.

PJL/smf

cc: Stephen Cassin  
Al Lorenzo  
Vicky Rad  
Jeff Schroeder





# MACOMB COUNTY, MICHIGAN

<b>Resolution Number:</b>	<b>Full Board Meeting Date:</b>

## RESOLUTION

**Resolution to:**

Approve the amended Chesterfield Towne Center Properties Brownfield Redevelopment Work Plan and authorize the Macomb County Brownfield Redevelopment Authority staff to work with project stakeholders, the Michigan Economic Development Corporation (MEDC) and the Michigan Department of Environmental Quality (MDEQ) in the development of a State of Michigan approved plan.

**Introduced By:**

Robert Mijac, Chair, Economic Development Committee

**Additional Background Information (If Needed):**

\*At the 10-8 meeting, Commissioner Mocerri voted "No."

Committee	Meeting Date
Economic Development	10-8-14
Full Board	10-16-14



# PLANNING & ECONOMIC DEVELOPMENT

1 South Main Street, 7th Floor ♦ Mount Clemens, Michigan 48043

Phone: (586) 469-5285 Fax: (586) 469-6787

www.macombgov.org/mcped

Stephen N. Cassin, AICP  
Director

September 10, 2014

*Date*

Office of County Executive  
County of Macomb  
One South Main, 8<sup>th</sup> Floor  
Mount Clemens, MI 48043

Planning & Economic Development Department / MCBRA  
 REQUEST APPROVAL / ADOPTION OF  
 Chesterfield Towne Centre Brownfield Redevelopment Work Plan

<p><b>SUBJECT:</b> Chesterfield Towne Centre Properties Brownfield Redevelopment Work Plan</p>
<p><b>IT IS RECOMMENDED THAT THE EXECUTIVE SUBMIT TO THE BOARD:</b></p> <p>Chesterfield Towne Centre Properties Brownfield Redevelopment Work Plan to the Economic Development Committee (EDC) requesting a public hearing be held on the plan at the October 8th EDC meeting. Full Board consideration of Work Plan at the October 9th Full Board meeting following Finance Committee meeting</p>
<p><b>PURPOSE / JUSTIFICATION:</b> Chesterfield Township is working with a developer to redevelop a contaminated site located east of I-94 and between Hall and 21 Mile Roads known as the former Chesterfield Lacons property. The developer has submitted a brownfield redevelopment work plan for the site to the Macomb County Brownfield Redevelopment Authority (MCBRA) who will approve the plan at their scheduled September 19, 2014 meeting. The next steps in the approval process is a public hearing on the plan hosted by the Macomb County Board of Commissioners and their approval of the plan. The developer will be reimbursed for EPA eligible clean-up activities through the capture of additional taxes generated by the increased value of the property (Tax Increment Financing; TIF).</p> <p>The Chesterfield Township Board approved the Work Plan at their regularly scheduled meeting September 3, 2014.</p>
<p><b>FISCAL IMPACT / FINANCING:</b> Approval of this brownfield redevelopment work plan by the Macomb County Brownfield Redevelopment Authority and the Macomb County Board of Commissioners does not obligate Macomb County financially in this project. Macomb County only serves as a pass-through fiduciary for the tax revenues collected on the property.</p>

**FACTS AND PROVISION / LEGAL REQUIREMENTS:**

Work Plan approval requires:

1. Local Unit of Government approval
2. MCBRA approval
3. Public Hearing
4. BOC approval
5. State of Michigan approval

Per Brownfield Redevelopment Financing Act 381 of 1986 MCL

**CONTRACTING PROCESS:**

N/A

**IMPACT ON CURRENT SERVICES (PROJECTS):**

None

Respectfully submitted,

  
Signature

Planning & Economic Development Department / MCBRA

**MACOMB COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**

**BROWNFIELD PLAN AMENDMENT FOR  
CHESTERFIELD TOWNE CENTRE  
REDEVELOPMENT PROJECT**

**Hall Road (M-59/William P Rosso Highway) and I-94**

Presented by:  
Director of Brownfield Redevelopment  
Macomb County Brownfield Redevelopment Authority  
1 S. Main, 7<sup>th</sup> Floor  
Mount Clemens, MI 48043  
(586) 469-5285

Prepared by:  
CTC Development Group, LLC  
34120 Woodward Avenue  
Birmingham, MI 48009

ASTI Environmental  
10448 Citation Drive  
Brighton, MI 48116  
(810) 225-2800

Project 8512

**Approved by Chesterfield Township on September 2, 2014**

**Recommended by the Brownfield Redevelopment Authority on \_\_\_\_\_**

**Approved by Macomb County on \_\_\_\_\_**

Document date: August 22, 2014  
As amended per Chesterfield Township September 2, 2014

**MACOMB COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY****ACT 381 WORK PLAN FOR  
CHESTERFIELD TOWNE CENTRE  
REDEVELOPMENT PROJECT****Hall Road (M-59/William P Rosso Highway) and I-94**

Presented by:  
Director of Brownfield Redevelopment  
Macomb County Brownfield Redevelopment Authority  
1 S. Main, 7<sup>th</sup> Floor  
Mount Clemens, MI 48043  
(586) 469-5285

Prepared by:  
CTC Development Group, LLC  
34120 Woodward Avenue  
Birmingham, MI 48009

ASTI Environmental  
10448 Citation Drive  
Brighton, MI 48116  
(810) 225-2800

Project 8512

**Approved by the State of Michigan on \_\_\_\_\_**

Document date: August 22, 2014  
As amended per Chesterfield Township September 2, 2014

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Attachment B	Development Reimbursement Agreement
Attachment C	Additional Legal Description
Attachment D	Wastewater Lagoon Closure Letters



## PROJECT SUMMARY

<b>Project Name:</b>	Chesterfield Towne Centre
<b>Project Developer:</b>	CTC Development Group, LLC
<b>Project Location:</b>	Four parcels without addresses located north of Hall Road (M-59/William P Rosso Highway), south of 21 Mile Road and east of I-94 in Chesterfield Township, Macomb County, Michigan.
<b>Project Description:</b>	The Chesterfield Towne Centre (CTC) will include 30 buildings creating an approximately 850,000 square foot mixed-use center located on 183 acres in Macomb County's growing I-94 corridor. The first development of its kind in Michigan, the CTC will be comprised of various uses integrated in a village-like setting with a mile long walking path, parks, and harmonious architecture. Anchored by a convention center and entertainment village, the development has opportunities for various users including banks, restaurants, retailers, hotels, office and medical.
<b>Total Investment:</b>	Estimated at \$242,000,000, not including contingency.
<b>Job Creation:</b>	Estimated at 1,300 new full time jobs within five years of completion.
<b>Annual Tax Revenue:</b>	\$205,000 (before project) \$2,100,000 (after project completed)

### **Brownfield Tax Increment Financing Requested**

<b>Eligible Activities:</b>	Environmental Assessments (including Phase I & II Environmental Site Assessments, Baseline Environmental Site Assessments, and Due Care Plans); Soil Remediation; Additional Response Activities; Development and Preparation of Act 381 Combined Brownfield Plan.
<b>Eligible Activity Costs:</b>	\$5,802,393 (including contingency)
<b>Total Tax Capture:</b>	\$8,175,553 (including contingency)
<b>Years for Reimbursement:</b>	6 Years for local and state tax capture
<b>BRA Administrative Costs:</b>	\$221,547
<b>Capture for LSRRF:</b>	\$1,498,915 over 1 year
<b>Capture for State BRF:</b>	\$652,698

## 1.0 INTRODUCTION

---

Macomb County, Michigan (the "County"), established the Macomb County Brownfield Redevelopment Authority (the "Authority") pursuant to Act 381 of the Public Acts of the State of Michigan of 1996, as amended, MCL 125.2651 et. seq., which is known as the "Brownfield Redevelopment Financing Act." (Act 381). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible activities and other brownfield redevelopment incentives.

The main purpose of this Brownfield Plan ("Plan") is to promote the redevelopment of and investment in certain "brownfield" properties within the County. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as "brownfields." By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the County and all taxing units located within and benefited by the Authority.

The identification or designation of a developer or proposed use for the eligible property that is the subject of this Plan shall not be integral to the effectiveness or validity of this Plan. This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues. Any change in the proposed developer or proposed use of the eligible property shall not necessitate an amendment to this Plan, affect the application of this Plan to the eligible property, or impair the rights available to the Authority under this Plan.

The purpose of this plan, to be implemented by the Authority, is to satisfy the requirements for a Brownfield Plan and Work Plan as specified in Act 381. This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The applicable sections of Act 381 are noted throughout the Plan for reference purposes. This Plan contains information required by Section 13(1) of Act 381. Terms used in this document are as defined in Act 381.

This Plan is an amendment to a Brownfield Plan dated November 9, 2009 and approved by the County BRA. The plan is being amended to reflect: changes in Act 381 that have occurred since the original plan was approved; changes in construction costs based on the current market; a change in property ownership; and updated eligible activities based on recent environmental assessments. Work done under the previous Brownfield Plan included environmental assessments and development of a brownfield plan, but reimbursement for tax capture did not occur for the previous Developer. When approved, this Plan replaces the previously approved Plan dated November 9, 2009

## 1.1 Proposed Redevelopment and Future Use of Each Eligible Property

The property redevelopment will likely include over 30 retail/commercial/entertainment and research/light industrial/manufacturing buildings, in addition to a convention center and associated management office. Retail/restaurant/entertainment/commercial square footage will be approximately 530,000 square feet (planned primarily for Parcels 2 and 3 as shown in Figure 5a), manufacturing/light industrial/research will be approximately 191,000 square feet (planned primarily for Parcel 1, and the south part of Parcel 4 as shown in Figures 5b and 5c) and Convention Center square footage will be approximately 135,000 square feet (planned primarily for the north part of Parcel 4 as shown in Figure 5b), for a total of 856,000 square feet of redevelopment. The location and exact configuration of each future use will be established through the local site planning process. An estimated 1,300 new full-time jobs will be required to staff these facilities. The total cost of the project will be over \$242 million, which will include over \$236 million of private investment to complete the project.

The property is located in an area of Chesterfield that consists of mostly residential and light industrial development. In addition, Selfridge Air National Guard Base is located south of the Property, across Hall Road. Over the past 25 years Macomb County (County) has experienced more than 50 percent increase in population, and population increases have continued throughout the economic downturn, with an average growth rate of 6.7% from 2000-2010<sup>1</sup>. The trend toward an increasing senior population is increasing the demand for easily-accessible and walkable shopping destinations, as well as medical care facilities. In addition to population growth, the County has experienced significant job growth, especially along the “new defense corridor.” This growing defense industry hub consists of manufacturing and office space along Mound Road and Van Dyke Avenue from central Warren to southern Shelby Township, approximately 12 miles long and less than three miles wide. The corridor experienced a nearly 50% increase in new jobs from 2003 (7,100) to 2009 (10,500).

## 1.2 Eligible Property Information

### 1.2.1 Location and Basis for Eligibility

The property is situated in Township 3N, Range 14E, Sections 31 and 32, Chesterfield, Macomb County. The property is located east of I-94 between Hall Road (also known as M-59 and the William P Rosso Highway) and 21 Mile Road. The property comprising the eligible property consists of four parcels and contains approximately 183 acres. The property location is shown in Figure 1 and the parcel boundaries are shown in Figure 3.

Each of the four parcels was determined to be a facility as defined in Part 201 of Act 381. The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized or is currently utilized for a commercial or industrial purpose, which could include the previous wastewater treatment lagoons; (b) the Property is a “facility” as defined by Act 381. Color site photographs are shown in Figure 4.

The Parcel Identification Numbers are currently 009-031-226-007, 009-031-476-003, 009-031-476-004 and 09-31-276-005 (the parcels do not have street addresses). The parcels and all

<sup>1</sup> “The New Macomb County,” December 12, 2012. Data-driven Detroit and Macomb Community College. [http://datadrivendetroit.org/wp-content/uploads/2012/11/NewMacombCntyProjRept\\_782\\_13\\_iPack\\_PRNT2c.pdf](http://datadrivendetroit.org/wp-content/uploads/2012/11/NewMacombCntyProjRept_782_13_iPack_PRNT2c.pdf).

tangible personal property located thereon will comprise the eligible property and is referred to herein as the "Property."

The legal descriptions as available from tax assessment information for each parcel are as follows. A detailed legal description for Parcels 1-3 and the North Part of Parcel 4 is included in Attachment C. The detailed legal description for the South Part of Parcel 4 is the same as shown in the tax assessment records.

<b>Parcel ID</b>	09-31-226-007 (North Part of "Parcel 4")
<b>Legal Description</b>	T3N,R14E,SEC 32; COMM AT NW COR SEC 32; TH N88*17'21"E 381.20 FT, TH S02*25'07"W 981.25 FT TO POB; TH 288.45 FT ALG A CURVE TO NE, R=550, CB N40*14'20"E 285.43 FT; TH S02*25'07"W 573.15 FT, TH S02*28'46"W 623.69 FT; TH S87*56'57"W 837.69 FT; TH S12*52'18"W 60.08 FT; TH N80*47'53"W 326.24 FT; TH N76*35'50"W 203.87 FT, TH 183.44 FT ALG A CURVE TO NE, R=957, CB N21*17'22"E 183.16 TH N26*46'50"E 464.34 FT, TH 508.35 FT ALG A CURVE TO NE, R=957, CB N41*59'53"E 502.39 FT, TH N57*12'57"E 663.0 FT, TH S32*47'03"E 121.20 FT, TH 51.65 FT ALG A CURVE TO SE, R=54, CB S60*10'58" E 49.70 FT, TH S87*34'53"E 144.18 FT TO POB; 30.24 AC

<b>Parcel ID</b>	09-31-476-003 ("Parcel 1" and "Parcel 2")
<b>Legal Description</b>	T3N,R14E, SEC 31 & 32; EDSEL FORD-ROSSO SUB (L38,P13) PART OF LOTS 1 THRU 7; TOGETHER DESC AS; COMM AT NW COR SD SEC 32; TH N88*17'21"E 280.99 FT, TH S02*25'07"W 94.80 FT TO POB; TH N87*10'38"E 30.13 FT, TH S02*25'07"W 276.14 FT, TH 430.38 FT ALG A CURVE TO SW, R-450, CB S29*49'02"W 414.16 FT, TH S57*12'57"W 745.19 FT, TH 554.03 FT ALG A CURVE TO SW R-1043, CB S41*58'53"W 547.54, TH S26*46'50"W 464.34 FT, TH 514.39 FT ALG A CURVE TO SW, R-1043, CB S12*39'07"W 509.19 FT, TH S01*28'36"E 1379.10 FT, TH 182.58 FT ALG A CURVE TO SW, R-707, CB S05*55'17"W 182.07 FT, TH S13*19'10"W 182.35 FT, TH 532.40 FT ALG A CURVE TO SW, R-2000, CB S05*41'37"W 530.83 FT, TH S01*55'57"E 568.72 FT, TH S88*04'03"W 946.70 FT, TH N46*55'58"W 127.28 FT, TH N01*55'58"W 279.57 FT, TH N14*48'47"W 631.95 FT, TH N08*05'53"E 603.0 FT, TH N24*12'26"E 1050.56 FT, TH N87*58'57"E 102.65 FT, TH N01*43'12"W 211.26 FT, TH N24*11'37"E 911.13 FT, TH N26*06'47"E 500.35 FT, TH 689.29 FT ALG A CURVE TO NE R-1127.16, CB N43*37'54"E 678.60, TH N61*09'03"E 413.65 FT, TH 454.14 FT ALG A CURVE TO NE, R-414, CB N29*43'32"E 431.71 FT, TH N01*41'59"W 6.64 FT, TH 433.39 FT ALG A CURVE TO NE, R-966.74, CB N74*20'03"E 429.77, TH N87*10'38"E 106.30 FT TO POB; 98.96 AC Split & COMB FR 009-031-226-003, 276-004, 402-004, 402-005, 426-006, 451-009, 011, 013, 015, 017, 019, 021 FOR 2009

<b>Parcel ID</b>	09-31-476-004 ("Parcel 3")
<b>Legal Description</b>	T3N,R14E,SEC 31; COMM AT SE COR SEC 31; TH S88°13'38"W 901.21 FT, TH N01°48'22"W 169.17 FT TO POB; TH N83°30'14"W 26.61 FT, TH S88°04'03"W 373.71 FT, TH N01°55'57"W 608.55 FT, TH 532.40 FT ALG A CURVE TO NE, R-2000, CB N05°41'37"E 530.83 FT, TH N13°19'10"E 117.61 FT, TH 204.79 FT ALG A CURVE TO NE, R-793, CB N05°55'17"E 204.22 FT, TH N01°28'36"W 1379.10 FT, TH 208.52 FT ALG A CURVE TO NE, R-957, CB N04°45'55"E 208.10 FT, TH S76°35'50"E 206.81 FT, TH S80°47'53"E 263.18 FT, TH S32°21'27"E 85.55 FT, TH S12°52'18"W 343.13 FT, TH S01°28'36"E 1241.25 FT, TH N88°39'44"W 93.08 FT, TH S01°23'16"W 1295.34 FT TO POB; 29.91 AC SPLIT & COMB FR 09-31-402-005 & 09-31-426-006 FOR 2009

<b>Parcel ID</b>	09-31-276-005 (South Part of "Parcel 4")
<b>Legal Description</b>	T3N, R14E, SEC 31 & 32; BEG AT E 1/4 OF SEC 31 & W 1/4 OF SEC 32; TH S87°55'57"W 752.55 FT, TH N12°52'18"E 343.13 FT, TH N32°21'27"W 85.55 FT, TH N80°47'53"W 263.18 FT, TH N76°35'50"W 206.81 FT, TH 80.02 FT ALG A CURVE TO NE, R-957, CB N13°24'10"E 80.0 FT, TH S76°35'50"E 203.87 FT, TH S80°47'53"E 326.24 FT, TH N12°52'18"E 60.08 FT, TH N87°56'57"E 837.69 FT, TH S02°28'46"W 530.64 FT, TH S87°55'36"W 184.22 FT TO POB; 11.80 AC

### 1.2.2 Current Ownership

The Property currently has one owner, CTC Development Group, LLC. Contact information for the current Property owner is provided below.

CTC Development Group, LLC  
 Mr. Ron Estes  
 34120 Woodward Ave  
 Phone: 248-540-9999 Fax: 248-540-1222  
[restes@centermanagement.us](mailto:restes@centermanagement.us)

### 1.2.3 Proposed Future Ownership

Development of the Project will be completed by CTC Development Group, LLC. The contact information for CTC Development Group, LLC (the "Developer") is provided below.

CTC Development Group, LLC  
 Mr. Ron Estes  
 34120 Woodward Ave  
 Phone: 248-540-9999 Fax: 248-540-1222  
[restes@centermanagement.us](mailto:restes@centermanagement.us)

#### **1.2.4 Delinquent Taxes, Interest, Penalties**

There are no delinquent taxes, including penalties and interest, owed on the eligible property.

#### **1.2.5 Existing and Proposed Future Zoning for Each Eligible Property**

The Property is currently zoned for Planned Unit Developments (PUD) and will not need to be rezoned.

#### **1.3 Historical & Previous Use and Ownership of Each Eligible Property**

The Property was used as a sewerage retention basin and a disposal area for road construction soils and construction debris, prior to ownership by the Developer. A former wastewater lagoon system on the north part of the Property operated from the 1960s through the 1980s. The lagoons received approved DEQ closure following removal of biosolids and approved closure sampling. Unauthorized filling and dumping on the south side of the Property pre-dates property ownership by both the previous owner and current Developer.

The previous owner, Chesterfield Town Center, LLC, acquired the land in 2003. Infrastructure, including a collector road, water lines, and sanitary and storm sewers, was installed in 2007 and 2008. MDEQ granted a wetland permit that included wetland mitigation for the work that has been completed. The land changed hands several times between the previous owner and the Developer. The Developer acquired the Property in June 2014.

#### **1.4 Current Use of Each Eligible Property**

The Property is currently vacant.

#### **1.5 Summary of Liability**

The Developer is not liable under Section 20126 of the NREPA, because they completed a Phase I ESA prior to purchase, completed a BEA within 45 days of purchase, and did not cause or contribute to impacts at the Property.

The former wastewater lagoons on Parcel 1 and Parcel 4 were operated from the 1960s through 1980s by Chesterfield Township and the City of Detroit. DEQ approved the closure of the lagoons on these parcels from 2001 through 2004, as shown in the letters in Attachment D.

Parcels 2 and 3 were platted as small subdivision tracts until the mid-1990's when the individual parcels were combined to prepare the property for development. The history of access to and operation of these parcels is unknown, but fill material was placed on the site sometime prior to bank foreclosure in 2010 and subsequent resale of the property.

## 1.6 Summary of Environmental Studies

The following Environmental Assessment reports have been completed for the subject property:

- Category N Baseline Environmental Assessment (BEA), November 2002, Toltest, Inc. for previous owner
- Phase II ESA, October 2009, AKT Peerless for previous owner
- Phase I Environmental Site Assessment (ESA), May 7, 2014, ASTI Environmental for the Developer
- BEA, May 27, 2014, ASTI Environmental for the Developer
- Due Care Plan, [IN PROCESS], ASTI Environmental for the Developer

A subsurface investigation was completed by Toltest, Inc. on September 16, 2002 that consisted of the advancement of nine soil borings on the northern portion of the Property (Parcels 1 and 4), and five test pits on the southern portion of the Property (Parcels 2 and 3). The soil borings were based on the findings of a Phase I ESA that identified soil mounds of unknown origin, fill debris observed on portions of the Property, and lack of information regarding assessment activities for a former wastewater lagoon. The investigation included the collection of soil samples for analysis of a combination of volatile organic compounds (VOCs), polynuclear aromatic hydrocarbons (PNAs), semi-volatile organic compounds (SVOCs), polychlorinated biphenyls (PCBs), and Michigan 10 metals.

On October 6 and 7, 2009, AKT Peerless conducted a Phase II Environmental Site Assessment (ESA) at the Property to: (1) determine the nature and extent of known clay fill material identified on the Property, (2) determine the nature and extent of debris fill material identified on the Property, (3) conduct sampling in the areas of the former treatment lagoons, (4) conduct sampling in the areas of the former bio-solid application areas, (5) conduct sampling in the areas of the known fill material, and (6) evaluate levels of contamination to determine if the Property meets the definition of a "facility" as defined in Part 201 of NREPA, Michigan Public Act (PA) 451, 1994, as amended.

The AKT Peerless investigation of the Property included: (1) the completion of twenty eight test pits, (2) the advancement of twelve soil borings, and (3) the collection of 48 soil samples. The following samples were submitted for laboratory analyses:

- 48 soil samples for volatile organic compounds (VOCs);
- 38 soil samples for polynuclear aromatic hydrocarbons (PNAs);
- 34 soil samples for Michigan metals<sup>2</sup>; and
- 14 soil samples for arsenic and total chromium.

The results of the laboratory analyses of the soil samples were compared to default statewide background levels (Background) and RRD MDEQ Part 201 Generic Residential Cleanup Criteria (GRCC). Chromium was detected above Background and GRCC for groundwater surface water interface protection (GSIP) at sample locations B-2, B-6, Fill-1, SL/SE-2, SL/SW-1, SL/SW-2, and SL/SW-3. Mercury was detected above Background and GRCC for GSIP in

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<sup>2</sup> Michigan Metals include: arsenic, barium, cadmium, chromium (total), copper, lead, mercury, selenium, silver, and zinc.

sample Fill-3. Selenium was detected above Background and GRCC for GSIP at sample locations TP-1, TP-2, TP-3, Fill-3, SL/SW-1, SL/SW-2, and SL/SE-2. The metal cadmium was detected above the GRCC for GSIP in soil sample TP-7. Lead was detected above the GRCC for DC in soil sample TP-7. Silver was detected above the GRCC for GSIP in soil sample TP-7. See the tables below for summaries of test results above GRCC.

The following compounds were detected at levels in excess of the applicable Part 201 GRCC in investigations on the Property:

Sample Identification	Chemical Compound	CAS Number	Statewide Default Background Level /Applicable GRCC (ug/kg)	Analytical Result (ug/kg)
TP-1 (1')	Selenium	7439921	410/400 (GSIP)	850
TP-2 (1')	Selenium	7439921	410/400 (GSIP)	710
TP-3 (1')	Selenium	7439921	410/400 (GSIP)	620
B-2 (1-3')	Chromium	18540299	18,000/3,300 (GSIP)	24,400
B-6 (1-3')	Chromium	18540299	18,000/3,300 (GSIP)	24,300
TP-7 (2')	Lead	7439921	NA/400,000 (DC)	1,050,000
	Selenium	7439921	NA/410 (GSIP)	850
	Silver	7440224	1,000/100 (GSIP)	7,260
Fill-1 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	28,000
Fill-3 (1-2')	Mercury	Varies	130/50 (GSIP)	270
	Selenium	7439921	410/400 (GSIP)	420
SL/SE-2 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	28,000
	Selenium	7439921	410/400 (GSIP)	620
SL/SW-1 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	25,000
	Selenium	7439921	410/400 (GSIP)	590
SL/SW-2 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	24,000
	Selenium	7439921	410/400 (GSIP)	560
SL/SW-3 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	24,000

DC = Direct contact

GSIP = Groundwater Surface Water Interface

NA = Statewide Default Background Level Not Applicable

Based on the soil analytical results of Toltest's 2002 BEA and AKT Peerless' Phase II ESA, the Property was determined to be a "facility" as defined in Part 201 of NREPA, Michigan Public Act (PA) 451, 1994, as amended.



## 1.7 Summary of Environmental/Brownfield Conditions

A Baseline Environmental Assessment was completed in May 2014, and a Due Care Plan was completed in June 2014, both for the Developer. Based on the proposed use of the Property, the applicable cleanup criteria are the Part 201 Generic Non-Residential Cleanup Criteria (GNRCC) or Background. The following compounds were detected at levels in excess of the applicable Part 201 GNRCC or Background in investigations on the Property:

Sample Identification	Chemical Compound	CAS Number	Statewide Default Background Level /Applicable GNRCC (ug/kg)	Analytical Result (ug/kg)
TP-1 (1')	Selenium	7439921	410/400 (GSIP)	850
TP-2 (1')	Selenium	7439921	410/400 (GSIP)	710
TP-3 (1')	Selenium	7439921	410/400 (GSIP)	620
B-2 (1-3')	Chromium	18540299	18,000/3,300 (GSIP)	24,400
B-6 (1-3')	Chromium	18540299	18,000/3,300 (GSIP)	24,300
TP-7 (2')	Lead	7439921	NA/900,000 (DC)	1,050,000
	Selenium	7439921	NA/410 (GSIP)	850
	Silver	7440224	1,000/100 (GSIP)	7,260
Fill-1 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	28,000
Fill-3 (1-2')	Mercury	Varies	130/50 (GSIP)	270
	Selenium	7439921	410/400 (GSIP)	420
SL/SE-2 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	28,000
	Selenium	7439921	410/400 (GSIP)	620
SL/SW-1 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	25,000
	Selenium	7439921	410/400 (GSIP)	590
SL/SW-2 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	24,000
	Selenium	7439921	410/400 (GSIP)	560
SL/SW-3 (1-2')	Chromium	18540299	18,000/3,300 (GSIP)	24,000

DC = Direct contact

GSIP = Groundwater Surface Water Interface

NA = Statewide Default Background Level Not Applicable

Known contamination is present in subsurface soils at concentrations exceeding the DEQ GNRCC and Background. Refer to Figure 2 for the locations of each hazardous substance

identified above the applicable GNRCC. The metals cadmium, chromium, selenium, and silver have been identified on the Property above the GNRCC for GSIP. The extent of soil contamination above the GNRCC for GSIP is assumed to extend under the entire Property.

The metal lead has been discovered in soil on the Property above the GNRCC for DC at sample location TP-7. Based on the sampling, the impacts appear to be from the debris fill material illegally placed on the Property. The extent of the soil contamination above the GNRCC for DC is an area of approximately 2.23 acres around sample location TP-7. The level of contamination is anticipated to be sufficient to categorize this soil for disposal as hazardous waste.

### **1.8 Summary of Functionally Obsolete, Blighted and/or Historic Conditions**

The Property contains no buildings or other conditions considered functionally obsolete, blighted and/or historic.

### **1.9 Summary of Historic Qualities**

The Property is not an historic resource as defined in the Michigan Strategic Fund Act 270 of 1984.

## 2.0 DESCRIPTION OF COSTS & SCOPE OF WORK

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Developer investment in the Property will result in the redevelopment of a brownfield site into a mixed-use residential and commercial town center. The Project will include a major convention center, meeting spaces, hotel, indoor sports field, theatre, restaurants, state-of-the-art fitness facility, medical campus and various retail and commercial offerings. The convention center will be designed and constructed utilizing sustainable building practices, with the anticipation of achieving a high level of Leadership in Energy and Environmental Design (LEED) certification. The project will also include cultural amenities highlighting Michigan's fresh water and natural resources.

The Eligible Activities that are anticipated to be completed for the Project are considered "Eligible Activities" as defined by Section 2 of Act 381, because they include environmental assessments, soils remediation necessary to remove historical impacts and debris containing fill materials, due care activities necessary to prepare the Property for redevelopment, additional response activities, and preparation of this Plan. In specific, these Eligible Activities include: Phase I ESAs, Phase II investigations, baseline environmental assessments; Due Care Plans; removal and disposal of contaminated soils; removal and disposal of fill debris and contaminated soils; incidental soil removal associated with construction; and the preparation of this Plan. A summary of Eligible Activities is provided below. The estimated cost of each eligible activity intended to be paid for with tax increment revenues from the Property is shown in Table 2.

The Developer desires to be reimbursed for the costs of Eligible Activities. Tax increment revenue generated by the Property will be captured and used to reimburse the cost of the Eligible Activities completed on the Property after approval of this Plan and pursuant to the terms of a Reimbursement Agreement with the WCBRA (the "Reimbursement Agreement," see Attachment B).

The costs presented in this document are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those Eligible Activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of Eligible Activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of Eligible Activities subject to payment, provided that the total cost of Eligible Activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in this Plan by more than 15% without requiring an amendment to this Plan. As long as the total costs, adjusted by the 15% factor, are not exceeded, line item costs of Eligible Activities may be adjusted after the date this Plan is approved, to the extent the adjustments do not violate the terms of the approved Plan.

A description of each eligible activity, as shown in the following summary table, is provided in Sections 2.1 and 2.2.

<b>Total Eligible Activities</b>		<b>Eligible Cost</b>	
1	Environmental Assessments & BEA/Due Care Plans	\$	248,500
2	Combined Brownfield Plan / Act 381 Work Plan	\$	16,000
3	Environmental Remediation	\$	2,695,161
4	Additional Response Activities	\$	2,087,986
5	Contingency 15% (Excluding Task 2)	\$	754,747
<i>Total Eligible Activities</i>		\$	<u>5,802,393</u>

A detailed breakout of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in Table 2.

## 2.1 DEQ Eligible Activities

The following Eligible Activities are response activities for reimbursement from local tax capture, and from and school tax capture following DEQ approval.

<b>DEQ Eligible Activities</b>		<b>Eligible Cost</b>	
1	Environmental Assessments & BEA/Due Care Plans	\$	248,500
2	Combined Brownfield Plan / Act 381 Work Plan	\$	16,000
3	Environmental Remediation	\$	2,695,161
4	Additional Response Activities	\$	2,087,986
5	Contingency 15% (Excluding Task 2)	\$	754,747
<i>Total DEQ Eligible Activities</i>		\$	<u>5,802,393</u>

### 2.1.1 Environmental Assessments.

This includes preparation of the Phase I ESAs and Baseline Environmental Assessment (BEA) for the Developer, as well as Due Care Plans. Some of the Eligible Activities funded by this Plan have already been completed.

Additional environmental assessments will be required by each of the future owners of individual parcels as part of this development. As indicated below, this Plan anticipates that 20 individual parcels will each require a Phase I, Phase II, BEA and Due Care Plan to complete development, but that each of the 30 proposed buildings will not require its own documentation due to combinations of buildings on a single parcel and/or multiple operations controlled by a single developer.

<b>Environmental Assessment Task</b>	<b>Average Unit Cost</b>
Phase I/BEA	\$ 11,000
Due Care Plan	\$ 1,500
<b>Phase 1, Phase II and BEA for Individual Parcels (20 assumed):</b>	
Phase I ESA	\$ 1,800
Supplemental Phase II Investigation	\$ 6,000
Baseline Environmental Assessment	\$ 2,400
Subtotal Above	\$ 10,200
	<u>x 20</u>
	<b>\$204,000</b>
<b>Due Care Plan for Individual Parcels (20 assumed):</b>	
Due Care Plan	1,600
Subtotal Above	\$ 1,600
	<u>x 20</u>
	<b><u>\$32,000</u></b>
<b>Total Above</b>	<b>\$248,500</b>

### 2.1.2 Develop/Prepare Combined Brownfield Plan

This includes the reasonable costs of preparing this Plan.

### 2.1.3 Remediation Activities

This includes the remediation of soils contaminated above the applicable GNRCC for lead as shown in the Soil Disposal Estimates in Table 1. These soils exceed direct contact criteria and it is assumed that they will require disposal as hazardous waste. These soils are located on the southern portion of the property in an area of approximately 2.23 acres as indicated in Figure 2, and will be removed prior to site redevelopment to eliminate the source materials.

**FINANCIAL ANALYSIS****Chesterfield Towne Centre****Table 1 - Soil Disposal Estimates****July 11, 2014**

	Area (sq ft)	Average Depth (ft)	Unit Cost Per Ton Included in Plan				Cubic Feet	Cubic Yards	Tons	Sampling & Testing Cost	Total Cost
			Excava- tion	Hauling	Disposal	Clean Backfill					
<b>Remediation Activities:</b>											
<b>Hazardous Waste (above DC criteria):</b> Contaminated soil anticipated to exceed Federal Hazardous Waste standards (2.23 acres to depth of 2 feet)	97,294	2	\$5	\$13	\$200	\$18	194,588	7,207	9,009	\$17,250	\$2,143,304
Field Planning, Oversight, Reporting											\$10,000
<b>Contaminated Soil (above GNRCC):</b> Debris and contaminated soil anticipated to require Type II landfill disposal	197,334	1	\$5	\$13	\$20	\$18	197,334	7,309	9,136	\$10,250	\$521,857
Field Planning, Oversight, Reporting											\$20,000
<b>Total Remediation Activities</b>									<b>18,145</b>	<b>\$27,500</b>	<b>\$2,695,161</b>
<b>Additional Response Activities:</b>											
<b>Incidental Soil Removal:</b> Contaminated soil removed for construction of buildings and utilities anticipated to require Type II landfill disposal	85,600	2	NO	\$13	\$20	NO	171,200	6,341	7,926	\$7,000	\$268,556
Contaminated soil removed from Biosolids Application and Debris Fill Areas	784,392	1.5	NO	\$13	\$20	NO	1,142,463	42,313	52,892	\$9,500	\$1,754,930
Field Planning, Oversight, Reporting											\$60,000
<b>TOTAL</b>									<b>60,818</b>	<b>\$16,500</b>	<b>\$2,083,486</b>

The remediation cost includes excavation, transportation, disposal and backfill of approximately 9,000 tons of soils contaminated above DC criteria, as indicated in Table 1. Costs include planning, sampling, oversight and reporting to address disposal and site closure requirements. A site-specific sampling plan will be developed and implemented and soil removal procedures will be planned and overseen as appropriate for the level of contamination.

This activity also includes the removal and disposal of debris and contaminated soils associated with illegal fill material on the southern portion of the property as indicated in Figure 2, in an area of approximately 11.68 acres. This portion of the soil removal does not include that portion of the soils which will be removed as hazardous waste and described above. These materials will be removed prior to site redevelopment to provide construction-ready areas. Costs include the costs of excavation, transportation, disposal and backfill as shown in Table 1, and the quantity is currently projected to be approximately 9,100 tons. Costs include planning, sampling, oversight and reporting to address disposal and site closure requirements. A site-specific sampling plan will be developed and implemented and soil removal procedures will be planned and overseen as appropriate for the level of contamination.

#### **2.1.4 Additional Response Activities**

Because the property is a facility, this Plan includes the extraordinary costs of hauling and landfill disposal for any soils that must be removed from the site for construction of the buildings shown in the Site Plan as a presumptive remedy. The extent of soil removal will be dependent on site conditions and construction requirements, as well as the type and extent of excavation for new utility connections, footers, and other subsurface improvements, and is currently projected to be approximately 60,000 tons including Biosolids and contaminated Debris Fill. The eligible costs are limited to hauling and disposal in a Type II landfill, as well as planning, sampling, oversight and documentation as shown in Table 1.

#### **2.2 MSF Eligible Activities**

MSF eligible activities are not included in this Plan.

#### **2.3 Local Only Eligible Activities**

In the event that State Tax Capture is not approved by the MDEQ, the entire amount for Eligible Activities described in this Plan will be reimbursed to the Developer entirely from Local Tax Capture, and the duration of the Plan will be extended accordingly. If a local-only Plan is implemented, then there will be no tax capture for the state Brownfield Redevelopment Fund (BRF).

### 3.0 TAX INCREMENT REVENUE ANALYSIS

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#### 3.1 Estimate of Captured Taxable Value and Tax Increment Revenues

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of Eligible Activities under this Plan in accordance with the Reimbursement Agreement. The initial taxable value is anticipated to be \$4,108,550, which will be the taxable value of the eligible property at the time the current Plan is adopted, as shown by the assessment roll for which equalization has been completed. The captured taxable value will be the difference between the initial taxable value and the actual taxable value for each year for which this Plan is in effect. For purposes of illustration, the captured taxable value in the first year following 100% completion of the project is estimated to be \$39,083,654 as illustrated in Table 3.

A table of estimated tax increment revenues to be captured for the entire project is attached to this Plan as Table 3. Tax capture for reimbursement of Eligible Activities as described in this Plan is estimated at 6 years. Conservative assumptions were included in the captured taxable value and tax rates. These assumptions are used for illustrative purposes only, and are not intended to limit reimbursement of the actual annual tax capture amount. The following assumptions were used in the development of Table 3.

1. Local and state tax capture is included in calculating recapture.
2. Personal property, although defined as part of the value-added to the Property, has not been included in the tax table in order to provide a conservative estimate of Plan duration.
3. The investment in buildings and equipment to be used for manufacturing, light industrial or research has not been included in the taxable value of the property for the first twelve years because it is assumed that an industrial tax abatement under PA 198 of 1974 will be applied to that portion of the property. This is reflected in Table 3 by a reduction in the captured taxable value by the assumed taxable value of the industrial property.
4. Annual appreciation in taxable value is assumed to be 1%.
5. Adjustments to the capture of state taxes were not necessary in order to comply with the Proportionality Test.

Tax increments are projected to be captured and applied: (i) to reimbursement of eligible activity costs; (ii) for payment of Authority administrative and operating expenses (at 7.5% of capture for reimbursement); (iii) to make deposits into the State of Michigan Brownfield Redevelopment Fund (BRF); and (iv) to make deposits into the Authority's Local Site Remediation Revolving Fund (LSRRF) as follows:



<b>Total Eligible Activities</b>		<b>Eligible Cost</b>	<b>Tax Capture</b>
1	Environmental Assessments & BEA/Due Care Plans	\$ 248,500	\$ 248,500
2	Combined Brownfield Plan / Act 381 Work Plan	\$ 16,000	\$ 16,000
3	Environmental Remediation	\$ 2,695,161	\$ 2,695,161
4	Additional Response Activities	\$ 2,087,986	\$ 2,087,986
5	Contingency 15% (Excluding Task 2)	\$ 754,747	\$ 754,747
<i>Total Eligible Activities</i>		<b>\$ 5,802,393</b>	<b>\$ 5,802,393</b>
6	Capture for Authority	\$ 221,547	\$ 221,547
7	Capture for State BRF	\$ 652,698	\$ 652,698
8	Capture for Local LSRRF	\$ 1,498,914	\$ 1,498,914
<i>Total Additional Capture</i>		<b>\$ 2,373,159</b>	<b>\$ 2,373,159</b>
<b>Total Above</b>		<b>\$ 8,175,552</b>	<b>\$ 8,175,552</b>

### 3.2 Method of Financing and Description of Advances Made by the Municipality

The Eligible Activities are to be financed solely by the Developer. The Authority will reimburse the Developer for the cost of approved Eligible Activities, but only from actual tax increment revenues generated from the Property. No advances have been or shall be made by the City or the Authority for the costs of Eligible Activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of Eligible Activities and estimates of costs to be reimbursed in this Plan are intended to authorize the Authority to fund such reimbursements and does not obligate the Authority or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

### 3.3 Maximum Amount of Note or Bonded Indebtedness

The Authority will not incur any note or bonded indebtedness to finance the purposes of this Plan.

### 3.4 Duration of Brownfield Plan

The construction of the project is expected to be complete in 2018 and tax capture will start in 2016. This Plan will remain in effect for at least 7 years from the beginning date of the capture

of tax increment revenues, or for the duration necessary to complete the reimbursement of eligible expenses for the project, whichever is less. In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13(1)(f) of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

### 3.5. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

The following is the impact of this Plan on the taxing jurisdictions, also presented in Table 4.

Millage Category	Tax Capture for This Plan						
	Total Taxes	Taxes to Jurisdictions	Total Capture	Reimbursement	Brownfield Authority	State BRF	LSRRE
Macomb County Operating	\$6,620,074	\$5,626,124	\$ 993,950	\$ 705,431	\$ 74,546		\$ 182,232
Macomb County Drain Debt	\$7,245	\$7,245	\$ -	\$ -	\$ -		\$ -
Macomb County ISD	\$4,264,612	\$3,624,316	\$ 640,296	\$ 454,434	\$ 48,022		\$ 117,393
MCCC	\$2,059,418	\$1,750,216	\$ 309,202	\$ 219,448	\$ 23,190		\$ 56,690
HCMA	\$310,970	\$264,283	\$ 46,687	\$ 33,135	\$ 3,502		\$ 8,560
Chesterfield Township	\$1,168,095	\$992,718	\$ 175,377	\$ 124,469	\$ 13,153		\$ 32,154
Fire Operation	\$2,732,655	\$2,322,371	\$ 410,284	\$ 291,189	\$ 30,771		\$ 75,222
Fire Equipment	\$669,035	\$568,588	\$ 100,447	\$ 71,290	\$ 7,534		\$ 18,417
Police Special Assess.District	\$7,245,348	\$7,245,348	\$ -	\$ -	\$ -		\$ -
Library	\$936,823	\$796,170	\$ 140,653	\$ 99,825	\$ 10,549		\$ 25,788
SMART	\$854,951	\$726,589	\$ 128,362	\$ 91,102	\$ 9,627		\$ 23,534
Veteran Admin	\$57,963	\$49,264	\$ 8,699	\$ 6,174	\$ 653		\$ 1,596
College Debt	\$217,360	\$217,360	\$ -	\$ -	\$ -		\$ -
School Debt	\$10,143,487	\$10,143,487	\$ -	\$ -	\$ -		\$ -
DIA	\$289,814	\$289,814	\$ -	\$ -	\$ -		\$ -
Zoo	\$144,907	\$144,907	\$ -	\$ -	\$ -		\$ -
School Operating	\$26,083,251	\$22,167,051	\$ 3,916,200	\$ 2,779,425	\$ -	\$ 489,524	\$ 717,997
School SET	\$8,694,417	\$7,389,021	\$ 1,305,396	\$ 926,472	\$ -	\$ 163,175	\$ 239,332
Total Incremental Tax	\$72,500,425	\$64,324,872	\$8,175,553	\$5,802,393	\$221,547	\$652,698	\$1,498,915

Note: Total Taxes are for the full 30 year duration of the Plan

Note that the following taxes are projected to be generated but not to be captured during the life of the Plan (amount provided is for full 30 year Plan duration):

	Amount Not Captured
Macomb County Drain Debt	\$ 7,245
Police Special Assess.District	\$ 7,245,348
College Debt	\$ 217,360
School Debt	\$ 10,143,487
DIA	\$ 289,814
Zoo	\$ 144,907
Total Above	\$ 18,048,161

## 4.0 INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE FOR NON-ENVIRONMENTAL ACTIVITIES

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### 4.1 Sufficiency of Proposed Activities

The individual activities described in this Plan were developed after thorough analysis of extensive environmental documentation and market research. The Developer has engaged in discussions, negotiations, and planning with professionals familiar with the Property and its past use to define and refine the list of proposed activities. The activities proposed in this Plan are the result of this analysis, and will be sufficient to complete the eligible activities. Preliminary site plans for the proposed future use are included as Figure 5a, 5b and 5c.

- Environmental Assessments – Environmental assessments and due care plans are sufficient because they have been and will be completed in accordance with Part 201 of Act 451. It has been assumed that the buildings planned for the 183-acre site will be owned/operated by up to twenty future property owners/operators, each of which will require its own due diligence and due care plan. The proposed costs are anticipated to be sufficient for this activity.
- Brownfield and Work Plan Preparation - The Brownfield Plan and Work Plan are sufficient because they have been completed in accordance with Act 381.
- Remediation Activities - The environmental investigations completed to date indicated soil contamination levels likely to require that some portion of the soil be disposed in a hazardous waste landfill as part of the due care requirements. The proposed amount of soil to be disposed in a hazardous waste facility will be sufficient because soil will be removed to the depth at which the concentration of contaminants does not exceed the level at which TCLP analysis requires disposal in a licensed hazardous waste facility. The proposed sampling plans, testing, planning and oversight of activities will be sufficient because they will systematically investigate the amount of soil disposal required, and ensure its proper disposal. In addition, soil identified for removal that does not require disposal in a hazardous waste facility will be disposed in a Type II landfill, in order to prepare the site for redevelopment.
- Additional Response Activities - Soil removal will be sufficient to complete the eligible activities because it will prepare the site for the planned development activities as shown in the site plan. Because the site is a facility, any soil that is unsuitable for building upon and that therefore must be removed from the site must be disposed in a Type II landfill. The proposed amount of soil to be disposed in a Type II landfill will be sufficient because soil will be removed to the depth at which the concentration of contaminants supports Type II landfill disposal, based on environmental investigations. The proposed sampling, testing, planning and oversight will be sufficient because they will document the characteristics of the soil to be disposed in order to obtain landfill approval, and to ensure proper disposal.

## 4.2 Necessity of Proposed Activities

The individual activities described in this Plan were developed after thorough analysis of extensive environmental documentation and market research. The Developer has engaged in discussions, negotiations, and planning with professionals familiar with the Property and its past use to define and refine the list of proposed activities. The activities proposed in this Plan are the result of this analysis, and will be necessary to complete the eligible activity.

- Environmental Assessments – Environmental Investigations, a BEA and a Due Care Plan were necessary because the property is a facility under Part 201. Future environmental assessments will be necessary because each of twenty future property owners will require its own due diligence documentation in accordance with Part 201. Each property owner will also require its own Due Care Plan that is specific to its operation of the site.
- Brownfield and Work Plan Preparation – The Brownfield Plan and Work Plan are necessary because the project requires financial assistance for the increased costs of developing on a Brownfield site.
- Remediation Activities – Because the environmental investigations completed to date indicated soil contamination levels likely to require that some portion of the soil be disposed in a hazardous waste facility, and some portion in a Type II landfill, testing and disposal of this soil will be necessary as part of the due care requirements. The proposed sampling plans, testing, planning and oversight of due care activities will be necessary to determine the amount of soil to be removed, and ensure its proper disposal. Only soils that must be removed from the site for redevelopment of the property as shown on the Site Plans will be transported to a licensed hazardous waste facility or Type II landfill.
- Additional Response Activities – Because the environmental investigations completed to date indicated that some portion of the soil is unsuitable for building upon and therefore must be removed from the site, and all soil removed from a facility under Part 201 must be disposed in a Type II landfill as a presumptive remedy, testing and disposal of this soil will be necessary as part of site redevelopment. The proposed sampling, testing, planning and oversight will be necessary to document the characteristics of the soil to be disposed in order to obtain landfill approval, and to ensure its proper disposal. Only soils that must be removed from the site for redevelopment of the property as shown on the Site Plans will be transported to a Type II landfill

## 4.3 Reasonableness of Costs

The individual activities described in this Plan were developed after thorough analysis of extensive environmental documentation and market research. The Developer has engaged in discussions, negotiations, and planning with professionals familiar with the development and construction of commercial and industrial buildings. The costs for the proposed activities are the result of this analysis, and are reasonable based on similar projects.

#### **4.4 Benefits to the Public**

This Project will provide a catalyst for redevelopment in an area where little redevelopment has occurred in recent years. This Project will also redevelop a Property which is currently vacant and a facility under Part 201. The development of this Project will create an additional economic hub, supporting tourism and economic activity relating to conference center and entertainment attractions, office and light industrial businesses, research and medical services, and retail establishments. The additional property taxes generated by the project will support services in the local community and throughout the County.

#### **4.5 Reuse of Vacant Buildings**

There are no existing buildings on the Property and as such the Project will not reuse any vacant buildings.

#### **4.6 Jobs Created**

The project is expected to create at least 1,300 new fulltime jobs. In addition, the expanded use of the property will require local support jobs in trucking and supply of products and services. During the design and construction phases of the Project, local companies will be utilized whenever possible for engineering and construction services, further enhancing job creation.

#### **4.7 Area Unemployment**

Macomb County's annual average unemployment rate of 9.1% in 2013 was higher than the Michigan unemployment rate of 8.8%, both of which were significantly different from the U.S. 2013 annual average of 7.4%<sup>3</sup>.

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<sup>3</sup> Bureau of Labor and Statistics Regional and State Unemployment, 2013 Annual Average Summary, <http://www.bls.gov/news.release/srgune.nr0.htm>.

#### **4.8 Contamination to be Alleviated**

Environmental investigations conducted on the Property have identified soil impacted with lead at concentrations exceeding the Part 201 Generic Non-Residential Cleanup Criteria for Direct Contact. These soils will be excavated and disposed of in a hazardous waste landfill. In addition, soils removed from the site that exceeded the GNRCC for any hazardous substance will be disposed in a Type II landfill.

#### **4.9 Private Sector Contribution**

Site acquisition, site improvement, and site development costs will be funded by the Developer, as shown in Table 2.

#### **4.10 Greenfield Site Comparison**

This is the preferred site because it is centrally located near two highway interchanges and close to the Hall Road economic development corridor. However, the Property comes with substantial soil remediation costs not typically associated with a comparable Greenfield site.

#### **4.11 Relocation**

The Property is currently vacant and no residents or businesses will be relocated as part of the Project.

#### **4.12 Financial Projections**

The Developer has determined that the Project will be financially and economically sound. Tenants for the buildings have been confirmed pending the completion of the Eligible Activities, which are necessary for the development of the Property.

#### **4.13 Incentives**

Financial support is being requested from Macomb County and the State of Michigan in the form of tax increment financing to reimburse the Developer for the costs of the Eligible Activities. Support for any industrial facilities constructed as part of the project will be via tax abatement under Act 198 of 1974. In addition, support in the form of Community Revitalization Program grants or loans will be requested from the State of Michigan for eligible investments. No federal incentives are anticipated for this Project.

## 5.0 SCHEDULE AND COSTS OF ACTIVITIES

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### 5.1 Schedule of Activities

It is estimated that the Project will be completed by 2018. The following is a summary schedule of activities.

<u>Task</u>	<u>Activity</u>	<u>Est. Year Completed</u>
Property Purchase	(Completed)	2014
Assessment	Phase I ESA (Completed)	2014
	BEA (Completed)	2014
	Due Care Plan	2014
Site Preparation and Soils Management		2014
Land Balancing		2015
Construction		2015-2018

### 5.2 Estimated Costs

The estimated cost for each Eligible Activity is provided in Table 2.

### 5.2.1 Summary of Total Project Costs

Estimated costs are provided below.

Investments	Total Cost	Summary of Funding Sources		
		Environmental Activities (MDEQ TIF)	CRP Grant	Developer Investment
Site Acquisition	\$ 7,995,479	\$ -	\$ -	\$ 7,995,479
Assessment and Brownfield Plan Costs	\$ 5,055,146	\$ 5,047,646	\$ -	\$ 7,500
Infrastructure	\$ 24,776,000	\$ -	\$ -	\$ 24,776,000
Construction/Renovation/Improvement	\$ 170,850,000	\$ -	\$ 869,565	\$ 169,980,435
Soft Costs and Fees	\$ 34,170,000	\$ -	\$ -	\$ 34,170,000
Total Above	\$242,846,625	\$5,047,646	\$869,565	\$236,929,414
Contingency	15%	15%	15%	15%
	\$36,424,594	\$754,747	\$130,435	\$35,539,412
Subtotal With Contingency	\$279,271,219	\$5,802,393	\$1,000,000	\$272,468,826

### 5.2.2 Sources and Uses of Incentives and Funds

All sources and uses for the project are shown below.

Source	Total Cost	Summary of Funding Sources			
		Equity	Debt	Grant	Reimbursement
Equity	\$ 92,302,530	\$ 92,302,530	\$ -	\$ -	\$ -
Senior Debt	\$ 138,453,796	\$ -	\$ 138,453,796	\$ -	\$ -
TIF Reimbursement	\$ 5,802,393	\$ -	\$ -	\$ -	\$ 5,802,393
CRP Grant	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ -
Other Loans	\$ 41,712,500	\$ -	\$ 41,712,500	\$ -	\$ -
Total Above	\$ 279,271,219	\$ 92,302,530	\$ 180,166,296	\$ 1,000,000	\$ 5,802,393

Uses	Total Cost	Summary of Funding Uses	
		Equity	Debt
Site Acquisition	\$ 7,995,479		
Assessment and Brownfield Plan Costs	\$ 5,055,146		
Site Preparation Costs	\$ -		
Site Improvements	\$ -		
Infrastructure	\$ 24,776,000		
Demolition	\$ -		
Construction/Renovation/Improvement	\$ 170,850,000		
Soft Costs and Fees	\$ 34,170,000		
Total Above	\$ 242,846,625		
Contingency	15%		
	\$ 36,424,594		
Subtotal With Contingency	\$ 279,271,219		



### **5.3 Summary of Relocation Actions**

Relocation Actions are not required for this Project.

### **5.4 Description of Proposed Use of Local Site Remediation Revolving Fund**

The Local Site Remediation Revolving Fund will not be used for this Project.

### **5.5 Other Material that the Authority or Governing Body Considers Pertinent**

In the event that State Tax Capture is not approved by the MDEQ, the entire amount for Eligible Activities described in this Plan will be reimbursed to the Developer entirely from Local Tax Capture, and the duration of the Plan will be extended accordingly.

#### **5.5.1 Owner Obligations Representations and Warrants**

The Owner and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the County or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Owner represents and warrants that a Phase I Environmental Site Assessment (“ESA”), and a Phase II ESA, baseline environmental assessment, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), have been performed on the Property.

The Owner further represents and warrants that the Project does not and will not include a Macomb County Land Bank Authority or State of Michigan Land Bank financing component.



# 183-Acre Property

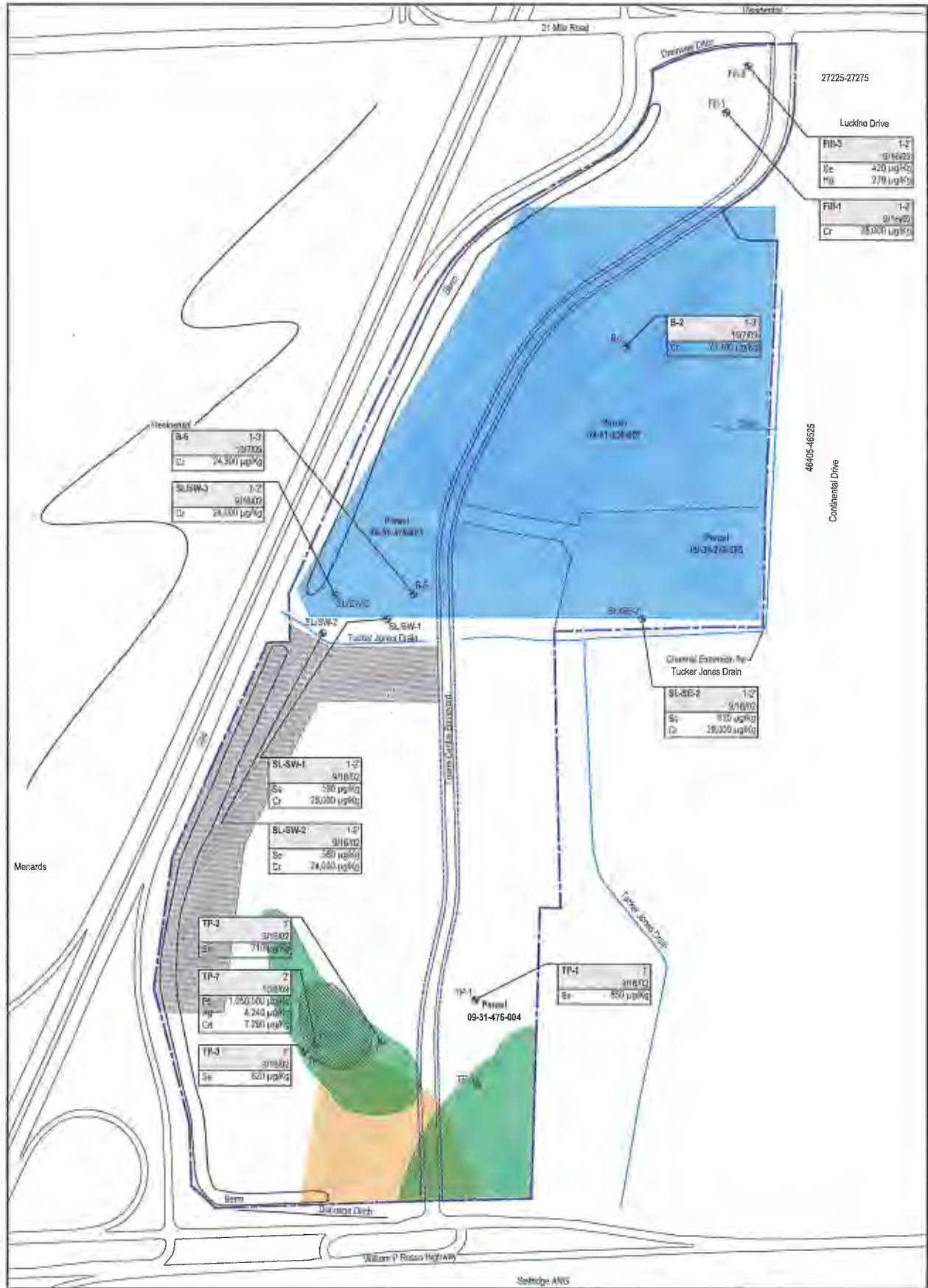
Chesterfield Township, MI

Created for: CTC Development Group, LLC  
Created by: CCR, May 14, 2014, ASTI Project 3-8587

Figure 1 - Site Location Map







0 400 800 1200  
Scale in Feet

**LEGEND**

- Property Line
- Parcel Line
- Sample Location
- Approximate Extent of Soil Above Direct Contact (2.23 acres)
- Sediment ANIS
- Clay Fill Area (4.88 acres)
- Debris Fill Area (13.86 acres)
- Biosolids Application Area (10.86 acres)
- Former Waste Water Lagoon (69.85 acres)
- Pb
- Se
- Ag
- Pb
- Cr
- Cd
- Mercury
- Selenium
- Silver
- Lead
- Chromium
- Cadmium

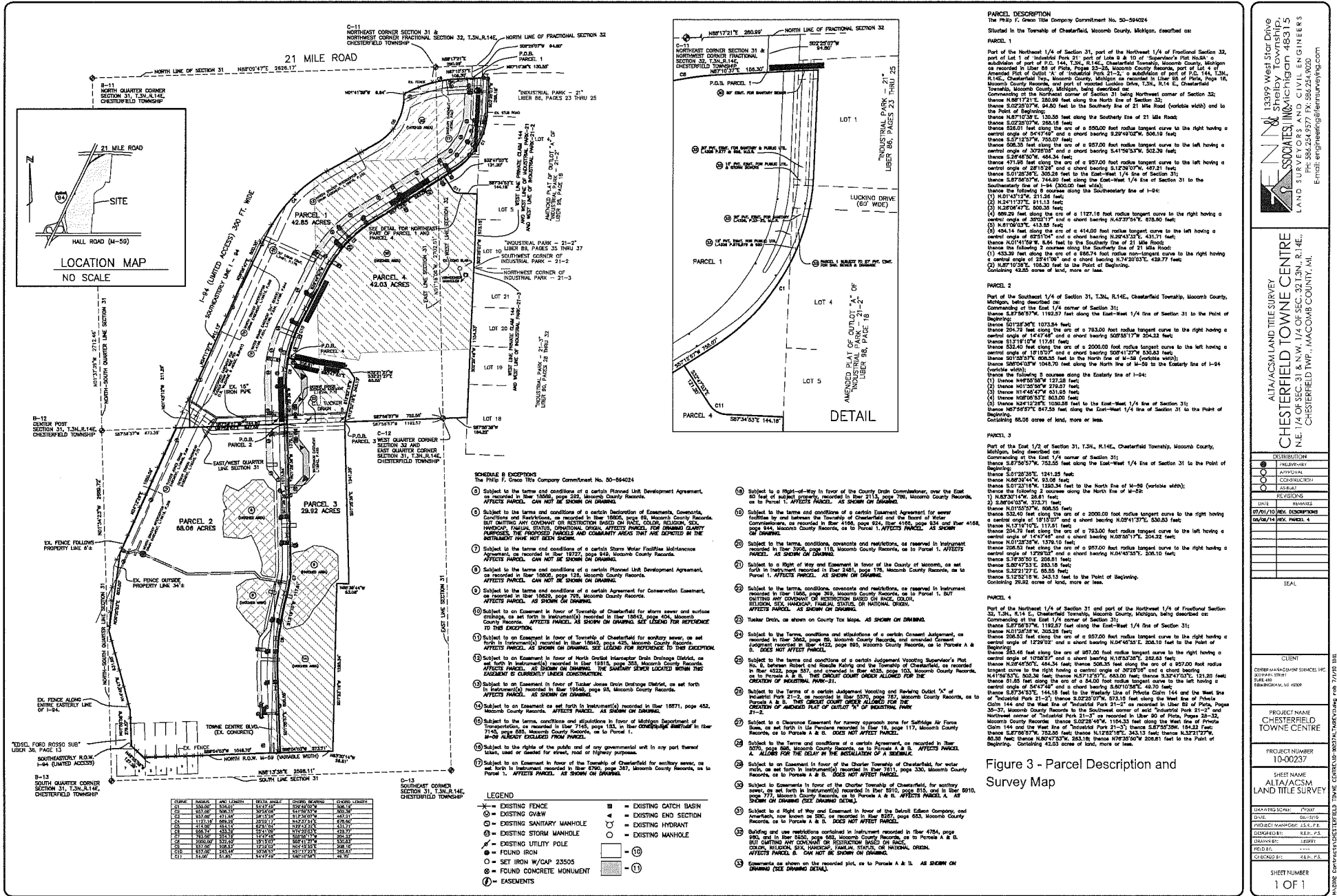


Figure 3 - Parcel Description and Survey Map

13399 West Star Drive  
 STRATTON, MICHIGAN 48315  
 LAND SURVEYORS AND CIVIL ENGINEERS  
 P: 584.244.5787 F: 584.244.9020  
 E-mail: engineering@fernsurveying.com

ALTA/ACSM LAND TITLE SURVEY  
**CHESTERFIELD TOWNE CENTRE**  
 N.E. 1/4 OF SEC. 31 & N.W. 1/4 OF SEC. 32, T.3N, R.14E,  
 CHESTERFIELD TWP., MACOMB COUNTY, MI.

DISTRIBUTION	
<input type="checkbox"/>	PREFORMATION
<input type="checkbox"/>	APPROVAL
<input type="checkbox"/>	CONSTRUCTION
<input type="checkbox"/>	AS-BUILT
<input type="checkbox"/>	REVISIONS
<input type="checkbox"/>	SALES
<input type="checkbox"/>	REMARKS
<input type="checkbox"/>	STAMP/RECORD NUMBER
06/09/14	REV. PARCEL 4

CLIENT  
 CHESTERFIELD TOWNE CENTRE  
 200 W. STATE ST.  
 LANSING, MI 48226

PROJECT NAME  
**CHESTERFIELD TOWNE CENTRE**

PROJECT NUMBER  
**10-00237**

SHEET NAME  
**ALTA/ACSM LAND TITLE SURVEY**

ISSUING BOARD: POB  
 DATE: 06/09/14  
 PROJECT VARS: J.S.F. P.  
 DRAWN BY: K.E.P.  
 CHECKED BY: J.K.B.  
 FIELD: P.  
 C/M/AD: P.  
 484. P.S.

SHEET NUMBER  
**1 OF 1**

N.B.S.C. ENGINEERS/CHESTERFIELD TOWNE CENTRE/REGISTRATION NUMBER 74755-1516

**FIGURE 4. PHOTO LOG**  
Vacant Land, Chesterfield Township, Michigan

	<p><b>Photo 1.</b> Northern portion of the Property looking east</p>
	<p><b>Photo 2.</b> Mid-east portion of the Property looking southeast</p>
	<p><b>Photo 3.</b> Southeast portion of the Property looking southwest</p>



**FIGURE 4. PHOTO LOG**  
Vacant Land, Chesterfield Township, Michigan

	<p><b>Photo 4.</b> Southwest portion of the Property looking west</p>
	<p><b>Photo 5.</b> Mid-west portion of the Property looking north</p>
	<p><b>Photo 6.</b> Meter station, access covers, and vent pipe on northern portion of the Property part of the North Gratiot Interceptor</p>

**FIGURE 4. PHOTO LOG**  
Vacant Land, Chesterfield Township, Michigan

 A photograph showing a long, straight, shallow drainage ditch or canal cutting through a field of dry, brown grass. In the background, there is a line of bare trees and a utility pole with cross-arms.	<p><b>Photo 7.</b> Tucker Jones Drain, transecting through central region of the Property</p>
 A photograph of a field with scattered construction debris, including pieces of wood, metal, and soil mounds. The ground is uneven and appears to be a mix of dirt and sparse vegetation.	<p><b>Photo 8.</b> Construction debris and soil piles on northern Property area</p>
 A photograph showing a large pile of tangled metal fencing and soil mounding in a field. The ground is covered with dry grass and some bare trees are visible in the background.	<p><b>Photo 9.</b> Metal fencing and soil mounding on northeast portion of the Property</p>

**FIGURE 4. PHOTO LOG**  
Vacant Land, Chesterfield Township, Michigan



**Photo 10.** Concrete debris near southeast Property corner



**Photo 11.** Construction debris on southern area, west of Towne Centre Boulevard



**Photo 12.** Soil mound and portion of DEQ Wetland Conservation Easement on central region, west side, south of Tucker Jones Drain







## FINANCIAL ANALYSIS

Chesterfield Towne Centre

Table 2 -Development Cost Summary

July 11, 2014

Item	Unit Cost	Total Cost	Environmental Activities (MDEQ TIF)	CRP Grant	Developer Investment
<b>Project Development Costs</b>					
<b>Site Acquisition</b>		<b>\$7,995,479</b>			<b>\$7,995,479</b>
Land Costs	\$7,995,479				
<b>Assessment and Brownfield Plan Costs</b>		<b>\$5,055,146</b>			
<i>Environmental Assessments &amp; BEA/Due Care Plans</i>					
Initial Phase I/BEA	\$11,000		\$11,000		\$0
Initial Due Care Plan	\$1,500		\$1,500		\$0
Phase I, Phase II and BEA for Individual Parcels (20 assumed)	\$204,000		\$204,000		\$0
Due Care Plan for Individual Parcels (20 assumed)	\$32,000		\$32,000		\$0
<i>Environmental Remediation</i>					
Soil Remediation - Hazardous Waste	\$2,153,304		\$2,153,304		\$0
Removal and Disposal of Contaminated Debris/Solids	\$541,857		\$541,857		\$0
<i>Additional Response Activities</i>					
Incidental Soil Removal	\$2,087,986		\$2,087,986		\$0
<i>Combined Brownfield Plan / Act 381 Work Plan</i>					
Act 381 Combined Brownfield Plan	\$16,000		\$16,000		\$0
CRP Application	\$7,500				\$7,500
<b>Infrastructure</b>		<b>\$24,776,000</b>			
Parking Lot	\$24,576,000				\$24,576,000
Public paved path - non-motorized transportation	\$200,000				\$200,000
<b>Construction/Renovation/Improvement</b>		<b>\$170,850,000</b>		\$869,565	\$169,980,435
<i>Base Building Assumptions</i>					
Manufacturing/LT Industrial/Research	\$19,100,000				
Upscale Retail/Restaurant/Entertainment	\$124,750,000				
Convention Center	\$27,000,000				
<b>Soft Costs and Fees</b>		<b>\$34,170,000</b>		\$0	\$34,170,000
<b>Total Above</b>		<b>\$242,846,625</b>	<b>\$5,047,646</b>	<b>\$869,565</b>	<b>\$236,929,414</b>
<b>Contingency</b>		<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
		\$36,424,594	\$754,747	\$130,435	\$35,539,412
<b>Total Development Costs with Contingency</b>		<b>\$279,271,219</b>	<b>\$5,802,393</b>	<b>\$1,000,000</b>	<b>\$272,468,826</b>

**FINANCIAL ANALYSIS**  
**Table 3 - Total Brownfield Tax Capture**

**Chesterfield Towne Centre**  
**September 2, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

<b>Assumptions</b>	
Estimated True Cash Value:	\$ 159,745,479
Projected Taxable Value:	\$ 47,923,644
Initial Taxable Value:	\$ 4,108,550
Incremental Taxable Value:	\$ 43,815,094
<b>Eligible Activity</b>	
Environmental Activities:	\$ 5,802,393
Redevelopment Activities:	\$ -
<b>Total Eligible Expense:</b>	<b>\$ 5,802,393</b>

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percent Complete	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Captured Taxable Value	\$ -	\$ 9,770,293	\$ 19,540,997	\$ 29,312,116	\$ 39,083,654	\$ 39,515,576	\$ 39,951,817	\$ 40,392,421	\$ 40,837,431	\$ 41,286,890
New Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Captured Taxable Value</b>	<b>\$ -</b>	<b>\$ 9,770,293</b>	<b>\$ 19,540,997</b>	<b>\$ 29,312,116</b>	<b>\$ 39,083,654</b>	<b>\$ 39,515,576</b>	<b>\$ 39,951,817</b>	<b>\$ 40,392,421</b>	<b>\$ 40,837,431</b>	<b>\$ 41,286,890</b>
<b>2012 Total Mills/\$1000</b>	<b>Total Capture</b>	<b>Total Tax Capture for All Eligible Activities</b>								
Macomb County Operating	4.5685 \$ 993,950	\$ -	\$ 44,635	\$ 89,273	\$ 133,912	\$ 178,553	\$ 180,526	\$ 182,519	\$ 184,532	\$ -
Macomb County Drain Debt	0.0050 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Macomb County ISD	2.9430 \$ 640,296	\$ -	\$ 28,753	\$ 57,509	\$ 86,265	\$ 115,023	\$ 116,294	\$ 117,578	\$ 118,874	\$ -
MCCC	1.4212 \$ 309,202	\$ -	\$ 13,885	\$ 27,771	\$ 41,658	\$ 55,545	\$ 56,159	\$ 56,779	\$ 57,405	\$ -
HCMA	0.2146 \$ 46,687	\$ -	\$ 2,096	\$ 4,193	\$ 6,290	\$ 8,387	\$ 8,480	\$ 8,573	\$ 8,668	\$ -
Chesterfield Township	0.8061 \$ 175,377	\$ -	\$ 7,875	\$ 15,751	\$ 23,628	\$ 31,505	\$ 31,853	\$ 32,205	\$ 32,560	\$ -
Fire Operation	1.8858 \$ 410,284	\$ -	\$ 18,424	\$ 36,850	\$ 55,276	\$ 73,703	\$ 74,518	\$ 75,341	\$ 76,172	\$ -
Fire Equipment	0.4617 \$ 100,447	\$ -	\$ 4,510	\$ 9,022	\$ 13,533	\$ 18,044	\$ 18,244	\$ 18,445	\$ 18,649	\$ -
Police Special Assess.District	5.0000 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library	0.6465 \$ 140,653	\$ -	\$ 6,316	\$ 12,633	\$ 18,950	\$ 25,267	\$ 25,546	\$ 25,828	\$ 26,113	\$ -
SMART	0.5900 \$ 128,362	\$ -	\$ 5,764	\$ 11,529	\$ 17,294	\$ 23,059	\$ 23,314	\$ 23,571	\$ 23,831	\$ -
Veteran Admin	0.0400 \$ 8,699	\$ -	\$ 390	\$ 781	\$ 1,172	\$ 1,563	\$ 1,580	\$ 1,598	\$ 1,615	\$ -
College Debt	0.1500 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Debt	7.0000 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIA	0.2000 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Zoo	0.1000 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Operating	18.0000 \$ 3,916,200	\$ -	\$ 175,865	\$ 351,737	\$ 527,618	\$ 703,505	\$ 711,280	\$ 719,132	\$ 727,063	\$ -
School SET	6.0000 \$ 1,305,396	\$ -	\$ 58,621	\$ 117,245	\$ 175,872	\$ 234,501	\$ 237,093	\$ 239,710	\$ 242,354	\$ -
<b>Total Incremental Tax</b>	<b>50.0324 \$ 8,175,553</b>	<b>\$ -</b>	<b>\$ 367,134</b>	<b>\$ 734,294</b>	<b>\$ 1,101,468</b>	<b>\$ 1,468,655</b>	<b>\$ 1,484,887</b>	<b>\$ 1,501,279</b>	<b>\$ 1,517,836</b>	<b>\$ -</b>
<b>Brownfield Tax Capture</b>										
	<b>Total</b>									
Tax Capture for Reimbursement	\$ 5,802,393	\$ -	\$ 327,875	\$ 655,773	\$ 983,684	\$ 1,311,606	\$ 1,326,102	\$ 1,197,354	\$ -	\$ -
Interest Payment to Developer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for Brownfield Authority:	\$ 221,547	\$ -	\$ 9,949	\$ 19,898	\$ 29,848	\$ 39,799	\$ 40,239	\$ 40,683	\$ 41,131	\$ -
Capture for Bond Repayment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State BRF	\$ 652,698	\$ -	\$ 29,311	\$ 58,623	\$ 87,936	\$ 117,251	\$ 118,547	\$ 119,855	\$ 121,177	\$ -
Capture for LSRRF	\$ 1,498,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,387	\$ 1,355,528	\$ -
<b>Total Capture:</b>	<b>\$ 8,175,553</b>	<b>\$ -</b>	<b>\$ 367,134</b>	<b>\$ 734,294</b>	<b>\$ 1,101,468</b>	<b>\$ 1,468,655</b>	<b>\$ 1,484,887</b>	<b>\$ 1,501,279</b>	<b>\$ 1,517,836</b>	<b>\$ -</b>
<b>Tax Capture Summary</b>										
<i>Environmental Activities (MDEQ)</i>										
Local Tax Capture	\$ 2,953,957	\$ -	\$ 132,648	\$ 265,312	\$ 397,978	\$ 530,649	\$ 536,514	\$ 542,437	\$ 548,419	\$ -
School Tax Capture	\$ 5,221,596	\$ -	\$ 234,486	\$ 468,982	\$ 703,490	\$ 938,006	\$ 948,373	\$ 958,842	\$ 969,417	\$ -
<b>Total</b>	<b>\$ 8,175,553</b>	<b>\$ -</b>	<b>\$ 367,134</b>	<b>\$ 734,294</b>	<b>\$ 1,101,468</b>	<b>\$ 1,468,655</b>	<b>\$ 1,484,887</b>	<b>\$ 1,501,279</b>	<b>\$ 1,517,836</b>	<b>\$ -</b>
<i>Total Tax Capture</i>										
Local Tax Capture	\$ 2,953,957	\$ -	\$ 132,648	\$ 265,312	\$ 397,978	\$ 530,649	\$ 536,514	\$ 542,437	\$ 548,419	\$ -
School Tax Capture	\$ 5,221,596	\$ -	\$ 234,486	\$ 468,982	\$ 703,490	\$ 938,006	\$ 948,373	\$ 958,842	\$ 969,417	\$ -
<b>Total</b>	<b>\$ 8,175,553</b>	<b>\$ -</b>	<b>\$ 367,134</b>	<b>\$ 734,294</b>	<b>\$ 1,101,468</b>	<b>\$ 1,468,655</b>	<b>\$ 1,484,887</b>	<b>\$ 1,501,279</b>	<b>\$ 1,517,836</b>	<b>\$ -</b>



**FINANCIAL ANALYSIS**  
**Table 3a - Local Tax Capture**

**Chesterfield Towne Centre**  
**September 2, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

<u>Assumptions</u>	
Estimated True Cash Value:	\$ 159,745,479
Projected Taxable Value:	\$ 47,923,644
Initial Taxable Value:	\$ 4,108,550
Incremental Taxable Value:	\$ 43,815,094

Local Eligible Activities:	\$ 5,802,393
Local Capture:	\$ 2,096,511

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Percent Complete	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%	
Captured Taxable Value	\$ -	\$ 9,770,293	\$ 19,540,997	\$ 29,312,116	\$ 39,083,654	\$ 39,515,576	\$ 39,951,817	\$ 40,392,421	\$ 40,837,431	\$ 41,286,890	
New Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Captured Taxable Value	\$ -	\$ 9,770,293	\$ 19,540,997	\$ 29,312,116	\$ 39,083,654	\$ 39,515,576	\$ 39,951,817	\$ 40,392,421	\$ 40,837,431	\$ 41,286,890	
<b>2012 Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	
<b>Millage Category</b>	<b>Mills/\$1000</b>	<b>Capture</b>	<b>Total Tax Capture for All Eligible Activities</b>								
Macomb County Operating	4.5685	\$ 993,950	\$ -	\$ 44,635	\$ 89,273	\$ 133,912	\$ 178,553	\$ 180,526	\$ 182,519	\$ 184,532	\$ -
Macomb County Drain Debt	0.0050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Macomb County ISD	2.9430	\$ 640,296	\$ -	\$ 28,753	\$ 57,509	\$ 86,265	\$ 115,023	\$ 116,294	\$ 117,578	\$ 118,874	\$ -
MCCC	1.4212	\$ 309,202	\$ -	\$ 13,885	\$ 27,771	\$ 41,658	\$ 55,545	\$ 56,159	\$ 56,779	\$ 57,405	\$ -
HCMA	0.2146	\$ 46,687	\$ -	\$ 2,096	\$ 4,193	\$ 6,290	\$ 8,387	\$ 8,480	\$ 8,573	\$ 8,668	\$ -
Chesterfield Township	0.8061	\$ 175,377	\$ -	\$ 7,875	\$ 15,751	\$ 23,628	\$ 31,505	\$ 31,853	\$ 32,205	\$ 32,560	\$ -
Fire Operation	1.8858	\$ 410,284	\$ -	\$ 18,424	\$ 36,850	\$ 55,276	\$ 73,703	\$ 74,518	\$ 75,341	\$ 76,172	\$ -
Fire Equipment	0.4617	\$ 100,447	\$ -	\$ 4,510	\$ 9,022	\$ 13,533	\$ 18,044	\$ 18,244	\$ 18,445	\$ 18,649	\$ -
Police Special Assess.District	5.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library	0.6465	\$ 140,653	\$ -	\$ 6,316	\$ 12,633	\$ 18,950	\$ 25,267	\$ 25,546	\$ 25,828	\$ 26,113	\$ -
SMART	0.5900	\$ 128,362	\$ -	\$ 5,764	\$ 11,529	\$ 17,294	\$ 23,059	\$ 23,314	\$ 23,571	\$ 23,831	\$ -
Veteran Admin	0.0400	\$ 8,699	\$ -	\$ 390	\$ 781	\$ 1,172	\$ 1,563	\$ 1,580	\$ 1,598	\$ 1,615	\$ -
College Debt	0.1500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Debt	7.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIA	0.2000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Zoo	0.1000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Operating	18.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School SET	6.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Incremental Tax	50.0324	\$ 2,953,957	\$ -	\$ 132,648	\$ 265,312	\$ 397,978	\$ 530,649	\$ 536,514	\$ 542,437	\$ 548,419	\$ -
<b>Brownfield Tax Capture</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	
Tax Capture for Reimbursement	\$ 2,096,511	\$ -	\$ 122,699	\$ 245,414	\$ 368,130	\$ 490,850	\$ 496,275	\$ 373,143	\$ -	\$ -	\$ -
Interest Payment to Developer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for Brownfield Authority:	\$ 221,547	\$ -	\$ 9,949	\$ 19,898	\$ 29,848	\$ 39,799	\$ 40,239	\$ 40,683	\$ 41,131	\$ -	\$ -
Capture for Bond Repayment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State BRF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for LSRRF	\$ 635,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,612	\$ 507,288	\$ -	\$ -
Total Local Capture:	\$ 2,953,957	\$ -	\$ 132,648	\$ 265,312	\$ 397,978	\$ 530,649	\$ 536,514	\$ 542,437	\$ 548,419	\$ -	\$ -
<b>Eligible Activity Summary</b>	<b>Local Tax Capture</b>	\$ 2,096,511	\$ -	\$ 122,699	\$ 245,414	\$ 368,130	\$ 490,850	\$ 496,275	\$ 373,143	\$ -	\$ -
<b>School Tax Capture</b>	\$ 3,705,883	\$ -	\$ 205,176	\$ 410,360	\$ 615,554	\$ 820,756	\$ 829,827	\$ 824,212	\$ -	\$ -	
<b>Total Eligible Activity Capture</b>	\$ 5,802,393	\$ -	\$ 327,875	\$ 655,773	\$ 983,684	\$ 1,311,606	\$ 1,326,102	\$ 1,197,354	\$ -	\$ -	



**FINANCIAL ANALYSIS**  
**Table 3b - MDEQ Tax Capture**

**Chesterfield Towne Centre**  
**September 2, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

<u>Assumptions</u>	
Estimated True Cash Value:	\$ 159,745,479
Projected Taxable Value:	\$ 47,923,644
Initial Taxable Value:	\$ 4,108,550
Incremental Taxable Value:	\$ 43,815,094

MDEQ Eligible Activities:	\$ 5,802,393
MDEQ Capture:	\$ 3,705,883

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percent Complete	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Captured Taxable Value	\$ -	\$ 9,770,293	\$ 19,540,997	\$ 29,312,116	\$ 39,083,654	\$ 39,515,576	\$ 39,951,817	\$ 40,392,421	\$ 40,837,431	\$ 41,286,890
New Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Captured Taxable Value	\$ -	\$ 9,770,293	\$ 19,540,997	\$ 29,312,116	\$ 39,083,654	\$ 39,515,576	\$ 39,951,817	\$ 40,392,421	\$ 40,837,431	\$ 41,286,890
<b>2012</b>	<b>Total</b>	<b>Total</b>	<b>Total Tax Capture for All Eligible Activities</b>							
<b>Mills/\$1000</b>	<b>Capture</b>									
Macomb County Operating	4.5685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Macomb County Drain Debt	0.0050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Macomb County ISD	2.9430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MCCC	1.4212	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HCMA	0.2146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chesterfield Township	0.8061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Operation	1.8858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Equipment	0.4617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Special Assess.District	5.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library	0.6465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SMART	0.5900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Veteran Admin	0.0400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College Debt	0.1500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Debt	7.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIA	0.2000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Zoo	0.1000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Operating	18.0000	\$ 3,916,200	\$ 175,865	\$ 351,737	\$ 527,618	\$ 703,505	\$ 711,280	\$ 719,132	\$ 727,063	\$ -
School SET	6.0000	\$ 1,305,396	\$ 58,621	\$ 117,245	\$ 175,872	\$ 234,501	\$ 237,093	\$ 239,710	\$ 242,354	\$ -
Total Incremental Tax	50.0324	\$ 5,221,596	\$ 234,486	\$ 468,982	\$ 703,490	\$ 938,006	\$ 948,373	\$ 958,842	\$ 969,417	\$ -
<b>Brownfield Tax Capture</b>	<b>Total</b>									
Tax Capture for Reimbursement	\$ 3,705,883	\$ -	\$ 205,176	\$ 410,360	\$ 615,554	\$ 820,756	\$ 829,827	\$ 824,212	\$ -	\$ -
Interest Payment to Developer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for Brownfield Authority:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for Bond Repayment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capture for State BRF	\$ 652,698	\$ -	\$ 29,311	\$ 58,623	\$ 87,936	\$ 117,251	\$ 118,547	\$ 119,655	\$ 121,177	\$ -
Capture for LSRRF	\$ 863,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,775	\$ 848,240	\$ -
Total MDEQ Capture:	\$ 5,221,596	\$ -	\$ 234,486	\$ 468,982	\$ 703,490	\$ 938,006	\$ 948,373	\$ 958,842	\$ 969,417	\$ -
<b>MDEQ Eligible Activity Summary</b>										
Local Tax Capture	\$ 2,096,511	\$ -	\$ 122,699	\$ 245,414	\$ 368,130	\$ 490,850	\$ 496,275	\$ 373,143	\$ -	\$ -
School Tax Capture	\$ 3,705,883	\$ -	\$ 205,176	\$ 410,360	\$ 615,554	\$ 820,756	\$ 829,827	\$ 824,212	\$ -	\$ -
Total MDEQ Eligible Activity Capture	\$ 5,802,393	\$ -	\$ 327,875	\$ 655,773	\$ 983,684	\$ 1,311,606	\$ 1,326,102	\$ 1,197,354	\$ -	\$ -



**FINANCIAL ANALYSIS** **Chesterfield Towne Centre**  
**Table 4 - Total Tax (Not Including Personal Property)** **July 11, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

**Assumptions**  
 Estimated True Cash Value: \$ 159,745,479  
 Projected Taxable Value: \$ 47,923,644

**Annual Appreciation:** 1.00%  
**NPV Assumption:** 1.00%  
**Required Years for Capture:** 7

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan Year	0	1	2	3	4	5	6	7	8	9
Percent Complete	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Real Property Taxable Value	\$ 4,108,550	\$ 13,878,843	\$ 23,649,547	\$ 33,420,666	\$ 43,192,204	\$ 43,624,126	\$ 44,060,367	\$ 44,500,971	\$ 44,945,981	\$ 45,395,440
Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Taxable Value</b>	<b>\$ 4,108,550</b>	<b>\$ 13,878,843</b>	<b>\$ 23,649,547</b>	<b>\$ 33,420,666</b>	<b>\$ 43,192,204</b>	<b>\$ 43,624,126</b>	<b>\$ 44,060,367</b>	<b>\$ 44,500,971</b>	<b>\$ 44,945,981</b>	<b>\$ 45,395,440</b>

Millage Category	2012											
	Total Mills/\$1000	Total Tax										
Macomb County Operating	4.5685	\$ 6,620,074	\$ 18,770	\$ 63,405	\$ 108,043	\$ 152,682	\$ 197,324	\$ 199,297	\$ 201,290	\$ 203,303	\$ 205,336	\$ 207,389
Macomb County Drain Debt	0.0050	\$ 7,245	\$ 21	\$ 69	\$ 118	\$ 167	\$ 216	\$ 218	\$ 220	\$ 223	\$ 225	\$ 227
Macomb County ISD	2.9430	\$ 4,264,612	\$ 12,091	\$ 40,845	\$ 69,601	\$ 98,357	\$ 127,115	\$ 128,386	\$ 129,670	\$ 130,966	\$ 132,276	\$ 133,599
MCCC	1.4212	\$ 2,059,418	\$ 5,839	\$ 19,725	\$ 33,611	\$ 47,497	\$ 61,385	\$ 61,999	\$ 62,619	\$ 63,245	\$ 63,877	\$ 64,516
HCMA	0.2146	\$ 310,970	\$ 882	\$ 2,978	\$ 5,075	\$ 7,172	\$ 9,269	\$ 9,362	\$ 9,455	\$ 9,550	\$ 9,645	\$ 9,742
Chesterfield Township	0.8061	\$ 1,168,095	\$ 3,312	\$ 11,188	\$ 19,064	\$ 26,940	\$ 34,817	\$ 35,165	\$ 35,517	\$ 35,872	\$ 36,231	\$ 36,593
Fire Operation	1.8658	\$ 2,732,655	\$ 7,748	\$ 26,173	\$ 44,598	\$ 63,025	\$ 81,452	\$ 82,266	\$ 83,089	\$ 83,920	\$ 84,759	\$ 85,607
Fire Equipment	0.4617	\$ 669,035	\$ 1,897	\$ 6,408	\$ 10,919	\$ 15,430	\$ 19,942	\$ 20,141	\$ 20,343	\$ 20,546	\$ 20,752	\$ 20,959
Police	5.0000	\$ 7,245,348	\$ 20,543	\$ 69,394	\$ 118,248	\$ 167,103	\$ 215,961	\$ 218,121	\$ 220,302	\$ 222,505	\$ 224,730	\$ 226,977
Library	0.6465	\$ 936,823	\$ 2,656	\$ 8,973	\$ 15,289	\$ 21,606	\$ 27,924	\$ 28,203	\$ 28,485	\$ 28,770	\$ 29,058	\$ 29,348
SMART	0.5900	\$ 854,951	\$ 2,424	\$ 8,189	\$ 13,953	\$ 19,718	\$ 25,483	\$ 25,738	\$ 25,996	\$ 26,256	\$ 26,518	\$ 26,783
Veteran Admin	0.0400	\$ 57,963	\$ 164	\$ 555	\$ 946	\$ 1,337	\$ 1,728	\$ 1,745	\$ 1,762	\$ 1,780	\$ 1,798	\$ 1,816
College Debt	0.1500	\$ 217,360	\$ 616	\$ 2,082	\$ 3,547	\$ 5,013	\$ 6,479	\$ 6,544	\$ 6,609	\$ 6,675	\$ 6,742	\$ 6,809
School Debt	7.0000	\$ 10,143,487	\$ 28,760	\$ 97,152	\$ 165,547	\$ 233,945	\$ 302,345	\$ 305,369	\$ 308,423	\$ 311,507	\$ 314,622	\$ 317,768
DIA	0.2000	\$ 289,814	\$ 822	\$ 2,776	\$ 4,730	\$ 6,684	\$ 8,638	\$ 8,725	\$ 8,812	\$ 8,900	\$ 8,989	\$ 9,079
Zoo	0.1000	\$ 144,907	\$ 411	\$ 1,388	\$ 2,365	\$ 3,342	\$ 4,319	\$ 4,362	\$ 4,406	\$ 4,450	\$ 4,495	\$ 4,540
School Operating	18.0000	\$ 26,083,251	\$ 73,954	\$ 249,819	\$ 425,692	\$ 601,572	\$ 777,460	\$ 785,234	\$ 793,087	\$ 801,017	\$ 809,028	\$ 817,118
School SET	6.0000	\$ 8,694,417	\$ 24,651	\$ 83,273	\$ 141,897	\$ 200,524	\$ 259,153	\$ 261,745	\$ 264,362	\$ 267,006	\$ 269,676	\$ 272,373
<b>Total Tax</b>	<b>50.0324</b>	<b>\$ 72,500,425</b>	<b>\$ 205,561</b>	<b>\$ 694,392</b>	<b>\$ 1,183,244</b>	<b>\$ 1,672,116</b>	<b>\$ 2,161,010</b>	<b>\$ 2,182,620</b>	<b>\$ 2,204,446</b>	<b>\$ 2,226,490</b>	<b>\$ 2,248,755</b>	<b>\$ 2,271,243</b>



**FINANCIAL ANALYSIS** **Chesterfield Towne Centre**  
**Table 4 - Total Tax (Not Including Personal Property)**  
**July 11, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Plan Year	10	11	12	13	14	15	16	17	18	19	20
Percent Complete	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Real Property Taxable Value	\$ 45,849,395	\$ 46,307,889	\$ 46,770,968	\$ 52,595,836	\$ 53,121,794	\$ 53,653,012	\$ 54,189,542	\$ 54,731,438	\$ 55,278,752	\$ 55,831,540	\$ 56,389,855
Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Taxable Value</b>	<b>\$ 45,849,395</b>	<b>\$ 46,307,889</b>	<b>\$ 46,770,968</b>	<b>\$ 52,595,836</b>	<b>\$ 53,121,794</b>	<b>\$ 53,653,012</b>	<b>\$ 54,189,542</b>	<b>\$ 54,731,438</b>	<b>\$ 55,278,752</b>	<b>\$ 55,831,540</b>	<b>\$ 56,389,855</b>
<b>2012 Total</b>											
<b>Millage Category</b>	<b>Mills/\$1000</b>										
Macomb County Operating	4.5685	209,463	211,558	213,673	240,284	242,687	245,114	247,565	250,041	252,541	255,066
Macomb County Drain Debt	0.0050	229	232	234	263	266	268	271	274	276	279
Macomb County ISD	2.9430	134,935	136,284	137,647	154,790	156,337	157,901	159,480	161,075	162,685	164,312
MCCC	1.4212	65,161	65,813	66,471	74,749	75,497	76,252	77,014	77,784	78,562	79,348
HCMA	0.2146	9,839	9,938	10,037	11,287	11,400	11,514	11,629	11,745	11,863	11,981
Chesterfield Township	0.8061	36,959	37,329	37,702	42,398	42,821	43,250	43,682	44,119	44,560	45,006
Fire Operation	1.8858	86,463	87,327	88,201	99,185	100,177	101,179	102,191	103,213	104,245	105,287
Fire Equipment	0.4617	21,169	21,380	21,594	24,283	24,526	24,772	25,019	25,270	25,522	25,777
Police	5.0000	229,247	231,539	233,855	262,979	265,609	268,265	270,948	273,657	276,394	279,158
Library	0.6465	29,642	29,938	30,237	34,003	34,343	34,687	35,034	35,384	35,738	36,095
SMART	0.5900	27,051	27,322	27,595	31,032	31,342	31,655	31,972	32,292	32,614	32,941
Veteran Admin	0.0400	1,834	1,852	1,871	2,104	2,125	2,146	2,168	2,189	2,211	2,233
College Debt	0.1500	6,877	6,946	7,016	7,889	7,968	8,048	8,128	8,210	8,292	8,375
School Debt	7.0000	320,946	324,155	327,397	368,171	371,853	375,571	379,327	383,120	386,951	390,821
DIA	0.2000	9,170	9,262	9,354	10,519	10,624	10,731	10,838	10,946	11,056	11,166
Zoo	0.1000	4,585	4,631	4,677	5,260	5,312	5,365	5,419	5,473	5,528	5,583
School Operating	18.0000	825,289	833,542	841,877	946,725	956,192	965,754	975,412	985,166	995,018	1,004,968
School SET	6.0000	275,096	277,847	280,626	315,575	318,731	321,918	325,137	328,389	331,673	334,989
<b>Total Tax</b>	<b>50.0324</b>	<b>2,293,955</b>	<b>2,316,895</b>	<b>2,340,064</b>	<b>2,631,496</b>	<b>2,657,811</b>	<b>2,684,389</b>	<b>2,711,233</b>	<b>2,738,345</b>	<b>2,765,729</b>	<b>2,793,386</b>





**FINANCIAL ANALYSIS**

**Chesterfield Towne Centre**

**Table 4 - Total Tax (Not Including Personal Property)**

**July 11, 2014**

Jurisdiction: Chesterfield Township, MI  
 School District: L'Anse Creuse  
 Project Type: Mixed Use

Year	2036	2037	2038	2039	2040	2041	2042	2043	2044
Plan Year	21	22	23	24	25	26	27	28	29
Percent Complete	100%	100%	100%	100%	100%	100%	100%	100%	100%
Real Property Taxable Value	\$ 56,953,754	\$ 57,523,291	\$ 58,098,524	\$ 58,679,509	\$ 59,266,304	\$ 59,858,967	\$ 60,457,557	\$ 61,062,133	\$ 61,672,754
Personal Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Taxable Value	\$ 56,953,754	\$ 57,523,291	\$ 58,098,524	\$ 58,679,509	\$ 59,266,304	\$ 59,858,967	\$ 60,457,557	\$ 61,062,133	\$ 61,672,754

Millage Category	2012 Total									
	Mills/\$1000									
Macomb County Operating	4.5685	\$ 260,193	\$ 262,795	\$ 265,423	\$ 268,077	\$ 270,758	\$ 273,466	\$ 276,200	\$ 278,962	\$ 281,752
Macomb County Drain Debt	0.0050	\$ 285	\$ 288	\$ 290	\$ 293	\$ 296	\$ 299	\$ 302	\$ 305	\$ 308
Macomb County ISD	2.9430	\$ 167,615	\$ 169,291	\$ 170,984	\$ 172,694	\$ 174,421	\$ 176,165	\$ 177,927	\$ 179,706	\$ 181,503
MCCC	1.4212	\$ 80,943	\$ 81,752	\$ 82,570	\$ 83,395	\$ 84,229	\$ 85,072	\$ 85,922	\$ 86,782	\$ 87,649
HCMA	0.2146	\$ 12,222	\$ 12,344	\$ 12,468	\$ 12,593	\$ 12,719	\$ 12,846	\$ 12,974	\$ 13,104	\$ 13,235
Chesterfield Township	0.8061	\$ 45,910	\$ 46,370	\$ 46,833	\$ 47,302	\$ 47,775	\$ 48,252	\$ 48,735	\$ 49,222	\$ 49,714
Fire Operation	1.8858	\$ 107,403	\$ 108,477	\$ 109,562	\$ 110,658	\$ 111,764	\$ 112,882	\$ 114,011	\$ 115,151	\$ 116,302
Fire Equipment	0.4617	\$ 26,296	\$ 26,559	\$ 26,824	\$ 27,092	\$ 27,363	\$ 27,637	\$ 27,913	\$ 28,192	\$ 28,474
Police	5.0000	\$ 284,769	\$ 287,616	\$ 290,493	\$ 293,398	\$ 296,332	\$ 299,295	\$ 302,288	\$ 305,311	\$ 308,364
Library	0.6465	\$ 36,821	\$ 37,189	\$ 37,561	\$ 37,936	\$ 38,316	\$ 38,699	\$ 39,086	\$ 39,477	\$ 39,871
SMART	0.5900	\$ 33,603	\$ 33,939	\$ 34,278	\$ 34,621	\$ 34,967	\$ 35,317	\$ 35,670	\$ 36,027	\$ 36,387
Veteran Admin	0.0400	\$ 2,278	\$ 2,301	\$ 2,324	\$ 2,347	\$ 2,371	\$ 2,394	\$ 2,418	\$ 2,442	\$ 2,467
College Debt	0.1500	\$ 8,543	\$ 8,628	\$ 8,715	\$ 8,802	\$ 8,890	\$ 8,979	\$ 9,069	\$ 9,159	\$ 9,251
School Debt	7.0000	\$ 398,676	\$ 402,663	\$ 406,690	\$ 410,757	\$ 414,864	\$ 419,013	\$ 423,203	\$ 427,435	\$ 431,709
DIA	0.2000	\$ 11,391	\$ 11,505	\$ 11,620	\$ 11,736	\$ 11,853	\$ 11,972	\$ 12,092	\$ 12,212	\$ 12,335
Zoo	0.1000	\$ 5,695	\$ 5,752	\$ 5,810	\$ 5,868	\$ 5,927	\$ 5,986	\$ 6,046	\$ 6,106	\$ 6,167
School Operating	18.0000	\$ 1,025,168	\$ 1,035,419	\$ 1,045,773	\$ 1,056,231	\$ 1,066,793	\$ 1,077,461	\$ 1,088,236	\$ 1,099,118	\$ 1,110,110
School SET	6.0000	\$ 341,723	\$ 345,140	\$ 348,591	\$ 352,077	\$ 355,598	\$ 359,154	\$ 362,745	\$ 366,373	\$ 370,037
Total Tax	50.0324	\$ 2,849,533	\$ 2,878,028	\$ 2,906,809	\$ 2,935,877	\$ 2,965,235	\$ 2,994,888	\$ 3,024,837	\$ 3,055,085	\$ 3,085,636



**Attachment A**

**Resolution(s) Approving Combined Brownfield Plan**

**Attachment B**  
**Development Reimbursement Agreement**

**Attachment C**  
**Additional Legal Description**

EXHIBIT A

Situated in the Township of Chesterfield, Macomb County, Michigan, described as:

Parcel 1:

A parcel of land being a portion of Lots 1 through 7, both inclusive, Edsel Ford-Rosso Subdivision, as recorded in Liber 38, of Plats, page 13, Macomb County Records and part of the northeast 1/4 and southeast 1/4 of Section 31 and part of the northwest 1/4 of fractional Section 32, Town 3 north, Range 14 east, Chesterfield Township, Macomb County, Michigan, being described as:

Commencing at the northeast corner of Section 31, being the northwest corner of Section 32; thence north 88 degrees 17 minutes 21 seconds east (recorded as north 88 degrees 12 minutes 43 seconds east) 361.20 feet along the north line of fractional Section 32 to the westerly line of Private Claim 144, also being the west line of Industrial Park-21 Subdivision, as recorded in Liber 86 of Plats, pages 23, 24 and 25, Macomb County Records; thence south 02 degrees 25 minutes 07 seconds west 93.24 feet (recorded as south 02 degrees 25 minutes 32 seconds west 93.52 feet) along the west line of Private Claim 144 and the west line of said Industrial Park-21 to the point of beginning; thence continuing south 02 degrees 25 minutes 07 seconds west 1461.13 feet (recorded as south 02 degrees 25 minutes 32 seconds west 1461.62 feet) along the west line of Private Claim 144 and the west line of said Industrial Park-21, the west line of Industrial Park 21-2, as recorded in Liber 89 of Plats, pages 35, 36 and 37, Macomb County Records to the southwest corner of said Industrial Park 21-2 and the northwest corner of Industrial Park 21-3, as recorded in Liber 90 of Plats, page 28, 29, 30, 31 and 32, Macomb County Records; thence south 02 degrees 28 minutes 46 seconds west (recorded as south 02 degrees 28 minutes 58 seconds west) 337.70 feet along the west line of Private Claim 144 and the west line of Industrial Park 21-3; thence north 85 degrees 50 minutes 37 seconds west 266.90 feet; thence south 14 degrees 58 minutes 20 seconds west 107.80 feet; thence 612.01 feet along a tangent curve to the right having a radius of 648.00 feet, a central angle of 54 degrees 06 minutes 49 seconds and whose chord bears south 42 degrees 01 minutes 44 seconds west 589.52 feet; thence 450.10 feet (recorded as 449.80 feet) along a tangent curve to the left having a radius of 457.00 feet, a central angle of 56 degrees 25 minutes 50 seconds (recorded as 56 degrees 23 minutes 36 seconds) and whose chord bears south 40 degrees 52 minutes 14 seconds west 432.13 feet (recorded as south 40 degrees 53 minutes 21 seconds west 431.86 feet) to the east and west 1/4 line of Section 31; thence south 01 degrees 28 minutes 36 seconds east 1241.25 feet (recorded as south 01 degrees 27 minutes 52 seconds east 1241.05 feet); thence north 88 degrees 39 minutes 44 seconds west 93.08 feet; thence south 01 degrees 23 minutes 16 seconds west 1295.34 feet (recorded as 1295.56 feet) to the north right of way of M-59 (variable right of way); thence north 83 degrees 30 minutes 14 seconds west 26.61 feet (recorded as north 83 degrees 29 minutes 19 seconds west 26.83 feet) along the north right of way line of M-59; thence south 88 degrees 04 minutes 03 seconds west 1420.41 feet along the north right of way of M-59 to the southeasterly right of way of I-94 (limited access); thence north 46 degrees 55 minutes 58 seconds west 127.28 feet along the southeasterly right of way of I-94; thence north 01 degrees 55 minutes 58 seconds west 279.57 feet along the southeasterly right of way of I-94; thence north 14 degrees 48 minutes 47 seconds west 631.95 feet along the southeasterly right of way of I-94; thence north 08 degrees 05 minutes 53 seconds east 603.00 feet along the

southeasterly right of way of I-94; thence north 24 degrees 12 minutes 26 seconds east 1050.56 feet (recorded as north 24 degrees 12 minutes 13 seconds east 1050.82 feet) along the southeasterly right of way of I-94 to the east and west 1/4 line of Section 31; thence north 87 degrees 56 minutes 57 seconds east 102.65 feet; thence north 01 degrees 43 minutes 12 seconds west 211.26 feet (recorded as north 01 degrees 38 minutes 59 seconds west 211.13 feet) to the southeasterly right of way of I-94 (limited access); thence north 24 degrees 11 minutes 37 seconds east 1710.04 feet (recorded as north 24 degrees 12 minutes 13 seconds east 1710.00 feet) along the southeasterly right of way of I-94; thence north 28 degrees 44 minutes 43 seconds east 187.31 feet (recorded as north 28 degrees 46 minutes 20 seconds east 187.37 feet) along the southeasterly right of way of I-94; thence 297.51 feet (recorded as 297.27 feet) along a tangent curve to the right having a radius 599.07 feet, a central angle of 28 degrees 27 minutes 14 seconds (recorded as 28 degrees 25 minutes 53 seconds) and whose chord is north 42 degrees 58 minutes 20 seconds east 294.46 feet (recorded as north 42 degrees 59 minutes 16 seconds east 294.23 feet) along the southeasterly right of way of I-94; thence north 57 degrees 12 minutes 57 seconds east 695.12 feet (recorded as north 57 degrees 12 minutes 13 seconds east 695.41 feet) along the southeasterly right of way of I-94; thence 335.63 feet (recorded as 335.59 feet) along a tangent curve to the right having a radius of 966.74 feet, a central angle of 19 degrees 53 minutes 30 seconds (recorded as 19 degrees 53 minutes 22 seconds) and whose chord is north 67 degrees 09 minutes 42 seconds east 333.95 feet (recorded as north 67 degrees 08 minutes 54 seconds east 333.91 feet) along the southeasterly right of way of I-94 to the east line of Section 31 being the west line of Section 32; thence 169.90 feet (recorded as 169.94 feet) continuing along a tangent curve to the right having a radius of 966.74 feet, a central angle of 10 degrees 04 minutes 11 seconds (recorded as 10 degrees 04 minutes 19 seconds) and whose chord is north 82 degrees 08 minutes 32 seconds east 169.68 feet (recorded as north 82 degrees 07 minutes 44 seconds east 169.72 feet) along the southeasterly right of way of I-94; thence north 87 degrees 10 minutes 38 seconds east 186.63 feet (recorded as north 87 degrees 09 minutes 53 seconds east 186.58 feet, also recorded as 186.61 feet) along the southeasterly right of way of I-94 (limited access) to the point of beginning.

Excepting therefrom, the following described land:

Part of the northwest quarter of fractional Section 32, Town 3 north, Range 14 east, Chesterfield Township, Macomb County, Michigan, being described as: Commencing at the northwest corner of Section 32; thence north 88 degrees 17 minutes 21 seconds east 361.20 feet along the north line of fractional Section 32 to the westerly line of Private Claim 144, also being the west line of Industrial Park-21 Subdivision, as recorded in Liber 86 of Plats, pages 23, 24 and 25, Macomb County Records; thence south 02 degrees 25 minutes 07 seconds west 585.99 feet along the west line of Private Claim 144 and the west line of said Industrial Park 21 and the west line of Industrial Park 21-2 as recorded in Liber 89 of Plats, pages 35, 36 and 37, Macomb County Records to the point of beginning thence continuing south 02 degrees 25 minutes 07 seconds west 395.26 feet along the west line of Private Claim 144; the west line of said Industrial Park-21 and the west line of Industrial Park 21-2; thence north 87 degrees 34 minutes 53 seconds west 144.18 feet; thence south 51.65 feet along a tangent curve to the right having a radius of 54.00 feet, a central angle of 54 degrees 47 minutes 49 seconds and chord bearing north 60 degrees 10 minutes 58 seconds west 49.70 feet; thence north 32 degrees 47 minutes 03 seconds west 121.20

feet; thence north 57 degrees 12 minutes 57 seconds east 92.07 feet; thence 289.68 feet along a tangent curve to the left having a radius of 550.00 feet, a central angle of 30 degrees 10 minutes 38 seconds and chord bearing north 42 degrees 07 minutes 38 seconds east 286.34 feet to the point of beginning.

Parcel A:

Part of Lot 1 of Industrial Park 21, part of Lots 9 & 10 of "Supervisor's Plat No. 9A", a subdivision of part of Private Claim 144, Town 3 north, Range 14 east, Chesterfield Township, Macomb County, Michigan, as recorded in Liber 86 of Plats, pages 23, 24 and 25, Macomb County Records, more particularly described as: Beginning at the northwest corner of Lot 1; thence north 87 degrees 12 minutes 20 seconds east 50.21 feet along the north line of Lot 1; thence south 02 degrees 25 minutes 07 seconds west 295.38 feet; thence 26.66 feet along the tangent curve to the right, having a radius of 550.00 feet, a central angle of 02 degrees 46 minutes 37 seconds and the chord bearing south 03 degrees 48 minutes 26 seconds west 26.27 feet; thence north 87 degrees 36 minutes 23 seconds west 49.35 feet along the south line of Lot 1; thence north 02 degrees 25 minutes 07 seconds east 317.49 feet along the west line of Lot 1 to the point of beginning.

Parcel B:

Part of Lot 4 of Amended Plat of Outlot "A" of "Industrial Park 21-2", a subdivision of part of Private Claim 144, Town 3 north, Range 14 east, Chesterfield Township, Macomb County, Michigan, as recorded in Liber 98 of Plats, page 18, Macomb County Records, more particularly described as: Beginning at the northwest corner of Lot 4; thence south 87 degrees 37 minutes 53 seconds east 43.13 feet along the north line of Lot 4; thence 149.34 feet along a non-tangent curve to the right having a radius 550.00 feet, a central angle of 15 degrees 33 minutes 27 seconds and the chord bearing south 19 degrees 15 minutes 36 seconds west 148.88 feet; thence north 02 degrees 25 minutes 07 seconds east 142.46 feet along the west line of Lot 4 to the point of beginning.

Including all that part of vacated Luckino Drive adjacent thereto and lying between said parcels.

Parcel Identification Nos.

09-31-402-004, as to Parcel 1  
 09-31-402-005, as to Parcel 1  
 09-31-426-006, as to Parcel 1  
 09-31-451-009, as to Parcel 1  
 09-31-451-011, as to Parcel 1  
 09-31-451-013, as to Parcel 1  
 09-31-451-015, as to Parcel 1  
 09-31-451-017, as to Parcel 1  
 09-31-451-019, as to Parcel 1  
 09-31-451-021, as to Parcel 1  
 09-31-251-003, as to Parcel 1  
 (part of) 09-31-276-002, as to Parcel 1  
 (part of) 09-31-226-003, as to Parcel 1  
 part of 09-32-103-001, as to Parcels A & B  
 part of 09-32-104-006, as to Parcels A & B

**Attachment D**  
**Wastewater Lagoon Closure Letters**



STATE OF MICHIGAN



JOHN ENGLER, Governor

## DEPARTMENT OF ENVIRONMENTAL QUALITY

*"Better Service for a Better Environment"*

HOLLISTER BUILDING, PO BOX 90473, LANSING MI 48208-7973

INTERNET: [www.deq.state.mi.us](http://www.deq.state.mi.us)

RUSSELL J. HARDING, Director

REPLY TO:

SE MICHIGAN DISTRICT OFFICE  
24680 SEVEN MILE RD  
LIVONIA MI 48153-1005

March 8, 2001

Mr. Kirit T. Ravani, P.E., President  
 Enviro Matrix  
 163 Madison, Suite 104  
 Detroit, Michigan 48226-2135

Dear Mr. Ravani:

Subject: Closure Report  
 North Cell, South Lagoon  
 Chesterfield Township

On January 11, 2001, a closure report for the north cell of the south wastewater sewage lagoon was submitted to this office for review. The report was submitted in accordance with the approved October 29, 1997 closure sampling plan. The closure report was reviewed in conformance with the January 14, 2000 draft Surface Water Quality Division Lagoon Closure Procedure.

The closure report documents final remedial actions at the north cell of the lagoon system and also provides a risk-based evaluation of the site subsequent to wastewater and biosolids removal. The risk-based evaluation consisted of a comparison of sample results with Part 201 residential land use criteria and background default soil concentrations.

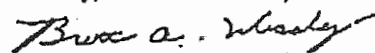
The Michigan Department of Environmental Quality (MDEQ), Surface Water Quality Division has reviewed the closure report submitted by Enviro Matrix for the land use based remedial action plan pursuant to Part 201 of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended, MCL 324.20101, *et seq.* Based upon our evaluation of the submittals, the north cell remedial actions are considered complete. Residential closure for the north lagoon cell is granted.

The MDEQ expresses no opinion as to other contaminants beyond those identified and remediated as a part of the approved RAP. The MDEQ also makes no warranty as to the fitness of this site for any general or specific use and prospective purchasers or users are advised to use due diligence prior to acquiring or using this site.

Mr. Kirit T. Ravani, P.E., President  
Enviro Matrix  
March 7, 2001  
Page 2

If you should have further questions or concerns, please contact me at 734 953-1442.

Sincerely,



Brett A. Wiseley  
Southeast Michigan District Office  
Surface Water Quality Division  
734-953-1442

cc: Park Plaza North, LLC



STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
JACKSON DISTRICT OFFICE



JENNIFER M. GRANHOLM  
GOVERNOR

STEVEN E. CHESTER  
DIRECTOR

March 31, 2003

Mr. Kirit T. Ravani, P.E., Principal  
Enviro Matrix  
163 Madison, Suite 104  
Detroit, Michigan 48226-2135

Dear Mr. Ravani:

SUBJECT: Closure Report  
North Lagoon  
Chesterfield Township

On September 24, 2002, a closure report for the north wastewater sewage lagoon was submitted to the Department of Environmental Quality (DEQ), Water Division (WD) for review. The report was submitted in accordance with the approved February 11, 2002, closure sampling plan. The closure report was reviewed in conformance with the March 5, 2002, Lagoon Closure Procedure.

The closure report documents final remedial actions at the north lagoon system and provides a risk-based evaluation of the site subsequent to wastewater removal and biosolids reuse and relocation. The risk based evaluation consisted of a comparison of sample results with Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, (NREPA), residential land use criteria and background default soil concentrations.

The DEQ, WD has reviewed the closure report submitted by Enviro Matrix for the land use based lagoon closure plan pursuant to Part 31, Water Resources Protection, of NREPA. Based upon our evaluation of the submittals, closure for the north lagoon system is granted.

The DEQ expresses no opinion as to other contaminants beyond those identified and remediated as a part of the approved lagoon closure plan. The DEQ also makes no warranty as to the fitness of this site for any general or specific use, and prospective purchasers or users are advised to use due diligence prior to acquiring or using this site.

If you have further questions or concerns, please contact me.

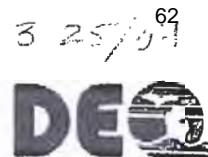
Sincerely,

Greg Merricle  
Biosolids Coordinator  
Field Operations Section  
Water Division  
517-780-7841

cc: Mr. Joe Gayeski, Chesterfield Township  
File: Chesterfield Township North, Macomb County



STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
SOUTHEAST MICHIGAN DISTRICT OFFICE



JENNIFER M. GRANHOLM  
GOVERNOR

STEVEN E. CHESTER  
DIRECTOR

March 25, 2004

RECEIVED MAR 26 2004

Mr. Scott G. Park, C.P.G.  
STS Consultants, Ltd.  
7402 Westshire Drive, Suite 100  
Lansing, Michigan 48917-8687

Dear Mr. Park:

SUBJECT: Closure Report  
Southeast and Southwest Cells, Chesterfield Township South Lagoon

On November 5, 2003, a closure report for the southeast and southwest cells of the Chesterfield Township South Lagoon was submitted to the Department of Environmental Quality (DEQ), Water Division (WD) for review. The report was submitted in accordance with the approved October 29, 1997, closure sampling plan. The closure report was reviewed in conformance with the March 5, 2002, Lagoon Closure Procedure.

The closure report documents final closure actions at the south lagoon system and provides a risk-based evaluation of the site subsequent to wastewater removal and biosolids relocation and reuse. The risk based evaluation consisted of a comparison of sample results with Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, (NREPA), residential land use criteria and site specific background soil concentrations.

The DEQ, WD has reviewed the closure report submitted by STS Consultants, Ltd for the land use based lagoon closure plan pursuant to Part 31, Water Resources Protection, of NREPA. Based upon our evaluation of the submittals, closure for the south lagoon system is granted.

The DEQ expresses no opinion as to other contaminants beyond those identified as a part of the approved lagoon closure plan. The DEQ also makes no warranty as to the fitness of this site for any general or specific use, and prospective purchasers or users are advised to use due diligence prior to acquiring or using this site.

If you have further questions or concerns, please contact me.

Sincerely,

Greg Merricle  
Biosolids Coordinator  
Field Operations Section  
Water Division  
517-780-7841

cc: Mr. Richard Ives, Chesterfield Town Center, L.L.C.  
Mr. Jim Ellis, Chesterfield Township Supervisor  
Mr. Kirit Rivani, Enviro Matrix, Inc.  
File: Chesterfield Township South, Macomb County

October 15, 2014

Dear Chairman Flynn:

As the current owners of Chesterfield Town Center, we are working to bring developments to Chesterfield Township including: (1) A 350,000 square foot high end outlet shopping center; (2) Macomb County's first regional convention center; and (3) other associated restaurants, retail, hotels, as well as technical and light industrial users. Macomb County has named this site as one of two prime properties and has assisted with the promotion of this property.

Our proposed developments have received extensive press coverage. Enclosed are several recent articles regarding the proposed development.

The proposed developments will generate an estimated \$2.1 MM in annual tax revenue and create an estimated 1,300 permanent full time jobs.

This application is to amend the prior 2009 Brownfield Plan for the property that was approved by Chesterfield Township and the Macomb County Brownfield Redevelopment Authority. It is necessary that this plan be amended to reflect: changes in Act 381; changes in construction costs based on the current market; a change in ownership; and updated eligible activities based on recent environmental assessments. Our revised Brownfield Plan for the property has again been approved by the Chesterfield Township Board and the Macomb County Brownfield Redevelopment Authority.

The prompt approval of the amended plan is critical to the success of this development. The Chesterfield Town Center property has been designated a facility under act 381 and will require remediation prior to proceeding.

Should you wish further information or should you have further questions, please do not hesitate to contact me at your earliest convenience.

Sincerely,

Thomas Guastello  
President Center Management  
34120 Woodward Avenue  
Birmingham, MI 48009  
(248) 540-9999 Office  
(949) 500-5566 Mobile



930,000 SF  
MIXED USE  
CENTER

# CHESTERFIELD TOWNE CENTRE

NORTHEAST CORNER OF M-59 (HALL ROAD) & I-94  
CHESTERFIELD TWP, MICHIGAN

Retail **24/7.**



RETAIL,  
RESTAURANT, AND  
ENTERTAINMENT  
SPACE  
AVAILABLE

## TRAFFIC COUNTS:

I-94: 104,200

M-59: 69,300

21 Mile Rd.: 21,691

Chesterfield Towne Centre (CTC) is approved for 930,000 square feet of mixed use space. Located along Macomb County's growing I-94 corridor, CTC is the first development of its kind in Michigan, Chesterfield Towne Centre can accommodate various uses integrated in a village like setting.

Anchored by Oakland University, a convention center ([www.macombconventioncenter.com](http://www.macombconventioncenter.com)) and entertainment village, the development has opportunities for various users including banks, restaurants, retailers, hotels, office, and medical.

12.5% BROWNFIELD TAX CREDIT AVAILABLE TO QUALIFIED USERS

2009 Estimated Demographics	1 mile	3 miles	5 miles
POPULATION	6,545	54,184	168,874
GROWTH 2000-2009	.89%	9.46%	13.70%
AVERAGE HH INCOME	\$46,629	\$51,802	\$58,225
MEDIAN AGE	35.42	35.91	37.14
EMPLOYEES (DAYTIME POPULATION)	6,917	37,052	72,612



**Contact: Center Management, Inc.**

[www.centermgt.net](http://www.centermgt.net)

email: [CMSinMI@aol.com](mailto:CMSinMI@aol.com)

248.549.0900 ph.

248.549.0990 fax.





LOADING 'A-2'  
5 SF.  
LOADING 'Z'  
75 SF.  
LOADING 'X'  
15 SF.  
LOADING 'Y'  
10 SF.

BUILDING W  
6,650 SF.  
BUILDING Y  
6,650 SF.  
BUILDING V  
36,130 SF.

BUILDING T  
173,335 SF.

BUILDING S  
40,000 SF.

BUILDING R  
40,000 SF.

21 MILE ROAD

INTERSTATE I-94

TOWNE CENTRE BOULEVARD

TOWNE CENTRE BOULEVARD















# CRAIN'S DETROIT BUSINESS

Detroit and Southeast Michigan's premier business news and information website

Originally Published: August 17, 2014 8:00 AM Modified: August 21, 2014 3:52 AM

## Macomb's first exhibition center may be in works

Developers also plan hotel on outlet site

By [Sherri Welch](#)

The developers vying to bring an outlet center to Chesterfield Township plan to build a conference center and hotel on the same site.

The 120,000-square-foot center, planned near M-59 and I-94, would be Macomb County's first independent exhibition center.

The idea is that it would attract people to the outlet center, and the outlet center, in turn, would help bring people to the new exhibition center, said Thomas Guastello, owner and president of **Center Management**, a local developer that co-owns the Chesterfield Township site with Cincinnati-based **Jeffrey R. Anderson Real Estate Inc.**

**Anderson Real Estate Inc.**

Retailers considering a presence in the outlet center like the idea of having an exhibition center nearby, Guastello said. But the plan for the new conference center isn't contingent on securing the outlet center.



Thomas Guastello

"We would like to think we'll do both, but the exhibition center can stand alone. ... We have a positive study that's been done on it by the convention bureau," Guastello said.

The developers are also planning restaurants for the site and in the future plan to sell parcels of land to other developers for additional hotels, he said.

"We think ... that site with the outlet center and exhibition hall would conservatively (support) five to six hotels."

The **Comfort Inn-Utica** on M-59 at M-53 (Van Dyke Freeway), which Guastello owns, is recording good numbers, as are the other hotels in the area, he said, "because there's a lot of things for guests to do there and a lot of things that generate guests."

Guastello has had preliminary conversations with Blair Bowman, owner of the **Suburban Collection Showplace, Diamond Center** and **Hyatt Place Detroit**, about including him in the conference center. It's too early to say exactly what shape Bowman's participation would take, Guastello said.

"We're defining the concept now. ... We'll probably do what Blair did: Put one hotel connected to the exhibition center that we

COURTESY OF ROSSETTI ASSOCIATES INC.



A new exhibition center planned for Chesterfield Township would draw Canadian traffic from southern Ontario and state associations and visitors from mid-Michigan and the Thumb, developers say.



own, and then we'll sell property for other hotels to other brands or developers."

Guastello said that he expects to start building the exhibition center in 2015 and that it should go up quickly because such centers "are pretty simple buildings to put up" and the current zoning for planned unit development would support the project.

"Tom has some very creative and interesting plans for the whole project site," Bowman said.

"If there's a mutually beneficial way to get involved and we can play a role and bring some value to the table, then I'm certainly interested in exploring that. That's the early stage we're at."

A feasibility study commissioned by the **Detroit Metro Convention & Visitors Bureau** in 2011 — when Guastello, a longtime member of the bureau's board, and Anderson first came up with the exhibition center concept — showed demand would be strong for an expo center on the Chesterfield Township site, said the bureau's executive vice president and COO, Michael O'Callaghan.

The study is one of several that have been completed for various sites around the region, he said.

According to the study, completed by Plano, Texas-based Conventions, **Sports & Leisure International**, a Chesterfield Township exhibition center would draw Canadian traffic from southern Ontario and state association business and visitors from mid-Michigan and the Thumb who traditionally aren't interested in going into a large central business district like Detroit or traveling as far as Novi, O'Callaghan said.

"And if the (center) is sized properly, they would also be able to attract meetings from associations that meet within a five- or six-state region," he said.

An exhibition center in Macomb County probably would be competition for the Suburban Collection Showplace and for the Lansing and Grand Rapids markets, O'Callaghan said. But the market for conferences and events in Southeast Michigan is growing.

"The perception of metro Detroit is getting better," O'Callaghan said. "There's more potential to attract more association business, ... which will benefit both the Suburban Collection Showplace along and the facility they're talking about building on the east side."

*Sherri Welch: (313) 446-1694, [swelch@crain.com](mailto:swelch@crain.com). Twitter: [@sherriwelch](https://twitter.com/sherriwelch)*



# CRAIN'S DETROIT BUSINESS

Detroit and Southeast Michigan's premier business news and information website

Originally Published: June 08, 2014 8:00 AM Modified: June 10, 2014 4:00 AM

## Three outlet mall plans in battle over retail anchors

Developers take to land, sea, air to woo retailers

By [Sherri Welch](#)

There's not just one new outlet shopping center planned for metro Detroit — there are three.

And the race is on to see which project will be able to land the retail anchors needed to launch construction first.

Last week, Newton, Mass.-based **New England Development** made news when it announced plans to construct a 325,000-square-foot outlet center in Romulus near **Detroit Metropolitan Airport**.

But outlet center projects are also quietly coming together in two other metro Detroit communities, Canton Township and Chesterfield Township.

Birmingham-based **Center Management Services Inc.** and Cincinnati-based **Jeffrey R. Anderson Real Estate Inc.** are developing the Outlets of Southeast Michigan in Chesterfield Township on the east side of I-94, north of M-59, on land they purchased four years ago.

And Baltimore-based **Paragon Outlet Partners LLC** is under contract to purchase about 50 acres of land in Canton Township at I-275 and Ford Road for a center totaling 375,000 square feet of retail space. This project is scheduled to open in summer 2016.

Although one of the project developers — the airport-area project — wouldn't disclose estimated investment, each of the projects could drive about \$100 million in investment, 75 or more retailers and up to 1,500 jobs, developers said.

Those are the plans.

But the developers all say they need a critical mass of signed lease deals before the planned projects can become reality.

"The one thing the three of us will agree on is that the (market) will definitely support one," said Thomas Guastello, owner and president of Center Management, a local developer on the Chesterfield Township site.

"And we probably all agree it should be (our) site."

### Selling the region

Last week, Guastello and partner Jeff Anderson hosted more than 20 national retailers for a site tour. Guastello and Anderson plan a 350,000-square-foot center with a projected completion date of April 2016.

COURTESY OF NEW ENGLAND DEVELOPMENT



New England Development plans to build an outlet center near Detroit Metropolitan Airport.

In addition to common major brands seen at many outlet malls, "we are courting some of the very high-end brands ... like **Gucci, (Salvatore) Ferragamo** and some other ones," Guastello said.

The developers also have a letter of intent from Countryside, Ill.-based **Cooper's Hawk**, a restaurant and winery, to bring a 12,000-square-foot location to the property, he said.

They reminded retailers of the 4.6 million people living in the region, and during the tour, Larry Alexander, president and CEO of the **Detroit Metro Convention & Visitors Bureau**, highlighted, among other things, the large numbers of Canadian shoppers who come to shop in the region. The bureau has promoted Detroit-area retail in Southern Ontario markets for the past three years.

Guastello and Anderson also took the retailers on a tour of the region "by land, sea and air."

They took them on a boat tour of the Detroit River and border crossing and drove them along the Hall Road/M-59 corridor, which "has become the Rodeo Drive of suburban shopping," said Guastello, who owns Shelby Town Center on Hall Road. That development is across from Lakeside Mall, with more than 300,000 square feet of retail and restaurants.

And they chartered three helicopters for an aerial view of the housing stock and traffic patterns near their Chesterfield Township site, its proximity to Canadian traffic from both Detroit and the Blue Water Bridge in Port Huron — and provided aerial views of the Romulus and Canton Township sites competing for outlet center retail tenants.

"They're going to look at them all anyway, so you might as well be up front," Anderson said.

"We're confident," Guastello said, "with the feedback we've gotten, now that they've seen all three sites."

Retailers like **Neiman Marcus, Nordstrom, Saks Fifth Avenue, Ralph Lauren, Louis Vuitton** and **Tiffany & Co.** have other stores in these markets and know the area, Anderson said, which should increase their level of comfort in locating at a luxury outlet like the one planned in Chesterfield Township.

"There's only one set of retailers that go into outlet centers ... (they) are going to pick the best site and the one that gets developed first," Anderson said.

"We think we can go fast because we own the land."

But the developers behind proposals in Romulus and Canton feel equally strongly about their sites, and Anderson said he believes the market could potentially support two additional centers, one on each side of town.

## **Airport area**

---

New England Development is under contract to purchase about 36 acres of vacant land at the northeast corner of Vining Road and I-94 for an undisclosed amount from Southfield-based **Nemer Property Group**, he said.

Vice President Michael Barelli declined to say what the developer would invest in the 325,000-square-foot project, which is set to open in 2016. But he said it isn't planning to pursue tax incentives.

"There's been a ton of investment in infrastructure in the area, and the roads are in great shape, which helps," Barelli said.

The site is across from a major airport that serves 32 million passengers each year, on the major highway between Detroit and Chicago and will be the closest outlet center in Michigan to the Canadian border, the developer said.

New England is working with **Kimley-Horn & Associates Inc.** in Troy as civil engineer for the project and **Strobl & Sharp PC** in Bloomfield Hills as its land use attorney. It plans to request bids for a general contractor within six months, Barelli said.

With only two outlet malls serving metro Detroit, **Great Lakes Crossing Outlets** in Auburn Hills and **Tanger Outlets** in Howell, "I think we all realize that Detroit needs another outlet center," he said.

"We believe the place for that is in the southwest part of the metro to serve Ann Arbor and downriver ... northwest Ohio, even."

## Ready-to-assemble in Canton

The demographics of the Canton Township site "are clearly the strongest," said Nicholas King, a principal in developer Paragon Outlet Partners.

The site's location of less than a mile from the only Michigan **Ikea** — a destination unto itself — was part of the attraction, he said. And its proximity to Detroit, Ann Arbor and Canadian traffic are other selling points of the 50 acres Paragon has under contract, King said.

Paragon typically does its design and architecture in-house and is in the process of contracting a local engineering firm and legal counsel, King said.

Paragon previewed the site and project at the **International Council of Shopping Centers'** Global Retail Real Estate Convention in Las Vegas in May, he said.

"We have a lot of tenant interest, and we anticipate it will be very successful," King said.

The Canton property, most of which has never been developed, is already zoned for general commercial, said Kristen Thomas, Canton Township's economic development manager.



Kristen Thomas

The timing for the development would work well with the planned paving of Lotz Road, which runs along one side of the property, parallel to I-275, she said, adding that the township plans to work with its DDA to see if there is any available funding for the project.

Regardless of which get developed, the outlet centers would be a boon for the local economy, not only for the jobs they'd create, but also from the ancillary uptick for local restaurants, hotels and even tourist destinations.

"We know from our hoteliers that a lot of people choose to make shopping a weekend destination," said Renee Monforton, director of communications at the **Detroit Metro Convention & Visitors Bureau**.

About 14 million people visit metro Detroit annually, according to the bureau's 2013 visitor study, and of those, about 4 million have indicated that they shop when they're in town, she said.

"If we enhance the shopping options, we can assume that will move the needle even more on visitors," Monforton said.

*Sherri Welch: (313) 446-1694, [swelch@crain.com](mailto:swelch@crain.com). Twitter: [@sherriwelch](https://twitter.com/sherriwelch)*



COURTESY OF PARAGON OUTLET PARTNERS LLC

Paragon Outlet Partners LLC plans to put an outlet center in Canton Township at I-275 and Ford Road.

## Chesterfield Township outlet mall expected to feature high-end retailers

By Katelyn Larese, For The Macomb Daily

Friday, October 10, 2014

A massive luxury outlet shopping center is expected to be built in Chesterfield Township by spring 2016.

Under the direction of Jeffrey R. Anderson Real Estate Inc. and Center Management Services Inc., the future Outlets of Southeast Michigan site is slated to feature several high-end retailers, restaurants and at least one hotel. The roughly 330,000-square-foot open-air mall will be constructed on a parcel of former lagoon property located north of M-59 and east of Interstate 94 in Chesterfield Township.

Without divulging the names of any specific retailers, Center Management Services Inc. President Thomas Guastello said more than a dozen major retailers have expressed interest in the site. He expects it to be at least 80 percent occupied by the time construction is complete. They are currently seeking bids for much of the construction work, he added.

"We're really kicking into high gear," Guastello said. "We're very happy with the site and we'll probably start within a year or so. We have tenants who are very interested in coming in; it's a very attractive shopping environment for Michigan and Canada."

Developers involved with the project said the location of the future outlet mall will play a key role in its success. The site is located about 30 miles from the Ambassador Bridge and Detroit-Windsor Tunnel, and about 35 miles from the Blue Water Bridge, which boasts more than 5 million crossings between Port Huron and Canada each year.

"Detroit is a destination on its own, obviously, for the people within Michigan who are traveling east to it, but there's over 15 million tourists a year that come to Detroit and they spend over \$5 billion within the market," Mark Fallon, vice president of real estate at Jeffrey R. Anderson Real Estate Inc., said in a video about the project. "We're going to come in and make this the most compelling, interesting destination of outlets for both Americans as well as our Canadian guests that will be anywhere available in the Midwest."

The site is also highly visible from I-94 and easily accessible from both M-59 and 21 Mile Road, with a road currently in place connecting the two.

"The visibility of the sight will be second to none - picture one mile of frontage along I-94, which has over 100,000 cars a day, two massive towers on each side of the site with tenant branding on those ... by far the best visibility and sign opportunity within all of Detroit, either existing or what's proposed," Fallon said.

### Outlet attracts upscale retailers

Project developers envision the outlet center as a luxurious facility featuring high-end fashion, entertainment and restaurants. A major sports retailer is also expected to be on the perimeter.

"Our development plan is 330,000 square feet of the best of the best names within the outlet industry," Fallon said. "That will include luxury players; it will obviously include one, maybe two, of the large fashion anchors, as well as the critical names that you see that create a destination from over an hour and a half away.

"What we also plan to do there is something that's kind of new within the outlet industry and that is we're going to be heavy food-centric. Food tourism is one of the biggest draws now within the United States. We will feature four full-service, sit-down restaurants, the best within their categories."





Fallon described the future facility as having an open-air, racetrack layout with “some covered areas because it is Detroit.”

“It’s going to be a really wonderful three, four season destination,” he said. “In the daytime during the summer, they’ll be in the dancing fountains; in the wintertime, they’ll be in the ice skating rink - all that critical stuff that people within this market look for and we look to use best practices to provide that.”

#### Development brings jobs, revenue

The former lagoon property situated east of I-94 between 21 Mile Road and M-59 comprises four separate parcels of land that were sold by township officials nearly 20 years ago. The total taxable value of all four properties in 2014 was about \$4.1 million, said Chesterfield Township Assessor Dean Babb.

“It brings in more tax revenue for all of the taxing authorities,” Babb said. “We all will benefit from that development - it’s just a question of when.”

Chesterfield Township Board members have also expressed their support of the development project. At a September meeting attended by Guastello, Trustee David Joseph commended the development group and noted that their \$242 million investment is estimated to generate 1,300 new jobs within five years of completion and more than \$2 million in annual tax revenue.

“Your development is, by far, the most exciting project to come to this community in a long time,” Joseph said at the meeting. “It puts Chesterfield on the map.”

Clerk Cindy Berry also said she thinks the project will benefit the township in the long run.

“In addition to creating hundreds of new jobs and providing exciting opportunities for economic growth, this type of development positions Chesterfield Township to be a hallmark community well into the future,” she said last week.

Guastello said the Chesterfield Township site is “very valuable now,” as opposed to four years ago when it was difficult to get retailers to come to Michigan.

“Michigan and Macomb County are both often considered underdogs ... we can go from underdog to top dog,” he said.

The outlet project has an expected completion date of April 1, 2016. For more information about the project, go to [anderson-realestate.com](http://anderson-realestate.com).

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URL: <http://www.macombdaily.com/business/20141010/chesterfield-township-outlet-mall-expected-to-feature-high-end-retailers>

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## Chesterfield outlet mall proposal has competition

### TRIO OF PROPOSALS OFFERED, ONLY ONE LIKELY TO COME TO FRUITION

By Katelyn Larese, For The Macomb Daily

Wednesday, June 11, 2014

A metropolitan Detroit developer is hoping to build an upscale outlet mall in Chesterfield Township, but there's still a long road ahead.

Three firms are currently vying for the opportunity to build outlet centers in different locations throughout metropolitan Detroit. A Massachusetts-based developer is seeking build an outlet center near Detroit Metropolitan Airport in Romulus; a Baltimore-based developer is hoping to open a retail center in Canton Township, and Birmingham-based Center Management Services Inc. and Cincinnati-based Jeffrey R. Anderson Real Estate Inc. have their sights set on Chesterfield Township.

"There's only room for basically one more outlet mall in this area," said Chesterfield Township Supervisor Michael Lovelock, who supports the proposal to build an outlet mall on the former south lagoon property.

Situated between 21 Mile and Hall roads, east of I-94, the property was sold nearly 20 years ago by township officials. The ensuing outrage by voters eventually led to the ouster of former Supervisor Jim Pollard. Since that time, a number of uses have been floated, including hotels, casinos, office space and retail uses.

Thomas Guastello, owner and president of Center Management Services Inc., has big plans for the roughly 190-acre site. His vision for the proposed 350,000-square-foot outlet center includes high-end retailers such as Coach, Polo, Tommy Hilfiger, Gucci, Nike and Adidas.

"There will be all the top brands," he said. "Seventy-five percent of new stores are in outlet centers. It's amazing because they have a need for outlet centers; they need outlets to get rid of their seasonal merchandise."

In addition, Guastello said Bass Pro Shop has expressed interest in coming to Chesterfield. There's also a possibility of an Oakland University satellite location opening on the property.

"It's all about synergy – getting tenants that will help each other," he said, emphasizing a desire to mix different types of businesses, such as retail shops, theaters, restaurants and attractions. "We want to see something big here."

Although Lovelock said he thinks a new outlet center would be great for the township, he stressed the fact that the plan remains a "pipe dream" until Center Management is able to secure the necessary signed lease deals and receives approvals from various agencies that would have to sign off on the plan.

"If they do choose Chesterfield, it would be sometime in '16 by the time it was built; it would take at least two years," Lovelock said.

Guastello and his business partner, Jeff Anderson, recently invited several national retailers to come out for a site tour. They were taken on a boat ride through Lake St. Clair and a helicopter ride from the Canadian border near Port Huron to Detroit.

"They were blown away," he said. "They were amazed. It really was educational."

Guastello thinks the Chesterfield location is a prime spot for a new outlet mall because of its proximity to Canada and major freeways. He also cited a regional population of about 5 million.

"We have outstanding community support from Chesterfield Township, as well as Macomb County," he said. "People in Macomb County have realized it brings jobs and helps the economy."

Lovelock agrees.



“I think it would be fantastic for the community,” he said. “It would bring in thousands of people; it would bring in hundreds of jobs. It would be a win-win for Chesterfield.”

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URL: <http://www.macombdaily.com/business/20140611/chesterfield-outlet-mall-proposal-has-competition>

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## Chesterfield

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## Exhibition Center May Rise In Macomb County

A Southfield developer that's proposed an outlet mall in Chesterfield Township has disclosed plans to include a 120,000 square foot exhibition and conference center and hotel within the project.

Thomas Guastello, president of Center Management, Southfield, said the conference center and hotel won't depend on the outlet mall. He said the former can be built as a stand alone project if the mall proposal falls through. The site is located near the intersection of I-94 and M-59.

Working with the co-owner of the property for the mall and center, Jeffrey R. Anderson Real Estate Inc., Lansing, Guastello said the plan is to sell parcels of the property by the proposed center for restaurants and additional hotels.

According to Guastello, ground for the conference center and hotel could occur next year, with the hotel probably directly connected to the center. Some conceptual drawings for the proposal have been generated by Rossetti Associates, Detroit.

August 20, 2014



10 things that will cost more this fall



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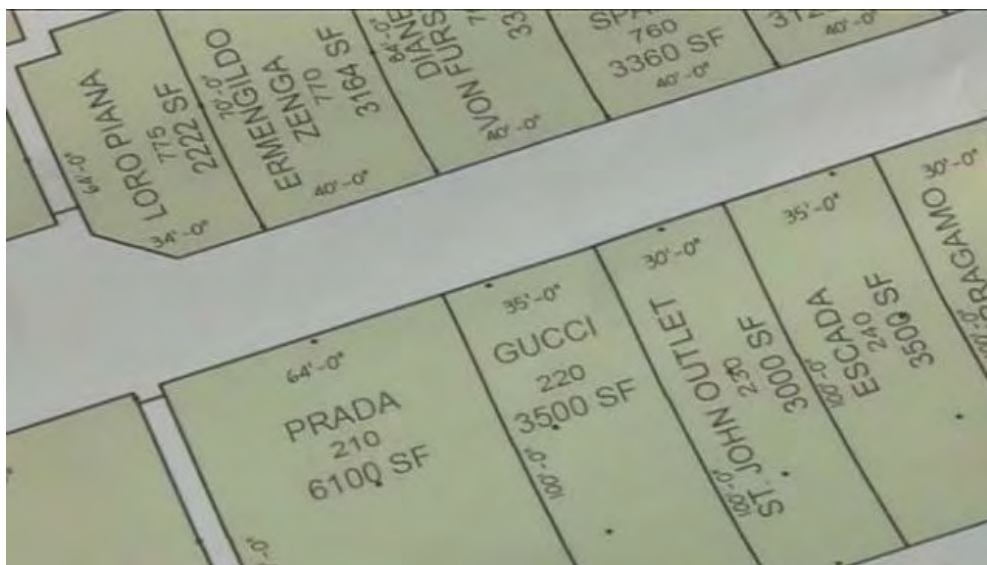
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# Outlet mall developers moving into metro Detroit

Author: Mara MacDonald, Local 4 Reporter, @MaraMacDonald

Published On: Jun 10 2014 10:40:47 PM EDT | Updated On: Jun 10 2014 11:00:00 PM EDT

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**CHESTERFIELD TOWNSHIP, Mich.** - Some serious shopping is shaping up to come to metro Detroit. Plans for new outlet malls are in the works for Romulus and Canton, but one slated for Chesterfield Township is the closest to coming to fruition.

The plan is to bring some of the most respected names in fashion to an upscale outlet mall to town, and talks and tours of the site with those upscale luxury brands are already in process.

Center manager Tom Guastello, who is based in Birmingham and who has plenty of experience with shopping centers and hotels, already has the ball rolling and owns the future outlet site.

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Two other out-of-town developers are planning to build outlet malls in the metro area as well. A Baltimore-based developer is under contract to buy land near 275 Qand Ford Road in Canton and a Massachusetts-based developer is under contract to buy land in Romulus near the metro airport.



## BOARD OF COMMISSIONERS

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**October 15, 2014**

**TO: BOARD OF COMMISSIONERS**

**FROM: FRED MILLER, CHAIR, FINANCE COMMITTEE**

**RE: RECOMMENDATIONS FROM FINANCE COMMITTEE MEETING OF 10-15-14**

At a meeting of the Finance Committee, held Wednesday, October 15, 2014, the following recommendations were made and are being forwarded to the October 16, 2014 Full Board meeting for approval:

### **1. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Mijac, supported by Brown, to recommend that the Board of Commissioners approve an increase in budgeted revenues and expenses in the Supplies and Services category of the FY 2014/15 Health Grants Budget in the amount of \$10,000, as a result of a new program grant received from the Michigan Department of Community Health, Family Center for Children and Youth with Special Health Care Needs; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

**THE MOTION CARRIED.**

### **2. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Carabelli, supported by Flynn, to recommend that the Board of Commissioners approve an increase in budgeted revenues and expenses in the 2014-15 Health Grants Budget in the amount of \$22,500 for the Infant Safe Sleep Initiative; the budget categories being increased are as follows: full-time wages - \$3,214; FICA/Medicare - \$181; pension/retiree health care - \$648; employee health/dental/life insurance - \$423; workers comp/other - \$34; supplies/services - \$17,515; internal services - \$485; total amount - \$22,500; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

### **MACOMB COUNTY BOARD OF COMMISSIONERS**

David J. Flynn – Board Chair  
 District 4

Kathy Tocco – Vice Chair  
 District 11

Mike Boyle – Sergeant-At-Arms  
 District 10

Toni Mocerri – District 1  
 Don Brown – District 7

Marvin Sauger – District 2  
 Kathy Vosburg – District 8

Veronica Klinefelt – District 3  
 Fred Miller – District 9

Robert Mijac - District 5  
 Bob Smith – District 12

James Carabelli – District 6  
 Joe Sabatini – District 13

**3. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Carabelli, supported by Smith, to recommend that the Board of Commissioners approve the MDOT contract outlining scope of work and funding for staffing of the Traffic Operations Center for Fiscal Year 2014-2015; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

**4. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Carabelli, supported by Sauger, to recommend that the Board of Commissioners adopt the 2014 Macomb County Apportionment Report as prepared by the Finance Department; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

**5. COMMITTEE RECOMMENDATION – MOTION (SEE ATTACHED)**

A motion was made by Tocco, supported by Sauger, to recommend that the Board of Commissioners approve ratification of a 2015 wage re-opener with the American Federation of State, County and Municipal Employees (AFSCME), Local 411, as an amendment to the 2014-2016 Collective Bargaining Agreement; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED WITH CARABELLI, SABATINI AND VOSBURG VOTING "NO."**

**A MOTION TO ADOPT THE COMMITTEE REPORT WAS MADE BY CHAIR MILLER, SUPPORTED BY VICE-CHAIR MOCERI.**



## MACOMB COUNTY, MICHIGAN

**Resolution Number:**
**Full Board Meeting Date:**

### RESOLUTION

**Resolution to:**

Please submit a request to the Macomb County Board of Commissioners to increase budgeted revenues and expenses in the Supplies and Services category of the FY2014/15 Health Grants Budget in the amount of \$10,000, as a result of a new program grant received from the Michigan Department of Community Health, Family Center for Children and Youth with Special Health Care Needs (FCCYSHCN).

\*Further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately. FORWARD TO THE FINANCE COMMITTEE.

\*(This language was added by Health and Human Services Committee Chair Mocerri.)

**Introduced By:**

Toni Mocerri, Chair, Health and Human Services Committee

**Additional Background Information (If Needed):**

The Michigan Department of Community Health, Family Center for Children and Youth with Special Health Care Needs (FCCYSHCN), has awarded the Macomb County Health Department, Children's Special Health Care Services (CSHCS) Program a \$10,000 grant. This award will fund a new program to enhance outreach and education efforts that will encourage family involvement and parental input and feedback for the CSHCS Program.

The CSHCS Program offers services to help families meet the needs of children with chronic medical and disabling conditions. Services are comprehensive and may include paying specialty medical bills, coordinating health insurance benefits and services, and covering copays and deductibles. The program covers children from birth to 21 years old and provides lifetime coverage for individuals with Cystic Fibrosis, Hemophilia, and other certain blood clotting disorders.

**Committee**
**Meeting Date**

Health and Human Services

10-14-14

Finance

10-15-14

Full Board

10-16-14





## MACOMB COUNTY, MICHIGAN

**Resolution Number:**
**Full Board Meeting Date:**

### RESOLUTION

**Resolution to:**

Please submit a request to the Macomb County Board of Commissioners to approve an increase in budgeted revenues and expenses in the 2014-15 Health Grants Budget in the amount of \$22,500 for the Infant Safe Sleep Initiative. The budget categories being increased are as follows:

1. Full-Time Wages - \$3214; 2. FICA/Medicare - \$181; 3. Pension/Retiree Health Care - \$648; 4. Employee Health/Dental/Life Insurance - \$423; 5. Workers Comp/Other - \$34; 6. Supplies/Services - \$17,515; 7. Internal Services - \$485. Total amount = \$22,500.

\*SEE BELOW

**Introduced By:**

Toni Mocerri, Chair, Health and Human Services Committee

**Additional Background Information (If Needed):**

The MDCH has allocated new funding in the amount of \$22,500 to the Health Department for the Infant Safe Sleep Initiative for FY 2014-15. This allocation was not previously anticipated and, therefore, was not included in the FY 2014-15 Health Grants budget submitted for approval in June 2014. These new funds will allow the Health Department to continue to conduct education and outreach efforts for parents and caregivers on ensuring safe sleep practices for infants under their care.

\*Further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately. FORWARD TO THE FINANCE COMMITTEE.

\*(This language was added by Health and Human Services Committee Chair Mocerri.)

Committee	Meeting Date
Health and Human Services	10-14-14
Finance	10-15-14
Full Board	10-16-14



# MACOMB COUNTY, MICHIGAN

Resolution Number:	Full Board Meeting Date:

## RESOLUTION

Resolution to:
<p>Approve the MDOT contract outlining scope of work and funding for staffing of the Traffic Operations Center for Fiscal Year 2014-2015.</p>

Introduced By:
<p>Commissioner James Carabelli, Infrastructure Committee</p>

Additional Background Information (If Needed):
<p>Federal Funds of \$1,700,000 with cover 80% of the budgeted cost of \$2,125,000. The Dept of Roads will cover the remaining 20% (\$425,000). This is budgeted for 2014-2015 FY.</p>

Infrastructure

10/14/2014

Committee

Meeting Date

Finance

10-15-14

Full Board

10-16-14



# MACOMB COUNTY, MICHIGAN

Resolution Number:	Full Board Meeting Date:

## RESOLUTION

Resolution to:
<p>Adopt the 2014 Macomb County Apportionment Report as prepared by the Finance Department</p>

Introduced By:
<p>Fred Miller, Chair, Finance Committee</p>

Additional Background Information (If Needed):
<p>As required by State Statue, the County must adopt the annual Apportionment Report at its October Session.</p>

Committee	Meeting Date
Finance	10-9-14 (referred to 10-15 mtg.)
Finance	10-15-15
Full Board	10-16-14



# MACOMB COUNTY, MICHIGAN

**Resolution Number:**

**Full Board Meeting Date:**

## RESOLUTION

**Resolution to:**

Recommend ratification of a 2015 Wage Re-opener with the American Federation of State, County and Municipal Employees (AFSCME), Local 411 as an amendment to the 2014-2016 Collective Bargaining Agreement (Actual tentative agreement is available for review in the Human Resources and Labor Relations Department).

**Introduced By:**

Commissioner Fred Miller, Chair, Finance Committee

**Additional Background Information (If Needed):**

The Parties have reached a tentative settlement on a 2015 Wage Re-opener and agree to amend the January 1, 2014 through December 31, 2016 Collective Bargaining Agreement as follows:

Lump Sum Payment - A \$1,000 lump sum payment will be paid to each full-time employee, including DROP participants on December 19, 2014. The previously agreed to lump sum payment of \$500 to be paid each employee, including DROP participants, on the first regular paycheck in 2015 is eliminated and will not be paid as a result of this amendment.

Wage Adjustment - 0%

**Committee**

**Meeting Date**

Finance

10/15/2014

Full Board

10-16-14

**Clarification on “Bypass Procedures”**

As per the Contracting Policy (see below), all contracts approved via the bypass process needs to be forwarded to the Full Commission, and ratification by Full Commission is also recommended.

Therefore, we have placed the Engineering Services Contract for Traffic Operations Center with URS Corporation, which was adopted via bypass process on 09/12/14, for approval by the Full Board.

Moving forward, the BOC staff will make sure any contracts approved by the bypass process, be placed on the subsequent Full Board Meeting for Commission approval.

=====

**Contracting Policy (Resolution No. 2012-1) Amended 04/30/14**

**Section II.C.6**

*“When execution of a contract without full Commission approval is: a) necessary to prevent or minimize serious disruption of government services; b) may result in additional cost to the County if not acted upon promptly; or c) may permit savings by the County if acted upon promptly, the Executive may execute such contract without complying with subsection B upon the prior written approval of the Commission Chair, the chair of the Commission committee with jurisdiction over the subject matter of the contract according to the rules of the Commission, and the Chair of the Finance Committee (or, if unavailable, their respective vice - chairs). Written documentation of the basis of the Executive’s request to bypass the procedures of subsection B must be included in the contract file, and submitted to the respective chairs along with the request for their approval. When contracts are made under this paragraph, the Executive shall promptly forward the executed contract to the full Commission. Ratification of the contract by the full Commission is recommended, but a contract executed under this paragraph shall continue to be valid and enforceable.”*



## Request to Bypass General Contracting Approval Procedures

**\*\*This form is required pursuant to Section II.C.6 of the Macomb County Contracting Policy (Amended 02-06-14) and must be included with the Contract Review Request Form, and all relevant contract files.**

**Department Name**

Department of Roads

**Contract / Program Title**

Engineering Services - URS - TOC Staffing

**Bypass Reason(s):**

- Prevent or minimize serious disruption of government services
- May result in additional cost to County if not acted upon promptly
- May permit savings by the County if acted upon promptly

09-11-14

09-11-14

**Additional Explanation for Bypass:**

This form is required to be returned to MDOT by Monday, September 15, 2014. Attached is all pertinent information. This is an annual contract for staffing of the Traffic Operations Center and is effective with the new fiscal year on 10/1/14. CMAQ funding covers 80% of the budgeted amount of \$2,125,000.

**Assigned To Committee:**

09-23-14 Infrastructure Committee

**Board Chair**

Chairman Dave Flynn

**Signature**

**Date**

09-11-14

**Committee Chair / Vice-Chair**

Commissioner Carabelli

**Signature**

**Date**

09-11-14

**Finance Chair / Vice-Chair**

Commissioner Miller

**Signature**

**Date**

9/12/14



---

## Macomb County Executive Mark A. Hackel

---

Mark F. Deldin  
Deputy County Executive

To: David Flynn, Board Chair

From: Pamela J. Lavers, Assistant County Executive

Date: September 11, 2014

**RE: Agenda Item – Department of Roads, Engineering Contract with URS Corporation**

---

Attached you will find documentation and a resolution from Department of Roads Director, Robert Hoepfner, to approve the third party agreement between the Macomb County Department of Roads and URS Corporation for staffing of the Traffic Operations Center for the Fiscal Year of October 1, 2014 through September 30, 2015.

The Traffic Operations Center is staffed through a consultant each year, which is necessary to continue operations.

The Executive Office respectfully submits this agenda item for the Commission's consideration and recommends approval of the URS Corporation contract as stated above.

PJL/smf

cc: Robert Hoepfner



# MACOMB COUNTY, MICHIGAN

**Resolution Number:**

**Full Board Meeting Date:**

--	--

## RESOLUTION

**Resolution to:**

Approve the third party agreement between the Macomb County Department of Roads and URS Corporation for staffing of the Traffic Operation Center for Fiscal Year of October 1, 2014 through September 30, 2015.

**Introduced By:**

Commissioner James Carabelli

**Additional Background Information (If Needed):**

Every year, the Dept of Roads receives Congestion Mitigation for Air Quality (CMAQ) funds to staff the Traffic Operations Center with traffic engineers and technicians. This year, URS was the only bidder to respond to the Request for Proposal to provide these services. The URS proposal included subcontracting engineering firms that have previously provided staff for TOC, many of which are trained and familiar with TOC operations. The proposal process was completed within Michigan Department of Transportation (MDOT) guidelines and the award to URS was approved by MDOT as well. This contract represents the third party agreement between the Department of Roads and URS. The contract shall not exceed \$1,898,232.12 (Budgeted at \$2,125,000). CMAQ funds would cover 80% of the total amount and the Department of Roads would cover the remaining 20%.

Infrastructure

Committee

09/23/2014

Meeting Date





## DEPARTMENT OF ROADS

94

117 South Groesbeck Highway • Mount Clemens, Michigan 48043  
Phone: (586) 463-8671  
[www.MacombCountyMi.gov/roads](http://www.MacombCountyMi.gov/roads)

Robert P. Hoepfner, P.E.  
Director of Roads

09/10/2014

*Date*

Office of County Executive  
County of Macomb  
One South Main, 8<sup>th</sup> Floor  
Mount Clemens, MI 48043

Department of Roads  
REQUEST APPROVAL / ADOPTION OF  
Engineering Contract for TOC Engineering Services

**SUBJECT:**

Third party contract for URS to provide staffing for Traffic Operations Center for fiscal year 10/1/14 to 9/30/15

**IT IS RECOMMENDED THAT THE EXECUTIVE SUBMIT TO THE BOARD:**

the attached third party agreement for approval and signature by Mark Deldin

**PURPOSE / JUSTIFICATION:**

The TOC is staffed through a consultant each year, which is necessary to continue operations

**FISCAL IMPACT / FINANCING:**

Congestion Mitigation for Air Quality (CMAQ) federal funding of \$1,700,000 provides 80% of the \$2,125,000 budgeted for 2014/2015 FY. The Department of Roads covers the remaining 20% of \$425,000. This contract covers engineering services to provide engineers and technician staff for the TOC.

**FACTS AND PROVISION / LEGAL REQUIREMENTS:**

Terms of contract covers capped cost and staffing requirements. The agreement was drafted based on MDOT third party agreement template and remains the same as last year as previously approved by the Board.

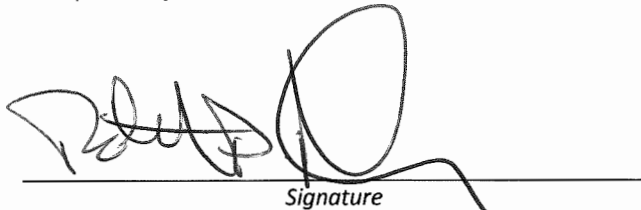
**CONTRACTING PROCESS:**

After contract is approved and executed, a copy is provided to MDOT, URS and Dept of Roads. MDOT also provides a contract with the Dept of Roads afterwards outlining the project and CMAQ funding on a whole.

**IMPACT ON CURRENT SERVICES (PROJECTS):**

Engineers and technicians are required to continue Traffic Operation Center operations.

Respectfully submitted,



Signature

Robert Hoepfner, Director  
Department of Roads



# CONTRACT REVIEW ROUTING FORM

ORIGINATING DEPARTMENT INFORMATION		
Department Leader: <b>Robert Hoepfner</b>	Department: <b>Roads</b>	Date: <b>09/10/2014</b>
Contract Contact Person: <b>Sue VanSteelandt</b>	Contact Phone Number: <b>(586) 463-0344</b>	NOTE: Contracts are returned interoffice mail unless specified below: <input checked="" type="checkbox"/> Call Sue VanSteelandt for Pick Up: # 586.463.0344

CONTACT / PROGRAM INFORMATION		
Contract / Program Title: <b>Engineering Contract for Traffic Operations</b>	GRANT <input type="checkbox"/> AWARD <input checked="" type="checkbox"/> Funded	Return By Date: <b>09/26/2014</b>

DEPARTMENT ROUTING & AUTHORIZATIONS

NOTES:

**1. RISK & CONTRACT MANAGEMENT -**

- Approved
- Approved with changes
- Rejected

RETURN TO  
REQUESTING DEPARTMENT

*John P. Anderson*  
Authorized Signature      9-11-14  
Date

Department Received Stamp:

**RECEIVED**  
SEP 11 2014  
Risk Management & Safety

**2. FINANCE DEPARTMENT -**

- Approved
- Approved with changes
- Rejected

RETURN TO  
RISK & CONTRACT MANAGEMENT

*Mark A. Hackel*  
Authorized Signature      9-11-14  
Date

Department Received Stamp:

**3. OFFICE OF CORPORATION COUNSEL -**

- Approved
- Approved with changes
- Rejected

RETURN TO  
RISK & CONTRACT MANAGEMENT

*John Smith*  
Authorized Signature      9/11/14  
Date

Department Received Stamp:

**RECEIVED**  
SEP 11 2014  
CORPORATION COUNSEL

**4. OFFICE OF COUNTY EXECUTIVE -**

- Approved
- BOC Review Required
- Approved with changes
- Rejected

RETURN TO  
RISK & CONTRACT MANAGEMENT

*Mark A. Hackel*  
Authorized Signature      9/11/14  
Date

Department Received Stamp:

**EXECUTIVE OFFICE**  
SEP 11 2014  
**RECEIVED**



## CONTRACT REVIEW ROUTING FORM

ORIGINATING DEPARTMENT INFORMATION			
Department Leader: <b>Robert Hoepfner</b>	Department: <b>Roads</b>	Date: <b>09/10/2014</b>	
Contract Contact Person: <b>Sue VanSteelandt</b>	Contact Phone Number: <b>(586) 463-0344</b>	NOTE: Contracts are returned interoffice mail unless specified below: <input checked="" type="checkbox"/> Call <b>Sue VanSteelandt</b> for Pick Up: # <b>586.463.0344</b>	
CONTACT / PROGRAM INFORMATION			
Contract / Program Title: <b>Engineering Contract for Traffic Operations</b>			GRANT <input type="checkbox"/> AWARD (County Recipient) <input checked="" type="checkbox"/> Funded (Program)
Vendor Number (if known):	Vendor Name: <b>URS Corporation</b>		Vendor Disclosure Form Attached: <input type="checkbox"/> Yes <input type="checkbox"/> IFAS <input checked="" type="checkbox"/> No (N/A)
Original Contract Amount: <b>\$ 1,898,232.12</b>	Amendment Amount: <b>\$</b>	Total Amended Contract Amount: <b>\$ 1,898,232.12</b>	Funding Source - Org Key / Object - (If known): <b>CMAQ federal funds</b>
Contract Begin Date: <b>10/01/2014</b>	Amendment Date:	Contract End Date: <b>09/30/2015</b>	Targeted Committee Date: <b>09/23/2014</b>
<input checked="" type="checkbox"/> New <input type="checkbox"/> Renewal <input type="checkbox"/> Amendment	If Renewal or Amendment, what terms have changed (if any):		Amendment Number:
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Contract Bid: If not bid out, please explain:	Lowest Bid: If not lowest bid, please explain: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Bid Number: <b>n/a</b>	How many bidders responded? <b>1</b>	Winning bidder Macomb County Entity: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No - Explain: <b>Grand Rapids MI</b>	
Contract / Program Synopsis: <p>Every year, the Department of Roads receives Congestion Mitigation for Air Quality (CMAQ) funding to staff the Traffic Operations Center with traffic engineers and technicians. This year, URS was the only bidder to respond to the Request for Proposal (RFP) to provide these services. The URS proposal did include other subcontractor engineering firms that have previously provided staff for the TOC, many of which are already trained and familiar with the TOC operations and will be returning through the URS contract. The proposal process was completed within Michigan Department of Transportation (MDOT) guidelines and the award to URS was approved by MDOT as well. This contract represents the third party agreement between the Department of Roads and URS. The contract shall not exceed \$1,898,232.12 (Budgeted at \$2,125,000). CMAQ funds would cover 80% of the total amount and the Department of Roads would cover the remaining 20%.</p>			
OTHER CONTRACT INFORMATION			
<input type="checkbox"/> <b>CONTRACT REQUIRES SIGNATURE OF COUNTY EXECUTIVE ONLY. DESIGNEE SIGNATURE WILL NOT BE ACCEPTED.</b>			
<b>PLEASE CHECK APPROPRIATE ITEM BELOW (IF APPLICABLE):</b>			
<input checked="" type="checkbox"/> 1. AWARDING A CONTRACT OF \$35,000 OR MORE FOR SERVICES, SUPPLIES, MATERIALS, EQUIPMENT OR REAL ESTATE. <input type="checkbox"/> 2. AWARDING A CONTRACT OF \$100,000 OR MORE FOR CONSTRUCTION. <input type="checkbox"/> 3. AWARDING A CONTRACT MODIFICATION EXCEEDING 10% OF THE ORIGINAL APPROVED CONTRACT AMOUNT. <input type="checkbox"/> 4. AWARDING A CONTRACT THAT EXCEEDS 5 YEARS IN LENGTH. <input type="checkbox"/> 5. EMPLOYER PAID FRINGE BENEFITS. <input type="checkbox"/> 6. COLLECTIVE BARGAINING AGREEMENTS. <input type="checkbox"/> 7. INTERGOVERNMENTAL AGREEMENTS AS DEFINED BY CHARTER SECTION 3.1.			

SUBCONTRACT NO. \_\_\_\_\_  
 CONTROL SECTION NO. \_\_\_\_\_  
 JOB NO. 114942  
 FED. PROJECT NO. \_\_\_\_\_  
 FED. ITEM NO. \_\_\_\_\_

## ENGINEERING CONTRACT

### FOR TRAFFIC OPERATIONS ENGINEERING SERVICES

THIS CONTRACT, made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2014, by and between URS Corporation Great Lakes a Consultant Engineering Corporation of Grand Rapids, Michigan, hereinafter referred to as "CONSULTANT", and the Macomb County Department of Roads, hereinafter referred to as "LOCAL AGENCY".

WITNESSETH:

WHEREAS, the LOCAL AGENCY is desirous of proceeding with preparation of plans for Engineering Services within its limits; and

WHEREAS, the LOCAL AGENCY desires to engage the professional services and assistance of the CONSULTANT to perform certain engineering services and other related work, said work to be hereinafter referred to as "SERVICES", required in connection with traffic operations, hereinafter referred to as "PROJECT"; and

WHEREAS, the LOCAL AGENCY has programmed the PROJECT with the Michigan DEPARTMENT of Transportation, hereinafter referred to as the "DEPARTMENT" for construction with the use of CMAQ Funds administered by the United States the DEPARTMENT of Transportation, Federal Highway Administration, hereinafter referred to as the "FHWA"; and

WHEREAS, the CONSULTANT is willing to render the SERVICES desired by the LOCAL AGENCY for the considerations hereinafter expressed; and

WHEREAS, the terms and conditions of the prime contract between the DEPARTMENT and the LOCAL AGENCY for the PROJECT shall be incorporated as part of this subcontract to ensure that if any discrepancies occur between the prime contract and subcontract, the prime contract shall prevail; and

WHEREAS, the parties hereto have reached an understanding regarding the performance of the SERVICES on the PROJECT and desire to set forth this understanding in the form of a written contract;

NOW THEREFORE, it is hereby agreed by and between the parties hereto that:

The CONSULTANT shall:

1. Provide employees with a Bachelor of Science Degrees in Civil Engineering or related field to perform engineering services for countywide traffic signal operations.

Provide employees with experience in Computer Science or related field to perform IT and ITS services for countywide traffic signal operations.

Provide employees with Associate Degrees and/or relevant experience in system operations to perform operations services for countywide traffic signal operations.

2. Provide employees to perform work at the Traffic Operations Center in the LOCAL AGENCY Administration Building as well as signal locations throughout the county.

3. Provide employees who will report to work utilizing a schedule that is reviewed and approved by the LOCAL AGENCY.

4. Provide employees to perform a variety of traffic engineering and traffic operations functions focused upon operations of the county traffic signal system and roadways. Functions primarily include, but are not limited to, the following: Traffic signal system operations from the control room; Prepare signal timings; Support real-time incident management activities in the control room; Review motorist's concerns; Identify and diagnose signal timing problems from the operations center; Diagnose signal timing problems in the field; Adjust timing parameters as needed to solve problems; Configuring and troubleshooting ITS devices; Traffic Operations Planning; Signal Systems Planning; Traffic Data Collection and Analysis; Coordinating traffic operations related correspondence with municipalities.

Provide employees to perform a variety of IT and ITS functions focused upon supporting the daily operations of the county traffic signal system. Functions primarily include, but are not limited to, the following: Maintain, diagnose and troubleshoot the existing communication system; Support communication system development; Configure network bridges between existing networks; Support the operation of video servers to enable live streaming of traffic surveillance video to outside agencies; Develop subnet schemes for field devices, and Virtual Local Area Networks (VLANs) on an existing managed switch; Plan, configure and coordinate installation of network devices; Determine device layouts for all new signal modernizations; Perform line of sight analysis for planned radio locations.

5. During the performance of the SERVICES, be responsible for any loss or damage to the documents, hereinafter enumerated as belonging to the LOCAL AGENCY while they are in its possession. Restoration of lost or damaged documents shall be at the CONSULTANT'S expense.
6. Show evidence of Worker's Compensation Insurance, said insurance to be required by law.
7. Commence SERVICES as set forth in this Contract only upon receipt of written notice from the LOCAL AGENCY's project manager that the CONSULTANT's SERVICES are desired.
8. Submit billings to the LOCAL AGENCY, as hereinafter set forth in Section 11.

THE LOCAL AGENCY SHALL:

9. Provide workspaces in an office environment complete with desk, chair, computer, desk telephone.
10. For and in consideration of the SERVICES rendered by the CONSULTANT as set forth in this Contract, pay the CONSULTANT on the basis of actual cost plus a fixed fee (profit) which shall not exceed One Million Eight Hundred Ninety Eight Thousand Two Hundred Thirty Two Dollars and Twelve Cents (\$1,898,232.12) which includes the fixed fee of One Hundred Eighty Seven Thousand Two Hundred Seventy Nine Dollars and Ninety Six Cents (\$187,279.96). The fixed fee (profit) shall be as shown in Exhibit A-1, attached hereto and made a part hereof.

Actual costs for SERVICES required and performed will be determined in accordance with the following terms, subject to the cost criteria set forth in the Federal Acquisition Regulations, 48 CFR, Part 31:

- a. Direct Salary Costs: Actual labor costs of personnel performing the SERVICES. This cost will be based on the employee's actual hourly rate of pay and the actual hours of performance on the PROJECT as supported by employee time records.
- b. Direct Costs: Actual costs of materials and services, other than salaries, as may be required hereunder but which are not normally provided as a part of the overhead of the CONSULTANT. All actual costs shall be itemized and certified as paid to specifically named firms or individuals, and shall be supported by proper receipts.
- c. Overhead (Indirect Costs): A pro-rated portion of the actual overhead incurred by the CONSULTANT during performance of the SERVICES. The amount of overhead payment, including payroll overhead, will be calculated as a percentage of all direct labor costs related to staff personnel and members of the firm. Overhead shall include those costs which, because of their incurrence for common or joint objectives, are not readily subject to treatment as a direct cost. The provisional overhead rate, which will be applied to direct labor costs for progress payments is set forth in Exhibit B and Exhibit C.

It is agreed that the use of the provisional rate set forth in Exhibit B and Exhibit C sets neither a minimum nor maximum to the actual overhead costs to be paid the CONSULTANT. Any overpayment or underpayments made to the CONSULTANT for SERVICES performed resulting from usage of the provisional overhead rate will be corrected subject to the contract maximum in the first paragraph of Section 10, in the first billing submitted subsequent to the CONSULTANT's calculation of an actual overhead rate for the financial year end applicable to the reported direct labor cost. The audit at the completion of this Contract, or at such time as this Contract is terminated, will verify the propriety of reported overhead.

Facilities Cost of Capital: A pro-rated portion of the actual facilities costs of capital incurred by the CONSULTANT during work is reimbursable only if the estimated facilities cost of capital was specifically identified in the cost proposal for this work (Exhibit B and Exhibit C).

- d. Travel and Subsistence: Actual costs in accordance with and not to exceed the amounts set forth in the State of Michigan Standardized Travel Regulations, incorporated herein by reference as if the same were repeated in full herein.



- e. Fixed Fee (Profit): In addition to the payment for direct and overhead costs as hereinbefore provided, the LOCAL AGENCY agrees to pay the CONSULTANT a fixed amount for profit for the SERVICES performed. It is agreed and understood that such amount constitutes full compensation to the CONSULTANT for profit and will not vary because of any differences between the estimated cost and the actual cost for work performed, except that in the event this Contract is terminated, payment of a fixed fee (profit) in respect to the PROJECT shall be in an amount which can be established by the CONSULTANT from its accounts and records and subject to the provisions of Section 12.
- f. Subconsultant Costs: Actual costs of subconsultants performing SERVICES under this Contract. Amounts for fixed fees paid by the CONSULTANT to the subconsultant will not be considered an actual cost of the CONSULTANT, but will be considered a part of the fixed fee of the CONSULTANT.
- g. The maximum amount, including the fixed fee (profit), hereinbefore set forth in this Section, shall not be exceeded except by the execution of an amendment to this Contract by and between the parties hereto and with approval of the DEPARTMENT and the FHWA. Payment shall be made as set forth hereinafter.

11. Make payments to the CONSULTANT in accordance with the following procedures:

- a. Progress payments may be made for reimbursement of amounts earned to date and shall include direct costs, other direct costs, calculated amounts for overhead using overhead, and facilities cost of capital using applied rates, set forth hereinbefore, plus a portion of the fixed fee.

The portion of the fixed fee which may be included in progress payments shall be equal to the number of hours of services performed by staff during the billing period multiplied by their hourly rates plus overhead costs multiplied by the fixed fee rate set forth in Exhibit B and Exhibit C.

- b. Partial payments will be made upon the submission by the CONSULTANT of a billing, accompanied by the properly completed reporting forms and such other evidence of progress as may be required by the LOCAL AGENCY. Partial payments shall be made only once a month.
- c. Final billing under this Contract shall be submitted in a timely manner but not later than three (3) months after completion of the SERVICES. Billing for work submitted later than three (3) months after completion of SERVICES will not be paid. Final payment, including adjustments of direct salary costs, other direct costs and overhead costs, will be made upon completion of audit by the LOCAL AGENCY and/or as appropriate, by representatives of the DEPARTMENT and the FHWA. In the event such audit indicates an overpayment, the CONSULTANT will repay the LOCAL AGENCY within 30 days of the date of the invoice.

12. If SERVICES, or any part thereof, are terminated before completed, pay the CONSULTANT as follows:

- a. Pay the CONSULTANT actual cost plus overhead and facilities cost of capital, as defined herein, incurred for the work to be terminated up to the time of termination, as set forth in Section 10. The CONSULTANT will also be reimbursed a proportionate share of the fixed fee based on the portion of the project that has been completed, as determined by the DEPARTMENT. The CONSULTANT will perform the work under this Contract up to the time of termination, prior to the CONSULTANT being reimbursed.

IT IS FURTHER AGREED THAT:

13. Approval of this Contract by the DEPARTMENT in no way obligates the DEPARTMENT for any costs or other responsibilities, except as fiscal agent for the FHWA with respect to making federal funds available for the SERVICES performed by the CONSULTANT for the LOCAL AGENCY.
14. Upon completion or termination of this Contract, all documents prepared by the CONSULTANT, including tracings, drawings, estimates, specifications, field notes, investigations, studies, etc., as instruments of SERVICES shall become the property of the LOCAL AGENCY.
15. No portion of the PROJECT work, hereto before defined, shall be sublet, assigned, or otherwise disposed of except as herein provided or with the prior consent of the LOCAL AGENCY and approval by the DEPARTMENT and the FHWA. Consent to sublet, assign or otherwise dispose of any portion of the SERVICES shall not be construed to relieve the CONSULTANT of any responsibility for the fulfillment of this Contract.
16. Consultant shall perform its services in compliance with applicable standards of professional care. All questions which may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, and the interpretation of plans and specifications shall be decided by the LOCAL AGENCY's PROJECT manager. All questions as to the satisfactory and acceptable fulfillment of the terms of this Contract shall be decided by the LOCAL AGENCY.
17. Any changes in SERVICES to be performed by the CONSULTANT involving extra compensation must be authorized in writing by the LOCAL AGENCY and approved by the DEPARTMENT and the FHWA prior to the performance thereof by the CONSULTANT and requires an amendment to this Contract.
18. In addition, the CONSULTANT shall comply with, and shall require any contractor or subcontractor to comply with, the following:
  - a. In connection with the performance of this Contract, the CONSULTANT (hereinafter in Appendix A referred to as the "contractor") agrees 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.
  - b. During the performance of this Contract, the CONSULTANT for itself, its assignees, and successors in interest (hereinafter in Appendix B referred to as the "contractor") agrees to comply with the Civil Rights Act 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 CFR Part 21) issued

pursuant to said Act, including Appendix B, attached hereto and made a part hereof.

- c. The parties further agree that they accept the DEPARTMENT's Minority Business Enterprises/Women's Business Enterprises (MBE/WBE) Program with respect to the PROJECT and will abide by the provisions set forth in Appendix C attached hereto and made a part hereof, being an excerpt from Title 42 CFR Part 23, more specifically 23.43(a)(1) and (2) thereof.
19. The CONSULTANT warrants that it has not employed or retained any company or person other than bona fide employees working solely for the CONSULTANT, to solicit or secure this Contract, and that he has not paid or agreed to pay any company or person, other than bona fide employees working solely for the CONSULTANT, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon, or resulting from the award, or making of this Contract. For breach or violation of this warranty, the LOCAL AGENCY shall have the right to annul this Contract without liability or, at its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gifts or contingent fee.
20. The CONSULTANT specifically agrees that in the performance of SERVICES herein enumerated by it, or by an approved subcontractor, or anyone acting in its behalf, they will, to the best of their professional knowledge and ability, comply with any and all applicable state, federal and local statutes, ordinances and regulations.
21. In case the CONSULTANT deems extra compensation will be due it for work or materials not clearly covered in this Contract, or not ordered by the LOCAL AGENCY as a change, or due to changed conditions, the CONSULTANT shall notify the LOCAL AGENCY in writing of its intention to make claim for such extra compensation before beginning such work. Failure on the part of the CONSULTANT to give such notification will constitute a waiver of the claim for such extra compensation. The filing of such notice by the CONSULTANT shall not in any way be construed to establish the validity of the claim. Such extra compensation shall be provided only amendment to this Contract with approval of the DEPARTMENT and the FHWA.
22. The CONSULTANT agrees to obtain the necessary liability insurance, acceptable to the LOCAL AGENCY and the DEPARTMENT, naming the Macomb County Department of Roads, the Michigan State Transportation Commission, and the DEPARTMENT as insured, and to provide the LOCAL AGENCY with evidence of said insurance, and to indemnify and save harmless the LOCAL AGENCY, the Michigan State Transportation Commission, and the DEPARTMENT, their officers, agents and employees from any claims and losses occurring or resulting to any person, firm or corporation furnishing or supplying work, services, materials or supplies to the extent caused by CONSULTANT's negligent performance of its professional services under this Contract, and from any claims occurring or resulting to any person, firm or corporation who may be injured or damaged by the negligence of the CONSULTANT under this Contract.
23. This Contract shall be terminated upon advisement to the CONSULTANT by the LOCAL AGENCY that its SERVICES are completed and accepted.
24. The CONSULTANT's signature on this Contract constitutes the CONSULTANT's certification of status under penalty of perjury under the laws of the United States in respect to 49 CFR Part 29 pursuant to Executive Order 12549.

The certification, which is included as a part of this Contract as Attachment A, is Appendix A of 49 CFR Part 29, and applies to the CONSULTANT (referred to in Appendix A of 49 CFR Part 29 as the “prospective primary participant”).

The CONSULTANT is responsible for obtaining the same certification from all subcontractors under this contract by inserting the following paragraph in all subcontracts:

The subcontractor’s signature on this Contract constitutes the subcontractor’s certification of status under penalty of perjury under the laws of the United States in respect to 49 CFR Part 29 pursuant to Executive Order 12549. The certification, which is included as a part of this Contract as Attachment B, is Appendix B of 49 CFR Part 29.

The certification is required of all subcontractors, testing laboratories, and other lower tier participants with which the CONSULTANT enters into a written arrangement for the procurement of goods or services provided for in this Contract.

25. The CONSULTANT hereby agrees that the costs reported to the LOCAL AGENCY for this Contract shall represent only those items which are properly chargeable in accordance with this Contract. The CONSULTANT also hereby 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.
26. Upon execution of this Contract by the parties hereto, the same shall become binding on the parties and their successors and assigns, until such time as all work contemplated hereunder is complete, or until such time as this Contract is terminated by mutual consent of the parties hereto.

IN WITNESS WHEREOF, the parties have set their hands and seals by their duly authorized agents and representatives the day and year first above written.

MACOMB COUNTY DEPARTMENT OF ROADS

BY: \_\_\_\_\_  
TITLE:

BY: \_\_\_\_\_  
TITLE:

URS Corporation Great Lakes, Inc.

BY: K. Swanson  
TITLE: Vice President

BY: \_\_\_\_\_  
TITLE:

<b>PROJECT TASKS BREAKDOWN BY STAFF TYPE AND PERCENTAGE OF OVERALL EFFORT</b>	
<b>JN ##### Macomb TOC</b>	
<b>Task 1 - Active Traffic Signal System Operations</b>	
<b>Traffic Operations Engineers (Full Time On-Site - Estimated 6 FTE)</b>	
15%	Initiating system wide commands for active arterial operations
13%	Prepare signal timings
13%	Review motorist's concerns
20%	Diagnose signal timing problems in the field
15%	Adjust timing parameters as needed to solve traffic problems
15%	Traffic data analysis
8%	Coordinating traffic operations with stakeholders
100%	<b>TOTAL Traffic Operations Engineers Effort</b>
<b>TOC Operations Experts (Part Time On-Site)</b>	
22%	Deliver and operate performance monitoring systems
48%	Review traffic operations deliverables
19%	Create procedural enhancements to improve operational efficiency
11%	Create and support operations databases
100%	<b>TOTAL TOC Operations Experts Effort</b>
<b>Operations Technician (Full Time On-Site - Estimated 3 FTE)</b>	
44%	Provide TOC system operations
20%	System performance monitoring and reporting
13%	Compile and analyze traffic data
10%	Receive and process motorist's concerns
14%	Coordinate repairs and adjustments with ITS Technicians and Traffic Operations Engineers
100%	<b>TOTAL Operations Technician Effort</b>
<b>Task 2 - Active IT/ITS Network System Operations</b>	
<b>IT/ITS Technicians (Full Time On-Site - Estimated 4 FTE)</b>	
49%	Maintain, diagnose and troubleshoot communications network
24%	Support communication system deployments
4%	Configure network bridges between existing networks
10%	Maintain and troubleshoot software applications
13%	Configure and coordinate installation of network devices
100%	<b>TOTAL IT/ITS Technicians Effort</b>
<b>IT/ITS Engineers (Part Time On-Site)</b>	
29%	Evaluate and configure communication topology
43%	Evaluate and configure network security
29%	Support, diagnose and configure RF system
100%	<b>TOTAL IT/ITS Engineers Effort</b>



Michigan Department of Transportation 5108 (04/13)	<b>CERTIFICATION OF OVERHEAD COST RATE</b>		Page 1 of 1
<p>This Certification is required per U.S. Department of Transportation, Federal Highway Administration (FHWA) Order 4470.1A, and dated October 27, 2010. FHWA has issued this new policy to be effective January 1, 2011, requiring consultants provide certification that costs used to establish overhead cost rates for Federal-aid engineering and design related services contracts do not include any costs which are expressly unallowable; and that the overhead cost rate was established only with allowable costs.</p> <p>This certification is to provide assurance that the overhead costs rate was calculated in accordance with the applicable cost principles contained in the Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31.</p>			
<p>This form shall be completed and submitted by the prime consultant and each subconsultant (first and second tier subconsultant(s)) that have a derivation of cost sheet as part of this priced proposal where an overhead rate was proposed. Please note that the Certifying Official is defined as the firm's Executive (President, Vice President or equivalent) of Chief Financial Officer.</p>			
<b>PROJECT INFORMATION</b>			
MDOT CONTROL SECTION(S) – JOB NUMBER(S):		CONTRACT / AUTHORIZATION NUMBER:	
<b>CS - JN ###</b>			
PROJECT DESCRIPTION:			
<b>2014 to 2015 Macomb Traffic Operations Center</b>			
<b>DECLARATION OF CERTIFICATION</b>			
OVERHEAD COST RATE:		<b>118.314%</b>	
DATE OF OVERHEAD COST RATE DETERMINATION (mm/dd/yyyy):		<b>5/28/2014</b>	
FISCAL PERIOD COVERED: (mm/dd/yyyy to mm/dd/yyyy)		<b>1/1/2013</b>	to <b>1/3/2014</b>
<p><i>I, the undersigned, certify that I have reviewed the overhead rate calculation for the fiscal period as specified above and to the best of my knowledge and belief:</i></p> <p>1.) All costs included to establish the above overhead cost rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) of title 48, Code of Federal Regulations (CFR), part 31.</p> <p>2.) This overhead cost rate does not include any costs which are expressly unallowable under the cost principles of the FAR of 48 CFR 31.</p> <p><b>All known material transactions or events that have occurred affecting the firm's ownership, organization and overhead cost rates have been disclosed.</b></p>			
<b>CONSULTANT INFORMATION</b>			
LEGAL BUSINESS NAME:		FEDERAL ID NUMBER: (Must match prequalification file)	ROLE: (Prime, Tier 1, Tier 2)
<b>URS Corporation Great Lakes - Office</b>		<b>38-1776252</b>	<b>Prime Firm</b>
COMPANY ADDRESS:		CITY:	STATE:
<b>3950 Sparks Dr SE</b>		<b>Grand Rapids</b>	<b>MI</b>
EMAIL (AUTHORIZED CONTRACT SIGNER):		PHONE NO.:	EMAIL (FOR SIGNED CONTRACT DISTRIBUTION):
<b>theresa.petko@urs.com</b>		<b>616-574-8356</b>	<b>matt.klawon@urs.com</b>
<p><b>By signature on this form, the consultant agrees that information provided in the consultant priced proposal does not contradict the scope of services or violate the contract terms and conditions.</b></p>			
CERTIFYING OFFICIAL: (Printed Name - Title)		SIGNATURE OF CERTIFYING OFFICIAL:	DATE:
<b>Theresa Petko Vice President</b>		<i>Theresa S. Petko</i>	<b>7/30/2014</b>

**CERTIFICATION OF OVERHEAD COST RATE**

This Certification is required per U.S. Department of Transportation, Federal Highway Administration (FHWA) Order 4470.1A, and dated October 27, 2010. FHWA has issued this new policy to be effective **January 1, 2011**, requiring consultants provide certification that costs used to establish overhead cost rates for Federal-aid engineering and design related services contracts do not include any costs which are expressly unallowable; and that the overhead cost rate was established only with allowable costs.

This certification is to provide assurance that the overhead costs rate was calculated in accordance with the applicable cost principles contained in the Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31.

This form shall be completed and submitted by the prime consultant and each subconsultant (first and second tier subconsultant(s)) that have a derivation of cost sheet as part of this priced proposal where an overhead rate was proposed. Please note that the Certifying Official is defined as the firm's Executive (President, Vice President or equivalent) or Chief Financial Officer.

**PROJECT INFORMATION**

MDOT CONTROL SECTION(S) – JOB NUMBER(S):

**CS - JN ###**

CONTRACT / AUTHORIZATION NUMBER:

PROJECT DESCRIPTION:

**2014 to 2015 Macomb Traffic Operations Center****DECLARATION OF CERTIFICATION**

OVERHEAD COST RATE:

**99.640%**

DATE OF OVERHEAD COST RATE DETERMINATION (mm/dd/yyyy):

**5/28/2014**

FISCAL PERIOD COVERED: (mm/dd/yyyy to mm/dd/yyyy)

**1/1/2013**

to

**1/3/2014**

*I, the undersigned, certify that I have reviewed the overhead rate calculation for the fiscal period as specified above and to the best of my knowledge and belief:*

1.) All costs included to establish the above overhead cost rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) of title 48, Code of Federal Regulations (CFR), part 31.

2.) This overhead cost rate does not include any costs which are expressly unallowable under the cost principles of the FAR of 48 CFR 31.

**All known material transactions or events that have occurred affecting the firm's ownership, organization and overhead cost rates have been disclosed.**

**CONSULTANT INFORMATION**

LEGAL BUSINESS NAME:

**URS Corporation Great Lakes - Field**

FEDERAL ID NUMBER: (Must match prequalification file)

**38-1776252**

ROLE: (Prime, Tier 1, Tier 2)

**Prime Firm**

COMPANY ADDRESS:

**3950 Sparks Dr SE**

CITY:

**Grand Rapids**

STATE:

**MI**

ZIP CODE:

**49546**

EMAIL (AUTHORIZED CONTRACT SIGNER):

**theresa.petko@urs.com**

PHONE NO.:

**616-574-8356**

EMAIL (FOR SIGNED CONTRACT DISTRIBUTION):

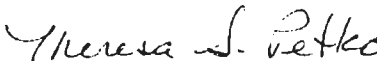
**matt.klawon@urs.com**

**By signature on this form, the consultant agrees that information provided in the consultant priced proposal does not contradict the scope of services or violate the contract terms and conditions.**

CERTIFYING OFFICIAL: (Printed Name - Title)

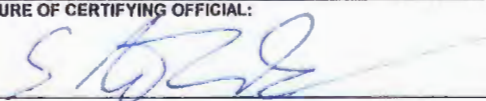
**Theresa Petko  
Vice President**

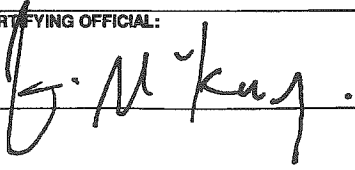
SIGNATURE OF CERTIFYING OFFICIAL:



DATE:

**7/30/2014**

Michigan Department of Transportation 5108 (04/13)		CERTIFICATION OF OVERHEAD COST RATE		Page 1 of 1
<p>This Certification is required per U.S. Department of Transportation, Federal Highway Administration (FHWA) Order 4470.1A, and dated October 27, 2010. FHWA has issued this new policy to be effective January 1, 2011, requiring consultants provide certification that costs used to establish overhead cost rates for Federal-aid engineering and design related services contracts do not include any costs which are expressly unallowable; and that the overhead cost rate was established only with allowable costs.</p> <p>This certification is to provide assurance that the overhead costs rate was calculated in accordance with the applicable cost principles contained in the Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31.</p> <p>This form shall be completed and submitted by the prime consultant and each subconsultant (first and second tier subconsultant(s)) that have a derivation of cost sheet as part of this priced proposal where an overhead rate was proposed. Please note that the Certifying Official is defined as the firm's Executive (President, Vice President or equivalent) or Chief Financial Officer.</p>				
<b>PROJECT INFORMATION</b>				
MDOT CONTROL SECTION(S) – JOB NUMBER(S):		CONTRACT / AUTHORIZATION NUMBER:		
CS - JN ###				
PROJECT DESCRIPTION:				
2014 to 2015 Macomb Traffic Operations Center				
<b>DECLARATION OF CERTIFICATION</b>				
OVERHEAD COST RATE:		93.480%		
DATE OF OVERHEAD COST RATE DETERMINATION (mm/dd/yyyy):		5/24/2013		
FISCAL PERIOD COVERED: (mm/dd/yyyy to mm/dd/yyyy)		7/1/2011	to	6/30/2012
<p><i>I, the undersigned, certify that I have reviewed the overhead rate calculation for the fiscal period as specified above and to the best of my knowledge and belief:</i></p> <p>1.) All costs included to establish the above overhead cost rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) of title 48, Code of Federal Regulations (CFR), part 31.</p> <p>2.) This overhead cost rate does not include any costs which are expressly unallowable under the cost principles of the FAR of 48 CFR 31.</p> <p>All known material transactions or events that have occurred affecting the firm's ownership, organization and overhead cost rates have been disclosed.</p>				
<b>CONSULTANT INFORMATION</b>				
LEGAL BUSINESS NAME:		FEDERAL ID NUMBER: (Must match prequalification file)		ROLE: (Prime, Tier 1, Tier 2)
Integral Blue		27-2970115		Tier 1 SUB
COMPANY ADDRESS:		CITY:	STATE:	ZIP CODE:
25181 Dequindre Rd.		Madison Heights	MI	48071
EMAIL (AUTHORIZED CONTRACT SIGNER):	PHONE NO.:	EMAIL (FOR SIGNED CONTRACT DISTRIBUTION):		
steveverkest@integral-blue.com	248-918-4589	steveverkest@integral-blue.com		
By signature on this form, the consultant agrees that information provided in the consultant priced proposal does not contradict the scope of services or violate the contract terms and conditions.				
CERTIFYING OFFICIAL: (Printed Name - Title)		SIGNATURE OF CERTIFYING OFFICIAL:		DATE:
Steve Verkest Director of Operations				7/30/2014

Michigan Department of Transportation 5108 (04/13)		<b>CERTIFICATION OF OVERHEAD COST RATE</b>		Page 1 of 1	
<p>This Certification is required per U.S. Department of Transportation, Federal Highway Administration (FHWA) Order 4470.1A, and dated October 27, 2010. FHWA has issued this new policy to be effective January 1, 2011, requiring consultants provide certification that costs used to establish overhead cost rates for Federal-aid engineering and design related services contracts do not include any costs which are expressly unallowable; and that the overhead cost rate was established only with allowable costs.</p> <p>This certification is to provide assurance that the overhead costs rate was calculated in accordance with the applicable cost principles contained in the Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31.</p> <p>This form shall be completed and submitted by the prime consultant and each subconsultant (first and second tier subconsultant(s)) that have a derivation of cost sheet as part of this priced proposal where an overhead rate was proposed. Please note that the Certifying Official is defined as the firm's Executive (President, Vice President or equivalent) of Chief Financial Officer.</p>					
<b>PROJECT INFORMATION</b>					
MDOT CONTROL SECTION(S) – JOB NUMBER(S):			CONTRACT / AUTHORIZATION NUMBER:		
CS - JN ###					
PROJECT DESCRIPTION:					
2014 to 2015 Macomb Traffic Operations Center					
<b>DECLARATION OF CERTIFICATION</b>					
OVERHEAD COST RATE:					<u>156.210%</u>
DATE OF OVERHEAD COST RATE DETERMINATION (mm/dd/yyyy):					<u>2/28/2013</u>
FISCAL PERIOD COVERED: (mm/dd/yyyy to mm/dd/yyyy)					<u>1/1/2012</u> to <u>12/31/2012</u>
<p><i>I, the undersigned, certify that I have reviewed the overhead rate calculation for the fiscal period as specified above and to the best of my knowledge and belief:</i></p> <p>1.) All costs included to establish the above overhead cost rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) of title 48, Code of Federal Regulations (CFR), part 31.</p> <p>2.) This overhead cost rate does not include any costs which are expressly unallowable under the cost principles of the FAR of 48 CFR 31.</p> <p><i>All known material transactions or events that have occurred affecting the firm's ownership, organization and overhead cost rates have been disclosed.</i></p>					
<b>CONSULTANT INFORMATION</b>					
LEGAL BUSINESS NAME:		FEDERAL ID NUMBER: (Must match prequalification file)		ROLE: (Prime, Tier 1, Tier 2)	
Opus International Consultants Inc.		52-2210173		Tier 1 SUB	
COMPANY ADDRESS:		CITY:	STATE:	ZIP CODE:	
27333 Meadowbrook Road, Suite 210		Novi	MI	48377	
EMAIL (AUTHORIZED CONTRACT SIGNER):		PHONE NO.:	EMAIL (FOR SIGNED CONTRACT DISTRIBUTION):		
Gareth.McKay@opusinternational.com		248-539-2222	Gareth.McKay@opusinternational.com		
By signature on this form, the consultant agrees that information provided in the consultant priced proposal does not contradict the scope of services or violate the contract terms and conditions.					
CERTIFYING OFFICIAL: (Printed Name - Title)		SIGNATURE OF CERTIFYING OFFICIAL:		DATE:	
Gareth McKay Office Manager				7/30/2014	

Michigan Department  
of Transportation  
5101A-1 (04/13)

**SUMMARY OF TOTAL PROJECT COSTS BY JOB NUMBER**

EXHIBIT A - 1

All Prime and Subconsultant Costs for ALL JOB NUMBERS (including phases). For amendment or revision, complete this form showing all job numbers for all services provided. Report Tier 2 Subconsultant costs with Tier 1 Subconsultants. For use with all Priced Proposals. Use additional pages as necessary.

MDOT CONTROL SECTION(S) - JOB NUMBER(S):				CONTRACT / AUTHORIZATION NUMBER:			
<b>CS - JN ###</b>							
PRIME CONSULTANT NAME:			DBE Goal:		PROJECT DESCRIPTION:		
<b>URS Corporation Great Lakes - Office</b>					<b>2014 to 2015 Macomb Traffic Operations Center</b>		

Consultant	Job Number ###	Job Number	Job Number	Job Number	Job Number	Job Number	Job Number	Job Number	DBE (Y/N)	Total	% of Contract
<b>HOURS</b>	<b>29,190</b>	-	-	-	-	-	-	-		<b>29,190</b>	
URS Corporation Great Lakes - Office	1,130	-	-	-	-	-	-	-		1,130	
URS Corporation Great Lakes - Field	15,400	-	-	-	-	-	-	-		15,400	
Integral Blue - Office	220	-	-	-	-	-	-	-		220	
Integral Blue - Field	10,510	-	-	-	-	-	-	-		10,510	
Opus International Consultants Inc. - Office	30	-	-	-	-	-	-	-		30	
Opus International Consultants Inc. - Field	1,900	-	-	-	-	-	-	-		1,900	
<b>DIRECT LABOR</b>	<b>\$ 844,041.80</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		<b>\$ 844,041.80</b>	
URS Corporation Great Lakes - Office	\$ 62,671.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 62,671.70	
URS Corporation Great Lakes - Field	\$ 397,510.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 397,510.00	
Integral Blue - Office	\$ 9,594.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 9,594.40	
Integral Blue - Field	\$ 306,752.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 306,752.30	
Opus International Consultants Inc. - Office	\$ 1,868.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 1,868.40	
Opus International Consultants Inc. - Field	\$ 65,645.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 65,645.00	
<b>OVERHEAD</b>	<b>\$ 858,503.22</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		<b>\$ 858,503.22</b>	
URS Corporation Great Lakes - Office	\$ 74,149.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 74,149.40	
URS Corporation Great Lakes - Field	\$ 396,078.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 396,078.96	
Integral Blue - Office	\$ 8,968.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 8,968.85	
Integral Blue - Field	\$ 286,752.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 286,752.05	
Opus International Consultants Inc. - Office	\$ 3,138.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 3,138.91	
Opus International Consultants Inc. - Field	\$ 89,415.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 89,415.05	
<b>F.C.C.M.</b>	<b>\$ 3,889.14</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		<b>\$ 3,889.14</b>	
URS Corporation Great Lakes - Office	\$ 141.64	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 141.64	
URS Corporation Great Lakes - Field	\$ 898.37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 898.37	
Integral Blue - Office	\$ 77.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 77.81	
Integral Blue - Field	\$ 2,487.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,487.76	
Opus International Consultants Inc. - Office	\$ 7.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 7.85	
Opus International Consultants Inc. - Field	\$ 275.71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 275.71	
<b>DIRECT EXPENSES</b>	<b>\$ 4,518.00</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		<b>\$ 4,518.00</b>	
URS Corporation Great Lakes - Office	\$ 2,330.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,330.00	
URS Corporation Great Lakes - Field	\$ 900.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 900.00	
Integral Blue - Office	\$ 840.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 840.00	
Opus International Consultants Inc. - Office	\$ 448.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 448.00	
<b>FIXED FEE</b>	<b>\$ 187,279.96</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		<b>\$ 187,279.96</b>	
URS Corporation Great Lakes - Office	\$ 15,050.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 15,050.32	
URS Corporation Great Lakes - Field	\$ 87,294.79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 87,294.79	
Integral Blue - Office	\$ 2,041.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,041.96	
Integral Blue - Field	\$ 65,285.48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 65,285.48	
Opus International Consultants Inc. - Office	\$ 550.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 550.80	
Opus International Consultants Inc. - Field	\$ 17,056.61	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 17,056.61	

<b>TOTAL COSTS SUMMARY</b>												
Consultant Totals	Payment Method:	Job Number ###	Job Number	Job Number	Job Number	Job Number	Job Number	Job Number	Job Number	DBE (Y/N)	Total	% of Contract
URS Corporation Great Lakes - Office	ACFF	\$ 154,343.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 154,343.06	8.1%
URS Corporation Great Lakes - Field	ACFF	\$ 882,682.12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 882,682.12	46.5%
Integral Blue - Office	ACFF	\$ 21,523.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 21,523.02	1.1%
Integral Blue - Field	ACFF	\$ 661,277.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 661,277.59	34.8%
Opus International Consultants Inc. - Office	ACFF	\$ 6,013.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 6,013.96	0.3%
Opus International Consultants Inc. - Field	ACFF	\$ 172,392.37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N	\$ 172,392.37	9.1%
<i>NOTE: Low Bid Sub costs are included in the total costs for Prime and Tier 1 Sub's</i>												
<b>TOTAL COSTS</b>		<b>\$ 1,898,232.12</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 1,898,232.12</b>	<b>100%</b>

Michigan Department of Transportation 5101B (04/13)	<b>DERIVATION OF PRIME CONSULTANT COSTS</b>				EXHIBIT B	
Summary of all Prime Costs for ALL JOB NUMBERS (including phases) for all services provided. Use additional pages as necessary.						
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>		CONTRACT / AUTHORIZATION #:		FIRM ROLE:  <b>Prime Firm</b>		
PRIME CONSULTANT NAME:  <b>URS Corporation Great Lakes - Office</b>		PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>				
<b>PRIME DIRECT LABOR:</b>						
<i>CLASSIFICATION</i>	<i>CODE</i>	<i>HOURS</i>	x	<i>RATE/HR</i>	=	<i>LABOR COST</i>
Principal Transportation Engineer (Contract Manager and On-site Expert Advisor)	EG-M3	230	x	\$ 65.74	=	\$ 15,120.20
Principal Transportation Engineer (On-site Expert Advisors)	TC-M3	450	x	\$ 62.64	=	\$ 28,188.00
Senior Transportation Engineer (As-needed Traffic Operations Engineers)	TR-P4	450	x	\$ 43.03	=	\$ 19,363.50
Total Hours: <u>1130</u>				Total Labor		<u>\$ 62,671.70</u>
<b>PRIME OVERHEAD: (Total Labor x Overhead Rate)</b>						
Overhead Rate: <u>118.314%</u>				Total Overhead		<u>\$ 74,149.40</u>
<b>PRIME FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>						
F.C.C.M. Rate: <u>0.226%</u>				Total F.C.C.M.		<u>\$ 141.64</u>
<b>PRIME OTHER DIRECT EXPENSES: (List each item once at Actual Cost - NO MARKUP.)</b>						
<u>Items</u>	<u>Quantity</u>	<u>@</u>	<u>Unit Price</u>	<u>Unit</u>	=	<u>Item Price</u>
Mileage	3,000.00	@	\$ 0.560	Mile	=	\$ 1,680.00
Hotel	2.00	@	\$ 75.00	Night	=	\$ 150.00
Airfare	1.00	@	\$ 500.00	Trip	=	\$ 500.00
Total Other Direct Expenses					\$	<u>2,330.00</u>
<b>PRIME FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>						
Fixed Fee Rate: <u>11%</u>				Total Fixed Fee		<u>\$ 15,050.32</u>
<b>PRIME TOTAL COSTS SUMMARY</b>					<b>\$</b>	<b><u>154,343.06</u></b>



Michigan Department of Transportation 5101C (04/13)		DERIVATION OF SUBCONSULTANT COSTS				EXHIBIT C	
Summary of all Sub Costs for <u>ALL JOB NUMBERS</u> (including phases) for <u>all</u> services provided. Use additional pages as necessary.							
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>			CONTRACT / AUTHORIZATION #:		FIRM ROLE:  <b>Sub Tier 1</b>		
SUBCONSULTANT NAME:  <b>URS Corporation Great Lakes - Field</b>			PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>				
<b>DIRECT LABOR:</b>							
<i>CLASSIFICATION</i>	<i>CODE</i>	<i>HOURS</i>	<i>x</i>	<i>RATE/HR</i>	<i>=</i>	<i>LABOR COST</i>	
Project Transportation Engineer (Project	TR-P4	1960	x	\$ 43.03	=	\$	84,338.80
Graduate Traffic Engineer (Traffic Operat	TR-P1	5760	x	\$ 23.54	=	\$	135,590.40
Traffic Engineer (Traffic Operations Engineer 2)	TR-P2	1920	x	\$ 30.00	=	\$	57,600.00
Total Hours:		<b>15400</b>				<b>Total Labor</b>	<b>\$ 397,510.00</b>
<b>SUB OVERHEAD: (Total Labor x Overhead Rate)</b>							
Overhead Rate:		<b>99.640%</b>				<b>Total Overhead</b>	<b>\$ 396,078.96</b>
<b>SUB FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>							
F.C.C.M. Rate:		<b>0.226%</b>				<b>Total F.C.C.M.</b>	<b>\$ 898.37</b>
<b>SUB OTHER DIRECT EXPENSES: (List each item once at Actual Cost - NO MARKUP.)</b>							
<i>Items</i>	<i>Quantity</i>	<i>@</i>	<i>Unit Price</i>	<i>Unit</i>	<i>=</i>	<i>Item Price</i>	
Cell Phone	12.00	@	\$ 75.00	Month	=	\$	900.00
<b>Total Other Direct Expenses</b>						<b>\$</b>	<b>900.00</b>
<b>SUB FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>							
Fixed Fee Rate:		<b>11%</b>				<b>Total Fixed Fee</b>	<b>\$ 87,294.79</b>
<b>SUB TOTAL COSTS SUMMARY</b>						<b>\$</b>	<b>882,682.12</b>

Michigan Department of Transportation 5101C (04/13)		DERIVATION OF SUBCONSULTANT COSTS				EXHIBIT C	
Summary of all Sub Costs for <u>ALL JOB NUMBERS</u> (including phases) for <u>all</u> services provided. Use additional pages as necessary.							
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>			CONTRACT / AUTHORIZATION #:		FIRM ROLE:  <b>Sub Tier 1</b>		
SUBCONSULTANT NAME:  <b>Integral Blue - Office</b>			PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>				
<b>DIRECT LABOR:</b>							
<i>CLASSIFICATION</i>	<i>CODE</i>	<i>HOURS</i>	<i>x</i>	<i>RATE/HR</i>	<i>=</i>	<i>LABOR COST</i>	
On-Site Expert Advisor ITS Engineer	S. Crain	40	x	\$ 84.14	=	\$	3,365.60
IT/ITS Engineer	S. Richard	80	x	\$ 37.86	=	\$	3,028.80
Senior ITS Technician	M. Richard	100	x	\$ 32.00	=	\$	3,200.00
		Total Hours:	<b>220</b>			Total Labor	<b>\$ 9,594.40</b>
<b>SUB OVERHEAD: (Total Labor x Overhead Rate)</b>							
		Overhead Rate:	<b>93.480%</b>			Total Overhead	<b>\$ 8,968.85</b>
<b>SUB FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>							
		F.C.C.M. Rate:	<b>0.811%</b>			Total F.C.C.M.	<b>\$ 77.81</b>
<b>SUB OTHER DIRECT EXPENSES: (List each item once at Actual Cost - NO MARKUP.)</b>							
<i>Items</i>	<i>Quantity</i>	<i>@</i>	<i>Unit Price</i>	<i>Unit</i>	<i>=</i>	<i>Item Price</i>	
Mileage	1,500.00	@	\$ 0.560	Mile	=	\$	840.00
						Total Other Direct Expenses	<b>\$ 840.00</b>
<b>SUB FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>							
		Fixed Fee Rate:	<b>11%</b>			Total Fixed Fee	<b>\$ 2,041.96</b>
						<b>SUB TOTAL COSTS SUMMARY</b>	<b>\$ 21,523.02</b>

Michigan Department  
of Transportation  
5101C (04/13)

DERIVATION OF SUBCONSULTANT COSTS

EXHIBIT C

Summary of all Sub Costs for ALL JOB NUMBERS (including phases) for all services provided. Use additional pages as necessary.

MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>		CONTRACT / AUTHORIZATION #:	FIRM ROLE:  <b>Sub Tier 1</b>
SUBCONSULTANT NAME:  <b>Integral Blue - Field</b>		PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>	
<b>DIRECT LABOR:</b>			
<b>CLASSIFICATION</b>	<b>NAME</b>	<b>HOURS</b>	<b>LABOR COST</b>
Traffic Operations Engineer	M. Ceifetz	1950	\$ 53,761.50
IT/ITS Technician 4	R. Shebestak	2140	\$ 79,779.20
IT/ITS Technician 3	R. Kindlinger	2140	\$ 61,332.40
IT/ITS Technician 2	S. Ditomaso	2140	\$ 58,422.00
IT/ITS Technician 1	M. Neumeyer	2140	\$ 53,457.20
Total Hours: <u>10510</u>		Total Labor	<u>\$ 306,752.30</u>
<b>SUB OVERHEAD: (Total Labor x Overhead Rate)</b>			
Overhead Rate: <u>93.480%</u>		Total Overhead	<u>\$ 286,752.05</u>
<b>SUB FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>			
F.C.C.M. Rate: <u>0.811%</u>		Total F.C.C.M.	<u>\$ 2,487.76</u>
<b>SUB FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>			
Fixed Fee Rate: <u>11%</u>		Total Fixed Fee	<u>\$ 65,285.48</u>
<b>SUB TOTAL COSTS SUMMARY</b>			<u>\$ 661,277.59</u>

Michigan Department of Transportation 5101C (04/13)		DERIVATION OF SUBCONSULTANT COSTS				EXHIBIT C	
Summary of all Sub Costs for <u>ALL JOB NUMBERS</u> (including phases) for <u>all</u> services provided. Use additional pages as necessary.							
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>				CONTRACT / AUTHORIZATION #:		FIRM ROLE:  <b>Sub Tier 1</b>	
SUBCONSULTANT NAME:  <b>Opus International Consultants Inc. - Office</b>				PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>			
<b>DIRECT LABOR:</b>							
<u>CLASSIFICATION</u>	<u>CODE</u>	<u>HOURS</u>	x	<u>RATE/HR</u>	=	<u>LABOR COST</u>	
Senior Transportation Engineer 3 (On-site Expert Advisor)	TE3	30	x	\$ 62.28	=	\$	1,868.40
Total Hours:		<u>30</u>				Total Labor	\$ <u>1,868.40</u>
<b>SUB OVERHEAD: (Total Labor x Overhead Rate)</b>							
Overhead Rate:		<u>168.000%</u>				Total Overhead	\$ <u>3,138.91</u>
<b>SUB FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>							
F.C.C.M. Rate:		<u>0.420%</u>				Total F.C.C.M.	\$ <u>7.85</u>
<b>SUB OTHER DIRECT EXPENSES: (List each item once at Actual Cost - NO MARKUP.)</b>							
<u>Items</u>	<u>Quantity</u>	<u>@</u>	<u>Unit Price</u>	<u>Unit</u>	=	<u>Item Price</u>	
Mileage	800.00	@	\$ 0.560	Mile	=	\$	448.00
Total Other Direct Expenses						\$	<u>448.00</u>
<b>SUB FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>							
Fixed Fee Rate:		<u>11%</u>				Total Fixed Fee	\$ <u>550.80</u>
<b>SUB TOTAL COSTS SUMMARY</b>						\$	<u><b>6,013.96</b></u>

Michigan Department  
of Transportation  
5101C (04/13)

### DERIVATION OF SUBCONSULTANT COSTS

EXHIBIT C

Summary of all Sub Costs for ALL JOB NUMBERS (including phases) for all services provided. Use additional pages as necessary.

MDOT CONTROL SECTION(S) - JOB NUMBER(S): <b>CS - JN ###</b>		CONTRACT / AUTHORIZATION #:	FIRM ROLE: <b>Sub Tier 1</b>
SUBCONSULTANT NAME: <b>Opus International Consultants Inc. - Field</b>		PROJECT DESCRIPTION: <b>2014 to 2015 Macomb Traffic Operations Center</b>	
<b>DIRECT LABOR:</b>			
<i>CLASSIFICATION</i> Transportation Engineer 1 (Traffic Operations Engineer)	<i>CODE</i> TE1	<i>HOURS</i> 1900	<i>LABOR COST</i> \$ 65,645.00
		x	RATE/HR =
		x	\$ 34.55 = \$
Total Hours: <u>1900</u>		Total Labor \$ <u>65,645.00</u>	
<b>SUB OVERHEAD: (Total Labor x Overhead Rate)</b>			
Overhead Rate: <u>136.2100%</u>		Total Overhead \$ <u>89,415.05</u>	
<b>SUB FACILITIES CAPITAL COST OF MONEY (F.C.C.M.): (Total Labor x F.C.C.M. Rate)</b>			
F.C.C.M. Rate: <u>0.420%</u>		Total F.C.C.M. \$ <u>275.71</u>	
<b>SUB FIXED FEE FOR PROFIT: ((Total Labor + Total Overhead) x 11%)</b>			
Fixed Fee Rate: <u>11%</u>		Total Fixed Fee \$ <u>17,056.61</u>	
<b>SUB TOTAL COSTS SUMMARY</b>			<b>\$ <u>172,392.37</u></b>

Michigan Department  
of Transportation  
5101D (04/13)

### SUMMARY OF PERSON HOURS BY PPMS TASK

EXHIBIT D

All Prime and Subconsultant Hours for EACH JOB NUMBER (including phases). For amendment/revision, complete this form showing all job numbers for all services provided. Use additional pages as necessary.

MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>	CONTRACT / AUTHORIZATION NUMBER:
PRIME CONSULTANT NAME:  <b>URS Corporation Great Lakes - Office</b>	PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>

#### SUMMARY OF HOURS BY PPMS TASK

PPMS Task Code	Task Description	Firm Init.	MDOT JN ###	MDOT JN	MDOT JN	MDOT JN	Total
1	Active Traffic Signal System Operations	<b>Total</b>	<b>20,410</b>	-	-	-	<b>20,410</b>
		URS - O	1,130	-	-	-	1,130
		URS - F	15,400	-	-	-	15,400
		IB - F	1,950	-	-	-	1,950
		Opus - O	30	-	-	-	30
		Opus - F	1,900	-	-	-	1,900
2	Active IT/ITS Network System Operations	<b>Total</b>	<b>8,780</b>	-	-	-	<b>8,780</b>
		IB - O	220	-	-	-	220
		IB - F	8,560	-	-	-	8,560

#### SUMMARY OF HOURS BY FIRM

Role	Firm Name	Firm Init.	MDOT JN ###	MDOT JN	MDOT JN	MDOT JN	Total
Prime Firm	URS Corporation Great Lakes - Office	URS - O	1,130	-	-	-	<b>1,130</b>
Prime Firm	URS Corporation Great Lakes - Field	URS - F	15,400	-	-	-	<b>15,400</b>
Tier 1 SUB	Integral Blue - Office	IB - O	220	-	-	-	<b>220</b>
Tier 1 SUB	Integral Blue - Field	IB - F	10,510	-	-	-	<b>10,510</b>
Tier 1 SUB	Opus International Consultants Inc. - Office	Opus - O	30	-	-	-	<b>30</b>
Tier 1 SUB	Opus International Consultants Inc. - Field	Opus - F	1,900	-	-	-	<b>1,900</b>
<b>Totals</b>			<b>29,190</b>	-	-	-	<b>29,190</b>



Michigan Department of Transportation 5101E (04/13)		<b>PROPOSED PERSON HOURS BY PPMS TASK</b>										EXHIBIT E
Summary of all Prime or Subconsultant Hours for <b>ALL JOB NUMBERS</b> (including phases). For amendment/revision, complete this form showing all job numbers for all services provided. Submit only one form per consultant. Use additional pages as necessary.												
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>						CONTRACT / AUTHORIZATION #:				FIRM ROLE:  <b>Prime Firm</b>		
CONSULTANT NAME:  <b>URS Corporation Great Lakes - Office</b>						PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>						
SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S PER PPMS TASK AND CLASSIFICATION												
PPMS Task Code	Task Description	Principal Transportation Engineer (Contract Manager and On-site Expert Advisor)	Principal Transportation Engineer (On-site Expert Advisors)	Senior Transportation Engineer (As needed Traffic Operations Engineers)								HOURS FOR TASK
1	Active Traffic Signal System Operations	230	450	450								1130
SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S												
Classification:		Principal Transportation Engineer (Contract Manager and On-site Expert Advisor)	Principal Transportation Engineer (On-site Expert Advisors)	Senior Transportation Engineer (As needed Traffic Operations Engineers)								HOURS FOR TASK
<b>Total Hours:</b>		<b>230</b>	<b>450</b>	<b>450</b>								<b>1130</b>





Michigan Department of Transportation  
5101E (04/13)

**PROPOSED PERSON HOURS BY PPMS TASK**

EXHIBIT E

Summary of all Prime or Subconsultant Hours for ALL JOB NUMBERS (including phases). For amendment/revision, complete this form showing all job numbers for all services provided. Submit only one form per consultant. Use additional pages as necessary.

MDOT CONTROL SECTION(S) - JOB NUMBER(S): <b>CS - JN ###</b>	CONTRACT / AUTHORIZATION #:	FIRM ROLE: <b>Sub Tier 1</b>
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CONSULTANT NAME: <b>Integral Blue - Field</b>	PROJECT DESCRIPTION: <b>2014 to 2015 Macomb Traffic Operations Center</b>
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SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S PER PPMS TASK AND CLASSIFICATION														
PPMS Task Code	Task Description				Traffic Operations Engineer	IT/ITS Technician 4	IT/ITS Technician 3	IT/ITS Technician 2	IT/ITS Technician 1					HOURS FOR TASK
1	Active Traffic Signal System Operations				1950									1950
2	Active IT/ITS Network System Operations					2140	2140	2140	2140					8560

SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S														
Classification:					Traffic Operations Engineer	IT/ITS Technician 4	IT/ITS Technician 3	IT/ITS Technician 2	IT/ITS Technician 1					HOURS FOR TASK
<b>Total Hours:</b>					1950	2140	2140	2140	2140					10510

Michigan Department of Transportation 5101E (04/13)		<b>PROPOSED PERSON HOURS BY PPMS TASK</b>												EXHIBIT E
Summary of all Prime or Subconsultant Hours for <u>ALL JOB NUMBERS</u> (including phases). For amendment/revision, complete this form showing all job numbers for all services provided. Submit only one form per consultant. Use additional pages as necessary.														
MDOT CONTROL SECTION(S) - JOB NUMBER(S):  <b>CS - JN ###</b>						CONTRACT / AUTHORIZATION #:						FIRM ROLE:  <b>Sub Tier 1</b>		
CONSULTANT NAME:  <b>Opus International Consultants Inc. - Office</b>						PROJECT DESCRIPTION:  <b>2014 to 2015 Macomb Traffic Operations Center</b>								
<b>SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S PER PPMS TASK AND CLASSIFICATION</b>														
PPMS Task Code	Task Description	Senior Transportation Engineer 3 (On-site Expert Advisor)												HOURS FOR TASK
1	Active Traffic Signal System Operations	30												30
<b>SUMMARY OF PERSON HOURS FOR ALL MDOT JN'S</b>														
Classification:		Senior Transportation Engineer 3 (On-site Expert Advisor)												HOURS FOR TASK
<b>Total Hours:</b>		30												30





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 Act No. 453, Public Acts of 1976, the contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980 the contractor hereby agrees not to discriminate against an 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 shall 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 insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a 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, 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 will, 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 his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers= representative of the contractor=s commitments under this appendix.
6. The contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
7. The contractor will 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 himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which 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, and including the governing boards of institutions of higher education, until the contractor complies with said order of the 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 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 Civil Rights Commission to participate in such proceedings.
9. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

March, 1998

(Rev. 03/92)

## APPENDIX B

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the Contractor) agrees as following:

1. **Compliance with Regulations:** The contractor shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 27, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or natural origin in the selection and retention 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 contract covers a program set forth in Appendix B of the Regulations.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this 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 its facilities, as may be determined by the Michigan Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Michigan Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has 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 Michigan Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
  - (a) Withholding of payments to the contractor under the contract until the contractor complies, and/or
  - (b) Cancellation, termination, or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs 1 through 6 of every subcontract, including procurements of materials 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 Michigan Department of Transportation or the Federal Highway Administration 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 with a subcontractor or supplier as a result of such direction, the contractor may request the Michigan Department of Transportation to enter into such litigation to protect the interests of the state, and, in addition, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

## APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE  
AGREEMENTS WITH LOCAL AGENCIES

## General Requirements for Recipients

Excerpts from USDOT Regulation  
49 CFR, Part 23, Section 23.43

- A. **Policy:** It is the policy of the Department that MBE as defined in 49 CFR, Part 23, shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds. Consequently, the MBE requirements of 49 CFR, Part 23, apply to this contract.
- B. **MBE Obligation:** The recipient or its contractor agrees to ensure that MBE as defined in 49 CFR, Part 23, has the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this agreement. In this regard, all recipients or contractors shall take all necessary and reasonable steps in accordance with 49 CFR, Part 23, to ensure that MBE has the maximum opportunity to compete for and perform contracts. Recipients and their contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of departmentally-assisted contracts.
- C. If, as a condition of assistance, the recipient has submitted and the department has approved a minority business enterprise affirmative action program which the recipient agrees to carry out, this program is incorporated into this financial assistance agreement by reference. This program shall be treated as a legal obligation and failure to carry out its terms shall be treated as a violation of this financial assistance agreement. Upon notification to this recipient of its failure to carry out the approved program, the Department shall impose such sanctions as noted in 49 CFR, Part 23, Subpart E, which sanctions may include termination of the agreement or other measures that may affect the ability of the recipient to obtain future departmental, financial assistance.
- D. The Department hereby advises each recipient, contractor, or subcontractor that failure to carry out the requirements set forth in Section 23.43(a) 49 CFR, Part 23, shall constitute a breach of contract, and after the notification of the USDOT, may result in termination of the agreement or contract by the Department or such remedy as the Department deems appropriate.

ATTACHMENT A  
 (This is a reproduction of Appendix A of 49 CFR Part 29)  
 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -  
 PRIMARY COVERED TRANSACTIONS

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification in addition to other remedies available to the federal government, the department or agency may terminate this transaction for cause of default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms Acovered transaction,@ Adebarred,@ Asuspended,@ Aineligible,@ Alower tier covered transaction,@ Aparticipant,@ Apcrson,@ Aprimary covered transaction,@ Aprincipal,@ Aproposed,@ and Avoluntarily excluded@ as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules impending Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled ACertification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transaction,@ provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally processed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - B. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - C. Are not presently indicated for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - D. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

March 9, 1989

ATTACHMENT B  
 (This is a reproduction of Appendix B of 49 C.F.R. Part 29)  
 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY  
 AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms Acovered transaction,@ Adebarred,@ Asuspended,@ Aineligible,@ Alower tier covered transaction,@ Aparticipant,@ Aperson,@ Aprimary covered transaction,@ Aprincipal,@ Aproposal,@ and Avoluntarily excluded,@ as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ACertification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transaction,@ without notification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (Telephone No. (517) 335-2513 or (517) 335-2514).
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Project Budget - Traffic 2014 / 2015

120

2013/2014 Projects	Design	R.O.W.	Construction Engineering	Contract	Sign & Signal	Totals & Financing	
Soil Borings (Locations To Be Determined) (Annual)	2,000		3,000	21,000		Total	26,000
						MCDR	26,000
Guardrail Installation (Locations To Be Determined) (Annual)	11,000		18,000	225,000		Total	254,000
						MCDR	254,000
LED Retrofit (Locations To Be Determined) (Annual)	11,000		36,000	225,000		Total	272,000
						MCDR	272,000
Signal Modernizations (Locations To Be Determined) (Annual)	13,000				260,000	Total	273,000
						MCDR	273,000
New Signals (Locations To Be Determined) (Annual)	7,000				130,000	Total	137,000
						MCDR	137,000
Hoover, Hayes, Harper, Garfield, 12 Mile, Schoenherr (47 Locations) <b>Signal Upgrades (13-14 Budget)</b>			1,000	1,000		Total	2,000
						CMAQ	1,000
						MCDR	1,000
Metropolitan Parkway (x-over west of Ryan to x-over east of Harper, 23 Locations) <b>Signal Upgrades (13-14 Budget)</b>			1,000	1,000		Total	2,000
						CMAQ	1,000
						MCDR	1,000
Wireless Backhaul (Countywide, 23 Locations) <b>Communications Upgrade (13-14 Budget)</b>			88,400	650,000		Total	738,400
						CMAQ	680,000
						MCDR	88,400
Traffic Operations Center <b>Operations and Maintenance (Annual)</b>			425,000	1,700,000		Total	2,125,000
						CMAQ	1,700,000
						MCDR	425,000
Mound Road (9 Mile to 18 Mile, 9 Locations) <b>Signal Upgrades (13-14 Budget)</b>			19,250	120,000		Total	139,250
						HSIP	95,000
						St Hts	3,000
						Warren	4,000
						MCDR	37,250
21 Mile Rd (Van Dyke to Jefferson, 10 Locations) <b>Signal Upgrade (13-14 Budget)</b>			19,250	120,000		Total	139,250
						HSIP	95,000
						MCDR	44,250
9 Mile at Marmon/Marion, 21 Mile at Tilch, 22 Mile at Shelby, Hayes at Clinton River <b>Signal Upgrades (13-14 Budget)</b>			19,250	120,000		Total	139,250
						HSIP	95,000
						St Hts	1,500
						Warren	6,250
						MCDR	36,500



## SCORE SHEET

The selection team will complete one consensus score sheet.  
**This score sheet will be used to score proposals.**

PROJECT MANAGER John Abraham	JOB NUMBER		
---------------------------------	------------	--	--

Selection Criteria	VENDOR NAME: URS Corporation		Total Possible	Score
<b>Understanding of Service.</b> Describe understanding of the service, innovations, and/or safety program intended to be proposed. This information is to be based on the scope of services.	Comments: Demonstrated a proven and detailed knowledge of Traffic Operations Objectives specific to this contract would be beneficial		35	33
<b>Qualifications of Team.</b> Provide organization chart, . Describe the structure of the project team including the roles of all key personnel and sub vendors. For each sub vendor, describe role in service and include what percent of the named role that the sub vendor is expected to provide. Provide resumes for each of the key staff of the prime and sub vendors stated above.	Comments: Experienced in Traffic Signal Operations. Strong support in sub contractors. Good depth of team.		50	48
<b>Past Performance.</b> Take into consideration performance evaluations and any references offered by vendor.	Comments: Displayed a number of significant accomplishments in Macomb County		20	18
<b>Quality Assurance/Quality Control Process.</b> Outline plan for this service including background information of selected manager for this service. Person performing the quality control review must have extensive experience with MDOT standards and practices.	Comments: Adequate QA/QC plan presented		10	9
<b>Location.</b>  location should be scored using the distance from the consultant office to the on-site activity.	Comments: Located in Southfield, MI		5	4
<b>Grand Total</b>			120	112

SELECTION TEAM NAME Adam Merchant	SELECTION TEAM MEMBER SIGNATURE	DATE
SELECTION TEAM NAME Russel Kudella	SELECTION TEAM MEMBER SIGNATURE	DATE
SELECTION TEAM NAME Ken Webb	SELECTION TEAM MEMBER SIGNATURE	DATE
SELECTION TEAM NAME Chris Florka	SELECTION TEAM MEMBER SIGNATURE	DATE

**MACOMB COUNTY, MICHIGAN**RESOLUTION TO receive and file report from Board Chair for October 2014INTRODUCED BY: Dave Flynn, Full Board

- The following is a report on activities within the Board Office which do not usually appear on committee agendas.

**Current Issues**

- Martha T. Berry Medical Facility
- Campus Renovations
- Data Breach Hearing – Commissioners should submit questions to BOC staff (see email)
- Oakland County to send GLWA certification/publication information

**Office**

- Posting for BOC Admin Secy position closed; more than 40 applied; waiting for direction and candidate info/list from HR-LR
- Employee Flu Shot Clinic to be held in BOC Conference Room on Monday 10-20-14, appointments preferred but not mandatory
- Casual Day 2015 – call for charitable organization nominations to go out next week

**Upcoming BOC Appointments**

- CMH Board – to fulfill one unexpired term ending 03-31-17; applications due to BOC by Oct. 31<sup>st</sup>, interviews at the November 10<sup>th</sup> Gov Ops Committee meeting (12pm); appointment at a November Full Board meeting. Application and information can be found at [macombBOC.com](http://macombBOC.com).

**Legislative Calendar Updates**

- Revised numbers submitted by S. Smigiel and revised Retiree Health Care Interim Trust Plan will be reviewed with Finance next week

**Region:**

- **Freedom Hill Homeowners Association Meeting**
  - Tuesday, October 21, 2pm – 3pm
  - Independence Hall
- **Michigan Supreme Court Community Connections Program - Oral Arguments Event**
  - Wednesday, October 22, 11:30am – 2:30pm
  - Macomb Community College

**Correspondence:**

- Washtenaw County Resolution

**Media:**

- See attached articles.

**Board Chair Report – October 2014 – Page 2**

**BOC – Independent Counsel:** Expenditures for Outside Legal Counsel Professional Services

Litigation	Legal Svcs	Legal Services	Budget
<u>InvoiceCharges:</u>	<u>Budget Amount:</u>	<u>Invoice Totals:</u>	<u>Remaining:</u>
<u>%Utilized:</u>	\$72,500 (2014)		
		\$ 161.00 (Clark Hill final)	
		<u>3,174.00</u> (January, Dickinson Wright)	
		\$ 3,335.00	\$ 69,165.00 .046
		<u>2,377.00</u> (February)	
		\$ 5,712.00	\$ 66,788.00 .078
		<u>3,013.00</u> (March)	
		\$ 8,725.00	\$ 63,775.00 .120
		<u>3,887.00</u> (April)	
		\$12,612.00	\$ 59,888.00 .173
		<u>5,405.00</u> (May)	
		\$18,017.00	\$ 54,483.00 .248
		<u>3,775.00</u> (June)	
		\$21,792.00	\$ 50,708.00 .300
		<u>4,807.00</u> (July)	
		\$26,599.00	\$ 45,901.00 .366
		<u>4,220.00</u> (August)	
		\$30,819.00	\$ 41,681.00 .425
		<u>6,923.00</u> (Clark Hill Sept)	
		\$37,742.00	\$ 34,758.00 .520

**COMMITTEE/MEETING DATE**

Full Board 10-16-14

###



**LAWRENCE KESTENBAUM**  
**COUNTY CLERK / REGISTER OF DEEDS**

200 North Main Street, Suite 120 P.O. Box 8645 Ann Arbor, Michigan 48107-8645

Phone (734) 222-6730 • Fax (734) 222-6528

[www.ewashtenaw.org](http://www.ewashtenaw.org)

October 9, 2014

Macomb County Board of Commissioners  
40 N. Main St., 1st Floor  
Mt Clemens, MI 48043

Dear Macomb County Board of Commissioners,

Please find enclosed for your review a Resolution adopted on October 1, 2014 by the Washtenaw County Board of Commissioners calling on the State of Michigan to provide adequate road funding and asking for additional local road funding options.

Sincerely,

Lawrence Kestenbaum  
Washtenaw County Clerk/Register

A RESOLUTION CALLING ON THE STATE OF MICHIGAN TO PROVIDE ADAQUATE ROAD  
FUNDING AND ASKING FOR ADDITIONAL LOCAL ROAD FUNDING OPTIONS

WASHTENAW COUNTY BOARD OF COMMISSIONERS

October 1, 2014

WHEREAS, the Washtenaw County Board of Commissioners (board) has found it necessary to levy a special tax of 0.5 mills to keep existing roads, streets, paths, bridges and culverts in reasonable repair and in a condition reasonably safe and fit for public travel, as attached; and

WHEREAS, this levy was necessary because the State of Michigan has consistently failed to provide sufficient funding to the county road commission and the county's cities and villages; and

WHEREAS, the board believes that a property tax is an imperfect method to fund roads; and

WHEREAS, there are few other local road funding options available to counties, cities, villages and townships besides a property tax;

NOW THEREFORE, BE IT RESOLVED that the Washtenaw County Board of Commissioners implores the Michigan Legislature to provide sufficient road funding to the State's counties, cities and villages.

FURTHERMORE, BE IT RESOLVED that County Administrator, together with the county's lobbyist, is directed to draft, under the auspices of appropriate legislative sponsors, suitable legislation to provide more flexible local road funding options, including, but not limited to: vehicle registration fees, gasoline taxes, county special assessment districts, and road commission ballot access.

FURTHERMORE, BE IT RESOLVED that a copy of this resolution be provided to each county in the State of Michigan, Governor Rick Snyder, Senators Tom Casperson, Randy Richardville and Rebekah Warren, and Representatives Gretchen Driskell, Jeff Irwin, David Rutledge, Wayne Schmidt, and Adam Zemke.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Brabec	X			Ping	X			Dan Smith	X		
LaBarre	X			Rabhi	X						
Martinez-Kratz	X			Sizemore	X						
Peterson	X			Conan Smith	X						

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE:

9 0 0

STATE OF MICHIGAN )

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on October 1st, 2014, as it appears of record in my office.

COUNTY OF WASHTENAW)<sup>SS.</sup>

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 2nd day of October, 2014.

LAWRENCE KESTENBAUM, Clerk/Register

BY: 

Deputy Clerk



Res. No. 14-00153



A RESOLUTION LEVYING A SPECIAL TAX TO KEEP EXISTING ROADS, STREETS, PATHS, BRIDGES AND CULVERTS IN REASONABLE REPAIR AND IN A CONDITION REASONABLY SAFE AND FIT FOR PUBLIC TRAVEL

WASHTENAW COUNTY BOARD OF COMMISSIONERS

October 1, 2014

WHEREAS, under Michigan law (Public Act 283 of 1909; MCLA 224.20), it is the duty of the Board of Commissioners (board) to raise a sufficient tax to keep any county roads or bridges already built in reasonable repair, and in condition reasonably safe and fit for public travel; and

WHEREAS, pursuant to Public Act 283 of 1909, the Washtenaw County Board of Road Commissioners (road commission) has caused the county highway engineer to make preliminary surveys, general plans, specifications and estimates of roads, bridges and culverts in the county; and

WHEREAS, the County Clerk presented the board with a determination from the road commission on September 17, 2014; and

WHEREAS, the road commission's determination keeps public roads, streets, bridges and culverts already built in reasonable repair, and in condition reasonably safe and fit for public travel in the county's cities, villages and townships; and

WHEREAS, the board is considering the levy of 0.5 mills under Act 238 based up the road commission's determination; and

WHEREAS, the board finds it necessary to consider a property tax levy, which it believes to be an imperfect method to fund roads, because the State of Michigan has consistently failed to provide sufficient funding to the road commission and the county's cities and villages; and

WHEREAS, poor roads can create unsafe conditions for motorists, cyclists, and pedestrians, hamper economic development, depress property values, and burden residents with unexpected vehicle repairs; and

WHEREAS, continued neglect of the county's road infrastructure increases the eventual cost of repair; and

WHEREAS, the approval of this millage is not subject to the popular vote requirement of the Headlee Amendment to the State Constitution (Article IX, Section 31), because the Legislative authorization for the county road millage predates the Headlee Amendment by 69 years; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the County Administrator's Office, and the Ways and Means Committee.

NOW THEREFORE, BE IT RESOLVED that pursuant to the authorization of Public Act 283 of 1909 (MCLA 224.20), the Washtenaw County Board of Commissioners approves a total millage of 0.5 mills to be levied against all property in the County, which will generate approximately \$7,248,231 to be collected in December, 2014, for use in calendar year 2015.

FURTHERMORE, BE IT RESOLVED that this levy be exempt from capture by TIF Districts or TIFAs to the greatest extent allowed by law.

FURTHERMORE, BE IT RESOLVED that the Washtenaw County Board of Commissioners agrees with Washtenaw County Road Commission's determination, as attached hereto and made a part hereof, and levies said millage for the purposes therein.

FURTHERMORE, BE IT RESOLVED that the Washtenaw County Board of Commissioners directs that appropriate temporary signage be displayed at each project site acknowledging the funding source.

FURTHERMORE, BE IT RESOLVED that the Washtenaw County Road Commission shall prepare and present bi-monthly progress reports regarding all projects funded by PA 283.

# Wayne County looks favorably on regional water plan

Steve Pardo, The Detroit News 11:59 a.m. EDT September 25, 2014

*Counties reviewing proposal that will give them more say over rates, repairs*



(Photo: Detroit News file)

*Detroit* — While officials from Wayne and Oakland counties appear ready to approve a proposal to create a new regional water authority that would split water and sewerage responsibilities between Detroit and the suburbs, officials in Macomb County continue to balk.

During a Thursday night meeting, Macomb County commissioners expressed concern that the 40-year lease, part of the deal, would tie their county to the authority indefinitely.

"We bind the county's future, because my understanding is that this goes on forever... it goes on as long as there are bonds," said Commissioner James Carabelli.

The Great Lakes Water Authority, hammered out in talks between Wayne, Oakland and Macomb counties and the city of Detroit, would consist of a six-member governing board: two appointments from Detroit Mayor Mike Duggan; one from appointment each from the executives of Wayne, Oakland and Macomb; and one appointed from Gov. Rick Snyder.

Macomb Commissioner Don Brown he wants the suburbs to have more of voice in the management of the Detroit Water and Sewerage Department

"We are not treated as equals," Brown said. "We are treated as a lesser party because the decisions are based on supermajority."

Only one resident, Karen Spranger of Warren, spoke at the meeting, which she said wasn't adequately publicized. The proposal, she said, is too confusing. "I think it has to go back to the drawing board and more people need to be informed," she said.

Macomb County's board of commissioners is set to vote on the proposal Oct. 9.

The proposal received a warmer reception Thursday night in Oakland County where a vote is scheduled Oct. 8.

Oakland County commissioners Mike Bosnic, Robert Gosselin and Gary McGillvray hosted a meeting for Troy, Clawson and Madison Heights residents at the Troy Community Center. Around 30 residents were in attendance, including Troy City Council member Wade Fleming.

Gerald Poisson, the deputy county executive who has been in water negotiations since the beginning, said Oakland County supports the plan because it "protects suburban water and sewer ratepayers" while creating a future system that is "fair, affordable and sustainable."

Rita Beard of Clawson said the plan sounded reasonable. "To me, I think they wouldn't be having these meetings if this was not the right thing to do," she said. "And they're not really talking about that much more money."

Wayne County commissioners are expected to approve the proposal with a vote Thursday.

The creation of the authority — announced this month by Duggan and executives from Wayne, Oakland and Macomb counties — is contingent on approval by the Detroit City Council and commissioners from at least one of the counties. Council members approved the plan last week.

"The county executive is wholeheartedly in favor" of the creation of the authority, said Solon Phillips, Wayne County deputy chief of staff. "We do think it represents something that is in the best interest of all of the Wayne County taxpayers."

The authority aims to maintain Detroit's ownership of the system while giving suburbs more of a stake in its operations. Plans call for the city to lease infrastructure to suburban communities in exchange for a 40-year, \$50 million annual fee and an annual \$4.5 million payment assistance fund. The payment fund would be used to help pay water bills for people throughout southeast Michigan who can't afford their bills.

Under the new plan the Detroit Water and Sewerage Department would be responsible for maintenance and service in Detroit with the authority handling responsibilities for about 3 million suburban customers.

The \$50 million could be used only for Detroit water-related repairs, maintenance and improvements. The money would come from revenue generated by the water rates for Detroiters, as well as suburban users. Rate increases will be capped at 4 percent over the next 10 years, officials said.

Staff Writers Ursula Watson and Lauren Abdel-Razzaq contributed.

### Upcoming meetings

#### Macomb County

All meetings will be on the ninth floor of the County Administration Building, One South Main, Mount Clemens.

■ **9 a.m. Tuesday:** Finance Committee meeting.

■ **Noon, Oct. 6:** Government Operations Committee meeting.

■ **9 a.m. Oct. 9:** Public hearing before full Board of Commissioners. Final debate and vote.

#### Oakland County

■ **7 p.m. Monday:** Novi Public Library, 45255 W. 10 Mile, Community Room, first floor.

■ **6 p.m. Tuesday:** Southfield City Council Chambers, 26000 Evergreen Road.

■ **6:30 p.m. Wednesday:** Farmington Hills City Hall gallery, 11 Mile and Orchard Lake Road.

■ **7 p.m. Thursday:** Bloomfield Township Hall auditorium, 4200 Telegraph.

■ **6 p.m. Oct. 6,** Lathrup Village City Council Chambers, 27400 Southfield Road.

#### Wayne County

■ **Thursday:** The full board of Wayne County commissioners are set to vote on the proposal.

Read or Share this story: <http://detne.ws/1peK6Mb>



# Macomb gets first chance to scrutinize area water plan

Ursula Watson, The Detroit News 12:36 a.m. EDT September 25, 2014

## Marrocco warns against Detroit-Wayne County alliance on authority's governing board



(Photo: Todd McInturf, The Detroit News)

Mount Clemens — Macomb County's public works commissioner warned Wednesday against participating in the proposed regional water authority.

Anthony Marrocco told the members of the Board of Commissioners' Finance Committee that such an authority would be weighted in Detroit's favor.

The Great Lakes Water Authority, hammered out after months of talks between Wayne, Oakland and Macomb counties and the city of Detroit, would have a six-member governing board: one appointment from Detroit Mayor Mike Duggan; one each from the executives of Wayne, Oakland and Macomb; and one from Gov. Rick Snyder. The authority also would require a supermajority vote on issues such as approving water and sewer rates and the annual operating budget.

Marrocco said Wayne County and Detroit would most likely vote the same way.

"It takes two votes to block anything," he said. "Detroit is the only government at the table that has two votes. If they don't like a proposal they can veto it. If you want to amend anything and Detroit doesn't like it you won't get it."

The authority would oversee many of the operations of the Detroit Water and Sewerage Department and has been a key piece in Detroit's plan to climb out of bankruptcy. Suburban leaders and residents have long been suspicious of the department and have complained for years about having no input on water rate increases or how they were set.

Marrocco added there would be a conflict of interest under the new authority.

"Detroit is the landlord and it will also be a tenant," he said. "You can be charging everybody and yourself rent and then paying it back to yourself."

Under the plan, Detroit would still own the water system and infrastructure that serves much of southeast Michigan.

Also at issue, Marrocco said, was the cost of what he called subsidizing Detroit to the tune of a \$50 million annual lease payment water customers would pay under the 40-year plan, more than \$26 million in indirect costs and \$4.5 million that would go to a Water Residential Assistance Program fund for indigent residential customers.

Melissa Roy of the County Executive's Office said the regionalization plan is not perfect, but she urged the Board to vote to join the authority.

"It is a vast improvement in the governance structure," Roy said. "If the county decides to not sign on, this puts us in a precarious situation. This will give Macomb a seat at the table."

During the meeting commissioners asked many questions about the 40-year lease, the more than \$26 million in indirect costs and the assistance program. They also asked about the authority's ability to bond. The board also took issue with the fact that if they voted against the authority, Snyder could then appoint a representative for Macomb.

Wednesday's hearing was the first of five that county officials have planned to debate the proposal before a final vote. They'll take public comments Thursday night.

Commissioner Robert Mijac thanked Marrocco for speaking before the board and touched on his feelings on making such a high-stakes decision.

"I know you are looking out for the county's tax payers to the best of your ability," Mijac told Marrocco. "I feel so, so pressured, under the gun, that decisions like this have to come out in a matter of weeks. This is something that is going to cost taxpayers so much."

UWatson@detroitnews.com

(313) 222-2613

# Obama OKs flood disaster aid for metro Detroit

By Todd Spangler and Bill Laitner Detroit Free Press Staff Writers 6 a.m. EDT September 26, 2014

*President Barack Obama's declaration frees up federal funds to help pay for cleanup and repair from the August flooding, which caused more than \$1.1 billion in damage*



(Photo: Eric Seals/Detroit Free Press)

WASHINGTON — President Barack Obama today issued a disaster declaration for the state of Michigan for damage sustained during last month's massive flooding in metro Detroit, opening up streams of federal funding that could be vital to households, businesses and government bodies.

Earlier this month, Gov. Rick Snyder had requested the declaration, saying the cost of cleanup and repair of flood damage from the August storms — estimated at more than \$1.1 billion — exceeded the state's financial abilities.

Obama's declaration will free up federal funds, providing assistance through programs for affected individuals and households in Wayne, Oakland and Macomb counties, as well as to state and local governments to repair and replace public infrastructure and facilities.



FREEP

[Obama OKs flood disaster aid for metro Detroit](http://www.freep.com/story/news/local/2014/09/25/obama-oks-flood-disaster-aid-metro-detroit/16212111/)

[\(http://www.freep.com/story/news/local/2014/09/25/obama-oks-flood-disaster-aid-metro-detroit/16212111/\)](http://www.freep.com/story/news/local/2014/09/25/obama-oks-flood-disaster-aid-metro-detroit/16212111/)

"I'm absolutely elated," said Warren Mayor Jim Fouts, in whose community some 23,000 homes were damaged. "We have winter coming on and numerous people who can't afford new furnaces, new hot water heaters -- can't afford basic repairs to their houses."

Overall, the storm damaged four out every 10 buildings in Warren, officials said.



FREEP

[Snyder declares flood disaster for southeast Michigan](http://www.freep.com/article/20140813/NEWS05/308130062/flooding-detroit-commute)

<http://www.freep.com/article/20140813/NEWS05/308130062/flooding-detroit-commute>

Metro Detroit was swamped by about 5 inches of rain beginning on Aug. 11, an amount that, as it cascaded into basements and sunken-level roadways, shut down area roads, stranded motorists, and knocked out power for more than 100,000 people.

On Detroit's east side, FEMA aid is badly needed for seniors and low-income residents, said Josh Elling, executive director of the Jefferson East economic growth group.

"We're greatly relieved to hear about this," Elling said. "People here experienced anywhere from two to eight feet of water in their basements. We had over a thousand residents of this area come in to fill out forms" requesting aid.

In Clawson, school board secretary Jessica Back said school officials were "greatly relieved that this is coming."

"We really didn't have any building that went untouched," Back said. On the night of the deluge, she and other board members were meeting in a second-floor room, unaware that rising waters had totaled many of their cars — including Back's 2011 Ford Edge -- and washed into the kindergarten and pre-school classrooms below, she said.

Clawson school officials said early this month that the district sustained losses of about \$800,000, although they hoped insurance would cover much of that.

Obama's declaration sets in motion a process by which one can apply for funding through the Federal Emergency Management Agency. There is no maximum amount dedicated for the disaster as a whole, but aid to individual households or businesses is capped at \$32,400.



The Macomb Daily (<http://www.macombdaily.com>)

## County board votes in favor of water deal with Detroit

### Hackel backs vote while Marrocco recommends against it

By Chad Selweski, The Macomb Daily

Thursday, October 9, 2014



The decades-long, elusive effort to create a regional water authority jointly controlled by the city of Detroit and the suburbs became a reality on Thursday as the Macomb County Board of Commissioners provided the final piece to a complicated puzzle.

In a bipartisan vote of 10-3, the board approved the creation of the Great Lakes Water Authority, which will set water rates and approve sewer/water construction projects. The authority will be controlled by a six-member board comprised of representatives from Wayne, Oakland and Macomb counties, two members from the city, and one appointed by the governor's office.

Oakland's board approved the authority by an 18-2 vote and Wayne's board did the same by a 14-1 tally.

The Macomb board's vote came after weeks of debate, with many commissioners expressing skepticism and criticism about the GLWA and the authority's 40-year, \$50 million annual lease of Detroit's sewer/water infrastructure. Macomb's annual, proportional share will be approximately \$7.8 million.

County Executive Mark Hackel made a rare appearance before the Board of Commissioners to urge a "yes" vote on the proposal. County Public Works Commissioner Anthony Marrocco, in a statement read to the board, said the plan was a bad deal.

"Nobody was happy with this deal," Hackel said later. "It was forced on us. That's why I think many of (the commissioners) were holding their nose as they voted 'yes.'"

In his statement, Marrocco said the \$50 million per year price tag is "excessive" and the GLWA plan includes a \$26 million annual subsidy for Detroit.

"As we approach 900,000 in population, Macomb is a big boy" and a vote to give the GLWA 40 years of life would mean that future plans for the county to establish its own sewer and water system would be "short-circuited."

However, preliminary figures compiled by Marrocco's office indicate the cost of a Macomb County system

would reach at least \$4 billion. Hackel called that a “low-ball figure,” saying \$6 billion or more is realistic.

After many years of fighting large water rate hikes from Detroit with very little success, local officials in Macomb will finally have input into all GLWA decisions, Hackel added.

“I think we’re going to see better days ahead, especially in terms of the transparency that’s been lacking for a long time,” he said.

The suburbs will pay the \$50 million through the existing system of rates charged to water and sewer users, though officials hope greater efficiencies and the refinancing of Detroit bonds will contribute to the total.

The Detroit City Council and the Wayne County Board of Commissioners approved the GLWA last month and the Oakland County Board of Commissioners endorsed the deal Wednesday night by an 18-2 vote. Perhaps a turning point in the regional debate over the new authority came when Oakland County Executive L. Brooks Patterson, a longtime critic of Detroit and the water department, praised the pact.

The GLWA is a product of the Detroit municipal bankruptcy process, with Hackel, Patterson, Wayne County Executive Robert Ficano and Detroit Mayor Mike Duggan, along with staff and legal counsel, hammering out the details behind closed doors over many months of negotiations.

Many Macomb commissioners joined Hackel in expressing their disdain over the closed process and in particular over the gag order imposed on the negotiators by a federal bankruptcy court judge.

But a number of commissioners agreed with board Chair Dave Flynn that the agreement provides Macomb with a “voice at the table,” while rejecting the accord would make Macomb the odd man out. As a customer of the GLWA, rather than a board member, Macomb’s municipalities could have been hit with annual water rate increases above the 4 percent cap offered in the deal. The governor would have chosen a representative for the county.

Hackel told reporters he has someone in mind for his appointment to the six-member GLWA board. He would not identify the candidate but he said it’s someone with a “strong financial background” who already works for a municipality and is familiar with sewer/water issues. Most importantly, he said this potential appointee is someone who should be well-received when he seeks input on the choice from local officials.

All major GLWA decisions will require a supermajority of the board, with five votes needed for any action.

The first step for the six appointees to the board will be hammering out the details, over the next 200 days, of the lease agreement. That will involve a complex process as the Detroit incorporates its water plant, sewage treatment plants, pipes, pump stations and other infrastructure into the deal.

Officials expect the Macomb and Oakland county representatives to work in tandem, using their combined veto power, if necessary.

As the Macomb board approved a memorandum of understanding and the articles of incorporation for the GLWA, the three dissenters were: Commissioner Joe Sabatini, R-Macomb Township; Commissioner Mike Boyle, D-St. Clair Shores; and Commissioner Don Brown, R-Washington Township.

Commissioner Jim Carabelli, R-Shelby Township, had raised numerous questions about the pact during a series

of public meetings but decided to reluctantly vote “yes” because the county would have no input into future amendments to the agreement if Macomb was not a member.

As many veteran commissioners called this vote the most important they have ever cast, the board members engaged in one last spirited debate. Here are some of the comments:

- “I would love to vote ‘no’ on this but ... I feel like I have a gun to my head to vote ‘yes.’” -- Commissioner Bob Smith, D-Clinton Township.
- The authority is the result of “secret meetings and backroom deals,” it’s a “Detroit bailout” that allows the city to use the suburbs as a “cash cow,” and the county board should seek a court injunction to halt the entire process – Boyle.
- “There are a lot of reasons, a lot of political reasons, to vote ‘no’ on this, to grandstand but ... if you’re not in, you can be charged more (for water) than the members of the authority.” -- Commissioner Fred Miller, D-Mount Clemens.
- The agreement was forced on the county through “judicial tyranny” and gives Macomb “only a whisper of a voice” on the GLWA board. – Brown
- “I look at this through the lens of: Is this better than what exists today, and is it better than the alternative we would face if we vote ‘no?’” – Flynn
- There is no reasonable alternative but to vote yes, yet the agreement was “crammed down on us” and it requires the county to trust a Detroit bureaucracy that has been plagued in the past by corruption and that has led to the city’s “moral decline.” – Commissioner Kathy Vosburg, R-Chesterfield Township.

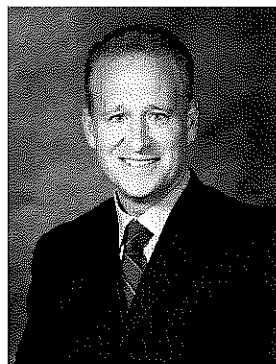
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URL: <http://www.macombdaily.com/government-and-politics/20141009/county-board-votes-in-favor-of-water-deal-with-detroit>

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# Macomb rep for regional water authority board awaits OK

Steve Pardo, The Detroit News 6:08 p.m. EDT October 13, 2014



Macomb on Monday became the first county to announce a recommendation for its seat on the regional Great Lakes Water Authority.

Brian Baker, finance and budget director for Sterling Heights, has won the endorsement for the position from the Macomb Area Communities Regional Opportunities organization. County Executive Mark Hackel is expected to ask the Board of Commissioners to approve Baker within a week

"I was a little surprised but I'm certainly looking forward to the process," said Baker, who serves on a project oversight committee reviewing Detroit Water and Sewerage Department efficiencies and recommended best practices. "It's going to be helpful to have county representation on the authority to see if we can improve efficiencies."

The authority was created this month after approvals from Wayne, Oakland and Macomb counties and the approval last month of the Detroit City Council. The authority will consist of a six-member governing board: two appointments from Detroit Mayor Mike Duggan and one each from the executives of Wayne, Oakland and Macomb and Gov. Rick Snyder.

Following MACRO's action Thursday, the other parties have about a month to name their representatives.

Bill Mullen, Oakland County spokesman, said Executive L. Brooks Patterson is expected to name a representative "sooner rather than later." Wayne County commissioners will vote to approve the recommendation of Wayne County Executive Robert Ficano.

"The combination of (Baker's) financial experience plus his experience with DWSD problems and solutions in Sterling Heights makes me feel that he is the right choice to represent Macomb County on the new authority," said Suzanne Pixley, Eastpointe mayor.

The creation of the regional water authority is designed to give suburban leaders more control over water and sewerage operations outside of Detroit while keeping water and sewerage control inside of Detroit under the DWSD. A supermajority vote of at least five of the six representatives will be required on issues such as approving water and sewer rates and high-end hires.

Under the makeup, the city of Detroit will lease the infrastructure to suburban communities in exchange for a 40-year, \$50 million annual fee and an annual \$4.5 million payment assistance fund. The fund would be used to help pay water bills for poor people throughout southeast Michigan.

Wholesale rate increases will be capped at 4 percent over the next 10 years under the new authority. Suburban communities buying water from DWSD, however, often raise rates above increases DWSD recommends to cover expenses incurred within their borders.

The \$50 million is earmarked only for Detroit water-related repairs, maintenance and improvements. The money will come from revenue generated by the water rates for Detroiters, as well as suburban customers.

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MACOMB COUNTY  
 October 14, 2014

## Reluctantly, Macomb County joins new regional water authority

By Jeremy Selveski  
 C & G Staff Writer

MACOMB COUNTY — After weeks of debate and discussion, Macomb County became the fourth and final municipality to join the new Great Lakes Water Authority (GLWA) on Oct. 9, just ahead of a court-mandated deadline.

The Board of Commissioners voted 10-3 to make Macomb County a member of the long-awaited regional partnership with Oakland and Wayne counties, and the city of Detroit. Commissioners Don Brown, Michael Boyle and Joe Sabatini cast the three dissenting votes. Many of the commissioners who voted "yes" also took serious issue with the GLWA proposal but felt that it was the best option available for Macomb County.

As Board Chair Dave Flynn, D-Sterling Heights, put it, "When we look at how we got here, obviously part of this is the byproduct of the cold reality of the Detroit bankruptcy. ... I've always viewed this issue through the lens of, 'Is this better than what exists today, and is it better than the alternative before us now and into the future?' (This authority) is far from perfect, but I've always believed that we should never let perfect be the enemy of the good."

In joining the GLWA, the board approved the authority's articles of incorporation and the memorandum of understanding that was signed on Sept. 9 by Macomb County Executive Mark Hackel, Oakland County Executive L. Brooks Patterson, Wayne County Executive Robert Ficano, Detroit Mayor Mike Duggan and Gov. Rick Snyder.

The deal amounts to a 40-year, \$50 million annual lease by the three counties from the city of Detroit. The GLWA will take over the Detroit Water and Sewer Department's infrastructure, appoint a general manager and set water/sewer rates for residents in the future. It will be governed by a six-person board made up of two members from the city of Detroit; one each from Macomb, Oakland and Wayne counties; and one appointed by the governor's office.

The new authority was first approved 7-2 by the Detroit City Council on Sept. 19, then 14-1 by the Wayne County Board of Commissioners on Oct. 2, then 18-2 by the Oakland County Board of Commissioners on Oct. 8. Its creation was part of the city of Detroit's ongoing bankruptcy process, and it included an order by a federal bankruptcy judge that each participating community make a decision about joining the authority by Oct. 10.

Hackel addressed the board about the GLWA, and like all county officials, he was frustrated by the process that led to its formation. He was particularly exasperated by the closed-door process, which included a court-ordered gag order that prevented him from discussing the issue with local municipalities.

"Water is a local issue," Hackel said. "Local municipalities buy water from the city of Detroit. For years, they have had concerns about the operations of (Detroit Water and Sewer). I don't think anybody in this room disagrees with the reality that this could have been better ... had there been involvement from the local municipalities. We now have to ... decide whether or not we want to finally give the locals an opportunity to have a voice, a voice they haven't had for decades. Granted, we may be a small voice — but at least it's a voice."

However, the GLWA deal failed to gain the support of Public Works Commissioner Anthony Marocco, who was outspoken against the authority throughout the process. At the board meeting, William Misterovich, the Public Works Office's chief deputy, read a statement on behalf of Marocco detailing all the reasons the board should vote against the deal.

According to Marocco, these include an alleged GLWA voting bias in favor of the city of Detroit; excessive annual lease payments of \$50 million per year to Detroit, on top of an existing \$26 million annual subsidy; no guaranteed cap on annual rate increases; a seat on the governing board for the governor, when the state will not be contributing toward the cost of running the

authority; a lease agreement that runs for an unlimited number of years; a \$4.5 million retail customer assistance plan that will largely benefit Detroit residents at the expense of suburban ratepayers; and the possibility of increased lease payments in the future.

Marrocco urged commissioners to consider one other factor on top of those that he had listed. He stated that by joining the authority, the board would compromise the possibility of Macomb County ever establishing its own standalone, independent water and sewer system.

"With a population approaching 900,000 people, Macomb (County) is a big boy, and we should be capable of addressing these issues in a responsible and comprehensive manner," Marrocco said. "If we are ever to stand on our own two feet and become independent, now is the time to begin the process. ... Voting to join the authority would basically short circuit that process, curtail our options, and commit us to being a long-term and perhaps permanent customer of the regional authority."

#### **'A Detroit bailout'**

Several commissioners did not hide their disdain for the GLWA, which they viewed as a bad deal for Macomb County. Boyle, a St. Clair Shores Democrat, advocated rejecting the proposal because it would give county officials other options moving forward.

"I always wanted to get involved with a regional water authority, but I had no idea it would end up like this," he said. "Ordered by a bankruptcy judge in Detroit, gag orders, secret meetings, backdoor deals — we have no idea what's really going on here. ... A true regional authority wouldn't be directed from the people who are using the suburbs as a cash cow. And that's what this is: a Detroit bailout. ... If I had my way, I'd sue that judge and tell him he's wrong. I'd file an injunction and stop all of this silly nonsense."

For Brown, R-Washington Township, the process equated to "judicial tyranny." He lamented the fact that the city of Detroit would have two members on the GLWA board while all other parties would only have one.

"I cannot and will not endorse a process like this, or an authority where Macomb County has only but a whisper of a voice," he said. "How can you be responsible for an agency when you don't have the authority to manage it on an equal basis with the others? With Detroit having two votes and Macomb County only having one, we'll be second class. ... When (residents) get their double-digit (water) rate increases, they have to remember where that came from. When that happens, at least I can say I didn't vote for it — it's not my responsibility."

Sabatini, a Macomb Township Republican, pointed out the similarities and differences between other regional partnerships in Macomb County, such as those with the Detroit Zoo and the Detroit Institute of Arts. He and other commissioners noted, though, that unlike those collaborations, the public did not get a chance to vote on the GLWA.

"It sounds like our tax dollars are going to be taken away from us again today," Sabatini said. "The key word here is 'authority.' I truly believe that the definition of authority is 'the right for the authority to print money at our expense.' ... I'm very, very disappointed. But you know, I guess that's what happens when you're good stewards of your money — you get penalized."

Even many of the commissioners who voted "yes" on the proposal had almost nothing but negative things to say about it. Commissioner Bob Smith, D-Clinton Township, echoed many of his colleagues in approving the GLWA only because doing so would give Macomb County "a voice at the table." If the board had turned down the deal, Macomb County would still be a member of the authority, but Snyder would be the one to appoint its representative on the GLWA board. By supporting the authority, that decision will now fall to Hackel, who vowed to appoint a representative favored by local municipalities.

"Quite honestly, I feel like this is really being jammed down our throats," Smith said. "I feel like I have a gun to my head to vote 'yes' on this. Unfortunately, it is better than the alternative. ... but I can't vote 'no' on the possibility that we will have an opportunity in the future to have our own (water authority). ... I can't see sitting there on our own, hoping that something better will come along, all while getting screwed over by the authority for not joining. And if you don't think that will happen, you're living in a world of dreams."

#### **A silver lining**

Ultimately, the majority of the commissioners sided with Smith and stated that for all the negative aspects of the GLWA deal, the pros outweighed the cons. Several board members also pointed out a silver lining that could be taken away from the process.

Commissioner Jim Carabelli, R-Shelby Township, noted that without adopting the memorandum of understanding and articles of incorporation, Macomb County would not be able to introduce any amendments with regard to the operations and oversight of the authority.

Commissioner Kathy Vosburg, R-Chesterfield Township, reminded her colleagues that all future decisions made by the GLWA board would require a supermajority vote, or approval by at least five of six board members. She also said she wants to make sure that Macomb County has a representative on the board over the next 200 days, when the lease agreement with Detroit Water and Sewer will be drafted.

For Commissioner Fred Miller, D-Mount Clemens, supporting the GLWA proposal all came down to minimizing water and sewer rate increases for Macomb County residents. While a 4 percent annual cap on rate hikes had been discussed, Miller called this number "a target, not a cap." Instead, he pointed to a provision stating that nonmember communities could be charged more for water and sewer services than member communities.

"If the lens through which we're viewing this is to try to mitigate rate increases as best we can,

the only way you can vote is 'yes,'" Miller contended. "There's a lot not to like about this (authority), but I think there are a lot of political reasons why we could vote 'no' and then grandstand and beat our chests that we're not going to be somehow subject to Detroit. But I'm urging all my colleagues to vote 'yes' because I think it's a courageous vote ... and ultimately it's what is going to do our best to keep rates as low as they possibly can be."

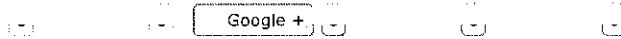
Flynn added that to try to establish an independent Macomb County water authority, as Marocco had suggested, might not be a practical solution at this time. He noted that initial estimates indicate that starting such a major infrastructure system could cost more than \$4 billion and take 20-30 years to complete.

"So what's our alternative?" Flynn asked. "To become a customer of the system, and after the contracts end, potentially pay even higher rates? If it was feasible to build our own system, I might look at this differently. But ... I think water rates in the future will be lower under the (GLWA) than it would be for a Macomb County authority to build its own system. Regardless of whether you vote 'yes' or vote 'no,' we're a part of this authority — we're going to pay the fees associated with this authority."

This latter point was reiterated by Hackel in an interview after the meeting. While he said he wishes that Macomb County could have a stronger voice on the GLWA board, the executive also said he feels confident that this new water and sewer system will be better than what Macomb County residents have seen in the past.

"If we were to have said 'no,' nothing changes," Hackel said. "The authority is still in place. The minute that the city of Detroit and Wayne County agreed to it, it became an authority, so it didn't matter what Macomb and Oakland (counties) were going to do. There's nothing I can do to change that. ... So you have a choice here: You can either sit back and complain, or you can at least have some control over your own destiny."

You can reach C & G Staff Writer Jeremy Selveski at [jSelveski@candgnews.com](mailto:jSelveski@candgnews.com) or at (586)218-5004.



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The Oakland Press (<http://www.theoaklandpress.com>)

## Fired Huron-Clinton Metroparks director: 'Ask the board why they did it'

By Carol Hopkins, The Oakland Press

Wednesday, October 15, 2014



John McCulloch admitted he was surprised to be relieved of his duties as Huron-Clinton Metroparks director earlier this month.

“But it’s the board’s privilege,” he said. “They have the right to terminate without cause.”

A Royal Oak resident, McCulloch, a former Oakland County water resource commissioner, asked board members why he was fired, saying, “There was no reason given. You’ll have to ask them.”

A call has been placed to Jack La Belle, metroparks board chairman, about the firing.

The fourth director in the past five years, McCulloch oversaw 13 parks, 10 golf courses, two marinas, and an estimated \$50 million budget.

“I have no immediate plans,” he said of his future.

Metroparks in Oakland County include Kensington at 4570 Huron River Parkway, Milford, and Indian Springs at 5200 Indian Trail, White Lake Township — and half of Stony Creek Metropark on the eastern edge.

The Huron-Clinton Metroparks are situated along the Huron and Clinton rivers. They cover 25,000 acres and provide nature trails, beaches, year-round activities and sports.

McCulloch said revenues were down when he took the job, two-thirds due to losses in property taxes.

“We balanced the budget,” he said.

Revenue from a 0.2-mill levy in Oakland, Macomb, Wayne, Livingston and Washtenaw counties provides about two-thirds of the budget. Admission and program fees also generate income.

McCulloch cited among his top accomplishments during his first year as streamlining golf operations, requesting monthly reports from park superintendents, implementing a media campaign to improve attendance and revenue at Wolcott Mill Farm Center and Historic Center and evaluating the effectiveness of communications and

marketing.

Two items he cited for his accomplishments this year are securing more than \$45,000 in sponsorships for special events including funding for the DSO concert, park fireworks, Michigan Philharmonic and other park activities, and increasing park attendance at special events in the parks with an increased social media presence and targeted marketing and advertising.

He said he didn't feel hostility at his workplace.

"I felt there were challenges with the board and my role," he said.

McCulloch history

McCulloch lost re-election as Oakland County water resource commissioner in 2012 and was appointed director of the Huron-Clinton Metroparks in December that same year.

The Royal Oak resident was paid \$140,000 a year to oversee the regional recreation system's

When he was appointed, he told the Daily Tribune, "It's pretty exciting," McCulloch. "This park system has been such a jewel since it was created in 1939. Kensington is unbelievable. So is Stony Creek. Lake St. Clair Metropark sits in the heart of the Great Lakes and (Macomb County Executive) Mark Hackel is building his economic boon around it."

McCulloch's appointment ended more than a six-month national search for a director, said Anthony Marrocco, chairman of the Metroparks Board serving Macomb County.

McCulloch served 12 years as both water resource commissioner and vice chairman of the Oakland County Parks and Recreation Commission. He also has been Oakland County's representative to the Huron-Clinton Metropolitan Authority Board of Commissioners since May 2011. A CPA and an attorney, McCulloch also was the board treasurer.

"Why bring in a stranger when you have someone who has shown he is a dedicated member of the board?" said Morrocco.

The park system peaked with 251 employees in 2007. In 2013 staff numbered 219.

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URL: <http://www.theoaklandpress.com/general-news/20141015/fired-huron-clinton-metroparks-director-ask-the-board-why-they-did-it>

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**2014 RESOLUTION NO. \_\_\_\_\_**

*Official Proclamation of the Board of Commissioners  
Macomb County, Michigan*

**PROCLAIMING FOOD DAY, OCTOBER 24, 2014,  
IN MACOMB COUNTY**

**Commissioner Toni Mocerì, on Behalf of the Board of Commissioners,  
Offers the Following Proclamation:**

WHEREAS, the health and well-being of our citizens is of primary concern for the County of Macomb; and

WHEREAS, promoting safer, healthier diets is a critical factor in improving citizens' overall health; and

WHEREAS, supporting sustainable family farms and local agriculture benefits the local economy and Macomb County Board of Commissioners has contributed to this effort by adopting a Food Procurement Policy on February 6, 2014 to support sustainable farming practices, and local producers; and

WHEREAS, obtaining fair pay and safe conditions for food and farm workers is beneficial for both the producer and consumer so that the food we produce and consume is safe and fair for all; and

WHEREAS, expanding access to food and reducing hunger is of critical importance to aid those who live in food deserts; and

WHEREAS, reforming factory farms to protect the environment and farm animals is necessary to sustain future generations; and

WHEREAS, according to Center for Science in the Public Interest, the typical American diet is contributing to obesity, diabetes, heart disease, and other health problems, where those problems cost Americans more than \$150 billion per year; and

WHEREAS, Food Day on October 24 is a day to resolve to make changes in our own diets and to take action to solve food-related problems in our communities at the local, state, and national level with 2014 having a special focus on food access and justice for food and farm workers.

NOW THEREFORE, Be It Proclaimed By The Board Of Commissioners, Speaking For And On Behalf Of All County Citizens As Follows:

THAT BY THESE PRESENTS, the Macomb County Board of Commissioners hereby proclaims October 24, 2014 as Food Day in Macomb County and encourages all County officials, employees, schools and residents to participate in county government celebration activities.

---

Toni Mocerì  
Macomb County Commissioner

*Passed at <Date> Full Board Meeting*



Mark A. Hackel  
County Executive

Martha T. Berry  
Medical Care Facility  
43533 Elizabeth Road ♦ Mount Clemens, Michigan 48043  
Phone: 586-469-5265 Fax: 586-466-7418  
www.macombcountymi.gov/marthatberry

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Governing Board  
Roger Facione  
Penny Hader  
Janice Nearon

Director/Administrator  
Jennifer Morgan

September 29, 2014

Mark Hackel, County Executive  
1 South Main Street, 8<sup>th</sup> Floor  
Mount Clemens, MI 48043

RE: Transition Agreement

Dear Mr. Hackel,

In response to your September 2, 2014 memorandum to the County Board of Commissioners, I met with you and your assistant Al Lorenzo on September 11 to discuss the time frame you had directed for various transition items. In that meeting, you graciously allowed the HSB an extension until January 1, 2015 on transition items that cannot be completed prior to that time. I also proposed that we enter into a new and/or revised Joint Operating Agreement among your office, the Human Services Board, and the Board of Commissioners, defining common understandings for the future operation of Martha T. Berry (MTB). You and Mr. Lorenzo indicated that your office was not interested in doing so.

During the meeting, Mr. Lorenzo indicated that he was preparing some items for a Transition Agreement he thought would be needed. Time did not allow for us to discuss those items. I expressed that we too had items that would be needed in such a Transition Agreement, especially if there was no interest in a new and/or revised JOA.

In the HSB's view, it would be critical that the parties address several issues that significantly impact the residents, employees and future operations of Martha T. Berry. We would view the BOC as a necessary party to that Agreement in as much as the Judge's ruling made clear that our Board's authority over Martha T. Berry derives from a delegation of authority by the BOC. The three parties may want to consider whether the Macomb County Treasurer should also be a party to the Agreement.

We would include in that Agreement, the following possible items:

1. Legacy Costs. Under the JOA, MTB was provided a subsidy not to exceed \$4 million in 2009 and not to exceed \$3 million in 2010. Because of the cost savings incurred by MTB, the HSB did not need to utilize the full amount of the subsidies in either year (perhaps this is the source of the mischaracterized "working capital" recently brought up by the County Finance Department). The amounts utilized were

not loans to be paid back by the HSB. We are not aware of any other legacy costs, but if any are identified, the parties need to discuss and reach agreement on the nature and extent of the costs.

2. Retiree Health Care Liability. Prior to the HSB assuming operational authority from the BOC, the County incurred a liability of over \$30 million for retiree health care for employees of MTB which all parties agree the County did not fund. It appears from our discussion and your memorandum to the BOC that you believe the BOC transferred that responsibility to the HSB in the JOA. Suffice to say the HSB does not agree with this position. With all due respect, rather than engage in another unnecessary legal entanglement, the parties' efforts would be better spent on working on a solution that could include leveraging MTB's reimbursement mechanisms to assist with funding this clear County liability.

3. Retirement System. In your memorandum to the BOC, you state that it is your opinion that MTB's employees will no longer be eligible for participation in the County Retirement System. Again, we respectfully disagree with that legal conclusion. However, that is an issue for the Retirement Commission to determine.

4. FEIN Implementation. If the HSB is to adopt your direction to secure and utilize a new FEIN, it will cause a delay in Medicaid and Medicare funding while the Department of Health and Human Services processes the new FEIN. The delay may be as short as 60 days or as long as 120 days—but during that time, MTB will receive no payments from DHHS. As MTB's operational needs are approximately \$2 million per month, you can see this will cause a short term funding problem. As it is in all parties' interests that MTB secure a new FEIN, we would hope you would partner with us and the BOC to find a solution for this short term (but obviously very crucial) funding issue.

5. Lease/Rent. In your memorandum to the BOC, you indicated you would want to enter into a lease for the use of the MTB facilities. You indicated that until that lease was signed, you would be increasing MTB's allocation to 110% of the current cost of the bonds (principle and interest) for the improvement project the County made to the building commencing in 2005. As we discussed in our meeting, the County needs to be sensitive to the rates charged for facility use as Medicaid and the Department of Human Services has certain limits and requirements for such charges. It would be important for the parties to ensure that no unfunded liabilities are created for the County in this area.

6. Corporation Counsel Services. In your memorandum to the BOC, you stated that the Corporation Counsel's office would not be able to assist MTB with any matters, because a potential conflict could occur in certain litigation matters. This seems unwise to us as the OCC could be very valuable in various contract matters which could protect the County from liability and other ongoing litigation matters which could bring significant additional funds into the County. As an agency of the County, we would ask that the parties work together to explore where the OCC's office could be utilized where appropriate to all parties' advantage.

7. Access to Funds. Existing MTB funds will need to be accounted for and transferred to the supervision of the Treasurer's Office. The parties will need to identify the mechanism for MTB to access its funds. As you note in your memorandum, since MTB is a *county* medical care facility, MTB will continue (as it has since 2009) maintaining its books and records in accordance with County requirements and will be subject to County audits and the County budgeting process. There may be other critical issues relating to finances that need to be incorporated into an Agreement and we would like to work with you to identify and incorporate those issues in the Agreement.

8. Service and Funding with other County agencies. It must also be noted that Martha T. Berry has relationships with the Macomb County Sheriff's Department, the Juvenile Justice Center, the Health Department and the Macomb County Community Services Agency. Those County agencies purchase services from Martha T. Berry and/or receive services/funding from Martha T. Berry. Through those partnerships, the County has been able to consolidate some services thereby saving money.

These are the issues that we would propose would be appropriate for a Transition Agreement, in addition to work on the timeline issues we previously provided to you. You, the BOC, or even ourselves may well have other items that will be identified to incorporate into such a Transition Agreement.

Out of respect for you and your office, I think it is incumbent upon me as Chairman of the Macomb County Human Services Board to advise you that I do not believe we currently have a shared vision for the future of Martha T. Berry or the role you envision for Martha T. Berry as part of Macomb County Government. In 2009 the BOC authorized our Board to operate Martha T. Berry on its behalf. The Judge's ruling simply upheld that grant of authority as proper under State law. Martha T. Berry continues to operate, as it always has, as a county medical care facility. It is as much a part of Macomb County government as the Sheriff's Department, Community Mental Health, or the County Clerk's office. The judge's ruling did not change the nature of MTB as a county agency nor the status of MTB's employees or their eligibility to participate in the County retirement plan. The judge's ruling did not require that MTB secure a new FEIN or that the County discontinue any administrative support currently provided by the County (and duly paid by MTB). These items were not required or even mentioned in the judge's ruling.

The employees of Martha T. Berry have been providing compassionate care to the residents of MTB for decades as part of Macomb County government. Under the judge's ruling, they will continue to do so in the future. We hope you will work with our Board and the BOC on the transition you have requested to ensure that MTB continues to have the resources necessary to carry out its mission.

The Human Services Board stands ready to sit down with you and your representative(s) and the BOC and its representative(s) to finalize a Transition Agreement that will best serve the residents, families and staff of MTB. As such, our Board will await word from you on how you may wish to next proceed to work out such an agreement.

Thank you for your attention to this matter.

Respectfully,



Roger Facione, Chairman  
Macomb County Human Services Board

CC: David Flynn, Board of Commissioners Chairman  
Penny Hader, Vice-Chair Human Services Board  
Janice Nearon, Member Human Services Board  
Jennifer Morgan, Director/Administrator of Martha T. Berry





Mark A. Hackel  
County Executive

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Peter M. Provenzano, CPA CGMA  
Finance Director

Michelle M. Mykytiak  
Assistant Finance Director  
Fiscal Services

Stephen L. Smigiel, CPA  
Assistant Finance Director  
Management & Budget

TO: Al Lorenzo  
Assistant County Executive

FROM: Stephen L. Smigiel  
Interim Finance Director

DATE: September 22, 2014

SUBJECT: Martha T Berry Transition

Pursuant to your recent request, I have compiled the following list of item for which the Finance Department provides support for the Martha T. Berry Medical Care Facility.

1. Payroll

- a. Processing payroll, including printing of checks and transmitting bank file for direct deposits. Fairly easy to transition. MTB must obtain employee demographic data such as name, address, CSZ, position title, pay rate, hire date, dependent information, all of which is readily available in the payroll system. Target transition date = 12/31/2014.
- b. Producing W-2s. Very easy to transition. Target transition date = 12/31/2014. The County payroll system should have no payments made to MTB employees in 2015, which means that 2014 will be the last year W-2s are produced for MTB employees.
- c. Garnishments, Child Support and related wage withholdings. Easy to transition. Target transition date = 12/31/2014. Processing by the County will cease with the last full pay in December 2014. County will need to provide copies of withholding orders to MTB HR staff after the last pay on December 2014.
- d. Deferred Comp. Will Vanguard allow MTB employees to continue contributing monies to the County sponsored plan (can they legally?). Will MTB employees have the opportunity to transfer account balances from Vanguard to a new MTB plan?
- e. Other miscellaneous payroll deductions. Target transition date = 12/31/2014. Similar to garnishments described above.

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2. Accounts Payable

- a. Check printing. Easy to transition. Target date = 2/15/2015 due to run out of year end accounts payable. MTB will need to obtain vendor address information from IFAS to populate their new database. MTB staff currently have access to such reports in IFAS.
- b. 1099-MISC. Easy to transition.

3. Annual Audit

- a. Plante Moran and the County Finance Department have determined that MTB must be classified as a Component Unit for financial reporting purposes and the results of its operations will need to be reflected in the County's annual financial statements. It is highly recommended that MTB obtain their own independent audit beginning in fiscal 2015 and those audited numbers simply be "cut and pasted" into the County's annual report. MTB will use IFAS to close out fiscal 2014.

4. Recording Cash Deposits

- a. The County will remain the recipient of Medicare and Medicaid funds from the State of Michigan. Logistically, the funds will flow into the County General account and the Treasurer's Office will wire transfer those deposits to another bank account designated by MTB.
- b. Staff in the Finance Department will need to record the wire activity in the County's accounting system, which will really not be much different than what happens today.

5. Pension

- a. MTB employees as of 12/31/2014 remain in the system and pension credits are frozen at that date.
- b. The Finance Department will continue to produce monthly pension checks for existing retirees
- c. MTB employees as of 12/31/2014 have the option of retiring or deferring their retirement.

6. Retire Health Care

- a. Crossover here between HR and Finance.. HR prepares the check requests for premium payments and Finance inputs those requests and produces checks.
- b. If HSB is responsible for premium payments, current retirees will have to be enrolled in a new plan and premiums paid by HSB.

7. Rent. Will need a lease agreement. Finance will send monthly invoices and process payments.

8. Workers' Comp. Risk Management coordinates MTB cases with our third party administrator. The Finance Department pays the self-insured claims for all employees, including those of MTB. MTB pays into a self-insured pooled just as other County departments do to cover claim reserves and payments. Therefore, the HSB does have equity in the cash of that fund (Workers' Comp Fund).

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9. **Compensated absences.** All departments and funds, including MTB, pay into a County Internal Services Fund that accumulates sufficient cash to pay out accumulated sick and annual leave balances when employees terminate employment. Balances related to MTB employees would need to be liquidated.
10. **Document storage.** Must determine how many boxes and whether to include a surcharge into the lease agreement for storage space.
11. **Mail room.** Would discontinue handling MTB mail. MTB will need to obtain its own bulk mail permit.
12. **Central stores inventory.** MTB could most likely continue purchasing office supplies from the County central inventory. The Purchasing Department would simply invoice MTB for such purchases.
13. **Financial Accounting Software.** Martha T Berry utilizes the IFAS system to account for their accounting and payroll transactions. MTB will need to procure its own general ledger and payroll systems.



Mark A. Hackel  
County Executive

## FINANCE DEPARTMENT

Risk & Insurance Division

120 N. Main St., 2<sup>nd</sup> Floor ♦ Mount Clemens, Michigan 48043

Phone: 586-469-6349 Fax: 586-469-7902

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John P. Anderson, Esq.  
Risk & Insurance Manager

### Risk Management Interaction with MTB Medical Care Facility

Macomb County Risk Management has the following interaction with MTB:

1. MTB is currently included with the County on the application for self-insured status with the State of Michigan for Michigan Workers' Compensation and No-Fault Auto Insurance (only 2 vehicles at MTB). **Both of these renew 11/1/2014.**
2. MTB is currently utilizing the same Workers' Compensation TPA as the County - CMI York. MTB utilizes the same Workers' Compensation Attorney as the County – Danial Hebert.
3. MTB is a covered entity under the County's General Liability Policy for EPLI (Employment Practices) subject to a \$750,000 SIR. The next renewal is 7/1/2015.
4. The County is a named insured along with MTB on the current stand-alone General Liability/Medical Malpractice Policy currently in effect. The next renewal is 5/6/2015.
5. MTB is currently included on the County's Crime Policy, the next renewal is 7/1/2015.
6. MTB is currently included on the County's Fiduciary Policy for the Pension Board. Next renewal is 7/1/2015.
7. Risk Management assists in securing the yearly Surety Bond for MTB required for their yearly audit/inspection by the State of Michigan.
8. MTB is considered part of the County when establishing rates for HAP and BC/BS. A reduction in group size could lead to rate increases for the County. Next renewal is 1/1/2015.



**Martha T Berry Medical Care Facility**  
**Requested Information-- BOC 9/18/2014**

	2003-2008	2009	2010	2011	2012	2013	2014* As adopted	2009-2014*
Annual Revenue--Charges For Services	95,667,418	20,856,801	22,761,020	23,196,770	23,325,967	23,486,005	23,201,700	136,828,263
Contribution From General Fund	20,928,731							-
County Budget Allocation		896,979						
Lease Payments -- Building Use Charge	-	985,292	1,511,130	1,437,916	1,089,516	1,059,908	963,772	7,047,534
<b>Internal Service Charges * See attached</b>	<b>2,253,008</b>	<b>1,477,064</b>	<b>1,002,786</b>	<b>961,615</b>	<b>748,002</b>	<b>693,120</b>	<b>847,704</b>	<b>5,730,291</b>
Annual Contribution To Retiree Health Care	4,451,230	888,972	765,826	800,559	1,097,138	1,139,625	997,500	5,689,618
Annual Contribution to Pension	4,281,816	764,279	695,293	603,116	633,162	710,145	1,273,585	4,679,579

**Potential Revenue Sources ---**

**\*\*\* Note\*\*\***

**CPE when eligible--**

*matching of community funds by the State of Michigan*

**Medicaid Cost Appeal--**

*favorable settlement could generate an estimated \$6-\$8 Million*

**Building Use Charge began in 2009 --comprised of payments for Bond interest & depreciation expense.**

**The charge for depreciation expense was accelarated to a 20 year schedule in 2009, 2010 and 2011.**

**In 2012, the accelarated depreciation was disallowed by the Medicaid Auditor.**

**Depreciation expense reverted back to an approved 40 year schedule.**

Internal Service Charges

Paid to the County from MTB Revenue

	2003-2008	2009	2010	2011	2012	2013	2014* As adopted	2009-2014*
Insurance - Liability*( MTB direct bill; 2011-current)	443,485	144,894	169,997	170,000	100,152	102,746	100,000	787,789
Insurance Property	88,998	10,558	10,694	10,694	10,709	10,528	10,778	63,961
Insurance - Fleet	2,107	357	374	394	1,200	1,136	1,222	4,683
Utilities - Phones - Cellular	588							-
Utilities Phone Non Voice	9,531							-
Inter Serv MIS Computer Maintenance	41,158							-
Inter Serv MIS Data Center	495,049	87,649						87,649
Inter Serv Telephone	219,997	58,327	55,616	55,348	49,143	47,986	50,000	316,420
<b>**Indirect Allocation</b>								-
<i>Facilities and Operations</i>		143,358	136,604	142,715	113,570			536,247
<i>County Executive</i>							90,915	90,915
<i>Risk Management</i>		22,868	27,571	20,517	23,338	28,371	12,309	134,974
<i>Human Resources</i>		184,129	168,031	179,391	142,561	142,435	128,312	944,859
<i>Microfilm</i>						4,465	3,409	7,874
<i>Print Shop</i>			381	876			1,363	2,620
<i>Mail Service</i>		1,958	2,439	2,280	1,538	1,364	1,546	11,125
<i>Central Stores</i>		7,098	8,872	9,143	8,989	6,672	6,554	47,328
<i>Treasurer</i>		21,513	21,577	22,607	18,496	16,502	16,694	117,389
<i>Management Services (IT)</i>		65,497	246,099	197,791	176,413	201,018	189,779	1,076,597
<i>Finance</i>		102,748	88,509	79,176	48,706	75,971	59,870	454,980
<i>Reimbursement</i>		247	148					395
<i>Corporation Counsel</i>		57,164	65,875	70,682	53,187	53,920	56,943	357,771
<i>Building Use Charge</i>		568,705						
<i>Allocation Budgeted To Reverse</i>							118,010	
<b>Total Indirect Allocation</b>		<b>1,477,071</b>	<b>1,002,786</b>	<b>961,614</b>	<b>748,002</b>	<b>693,114</b>	<b>847,704</b>	<b>5,730,291</b>

\*\*Indirect Cost Allocation for 2009 is based on Maximus report YE 2006

\*\*All other information based on published and audited IFAS Reports ( 2014 based on adopted budget)

**BOARD OF COMMISSIONERS  
MACOMB COUNTY, MICHIGAN**

**RESOLUTION NO. 2014-\_\_\_**

**RESOLUTION PROVIDING DIRECTION RELATED TO THE  
MARTHA T. BERRY MEDICAL CARE FACILITY**

Whereas, the Macomb County Board of Commissioners (the "Commission") established the Martha T. Berry Medical Care Facility (the "MTB Facility") in 1949; and

Whereas, the MTB Facility is one of 35 county owned medical care facilities in the State of Michigan; and

Whereas, the MTB Facility has 217 beds and there are 238 persons employed at the MTB Facility; and

Whereas, the occupancy rate at the MTB Facility in 2013 was 96.82%, while the State of Michigan average rate for all nursing homes was 84.3% and national rates were at 86%; and

Whereas, through 2014, the occupancy rate at the MTB Facility has increased to 97.56%; and

Whereas, the MTB Facility provides skilled nursing care and rehabilitation services to County residents, a large number of whom are dependent on Medicaid funding; and

Whereas, as a county medical care facility, the MTB Facility gives preference to the indigent; and

Whereas, based on the Centers for Medicare and Medicaid Services ("CMS"), the MTB Facility has a rating of 4 out of 5 stars (above average) for "Quality" and "Staffing" compared to other State of Michigan nursing home facilities; and

Whereas, on July 18, 2014, the National Nursing Home Quality Care Collaborative (NNHQCC) recognized the MTB Facility for implementing efforts to improve health care quality by making notable improvements in 13 identified quality measures over a 15-month period; and

Whereas, in 2002, the Commission authorized and the County issued bonds to fund a substantial renovation of the MTB Facility; and

Whereas, the Commission entered into a Joint Operating Agreement, dated January 22, 2009, with the County's Human Services Board (the "HSB"), and four labor unions – the AFSCME, the SEIU, the MNA, and the UAW (the "JOA") pursuant to which the HSB is to have authority and responsibility for the operation and management of the MTB Facility and the MTB Facility was to be operated and managed so it would no longer depend on any operations funding from the County General Fund; and

Whereas, the Office of County Executive ("OCE") prepared an Organization Plan in 2011 that acknowledged and authorized the HSB to exercise and perform the full authorities, duties and responsibilities granted it by statute and also stated the goal of fully implementing the JOA; and

Whereas, any proposed amendment to the Organization Plan must be submitted by the Executive to the Commission for approval pursuant to the Charter; and

Whereas, no amendment to the Organization Plan has been proposed by the Executive; and

Whereas, in July of 2013, the OCE issued two memoranda seeking to assert OCE oversight of the operation and management of the MTB Facility; and

Whereas, later in that month, the HSB sued the Executive seeking the Macomb County Circuit Court's declaration of the OCE's and HSB's authority over the operation and management of the MTB Facility; and

Whereas, on August 29, 2014, the Circuit Court entered an order declaring that, (i) pursuant to applicable state law, to which the charter defers, and the JOA, the HSB has the authority to operate and maintain the MTB Facility, and (ii) pursuant to applicable state law and the county charter, even without the JOA, the Commission could authorize the HSB to oversee and manage the MTB Facility (the "Court Opinion"); and



Whereas, on September 2, 2014, and subsequently, the OCE issued memoranda requiring certain actions from the HSB to make the MTB Facility wholly independent of the County and raises serious questions that could impact the MTB Facility, its patients, and its employees; and

Whereas, state law requires that the MTB Facility have certain ties to the County including, for example and not for limitation, the following; and

- (i) State law requires the County Treasurer to be the custodian of HSB funds, known as the Social Welfare Fund.
- (ii) The MTB Facility is and must continue to be County-owned.
- (iii) State law requires the HSB to be responsible for collecting funds “for the cost of care given in the [county medical care] facility” which then need to be deposited in the Social Welfare Fund maintained by the County Treasurer.
- (iv) Any “grant, devise, bequest, donation, gift,” etc. received by the HSB is received “on behalf of the county” and deposited in the Social Welfare Fund.

Whereas, the JOA requires Commission approval of the HSB’s annual budget; and

Whereas, prior to the JOA, all MTB employees were County employees and nothing in the JOA or the Court Opinion altered their status as County employees; and

Whereas, changes to the pension, retiree health care or other benefits of unionized MTB employees are mandatory subjects of collective bargaining and cannot be unilaterally made by the HSB, OCE, or the Board of Commissioners, without collective bargaining; and

Whereas, the Macomb County Retirement Commission, through the Retirement Ordinance, determines eligibility for participation in the Macomb County Retirement Plan; and

Whereas, because MTB employees remain County employees and remain eligible for membership in the Retirement System, or because they are subject to collective bargaining agreements that provided eligibility for such retiree health care benefits, they remain eligible for coverage under the Macomb County Retiree Health Care Plan; and

Whereas, most of the unfunded retiree health care liability related to MTB Facility employees vested prior to the JOA and the HSB’s operation and management of the MTB Facility, and, during the time that the unfunded retiree health care liability was accrued, the County, not the HSB, was clearly and unambiguously the employer; and

Whereas, the hybrid state-county nature of the HSB is not dissimilar to that of other county agencies, such as courts and county drain districts; and

Whereas, the HSB has diligently pursued additional Medicaid reimbursement from the state of Michigan that could total as much as \$10 million (the “Medicaid Reimbursement Lawsuit”) and has asked the OCE and Corporation Counsel to intervene in that lawsuit on behalf of the County, but they have refused to participate because Corporation Counsel believes there to be a conflict; and

Whereas, as the Court Opinion indicates, state law and the county charter vest certain authority in the Commission, including the authority to pursue appropriate Medicaid reimbursement for care as a county medical care facility; and

Whereas, the OCE has insisted that the HSB obtain its own federal employer identification number and, after conferring with the County Treasurer requires the signature of an appropriate County official who, under applicable state law, would appear to be a representative of the Commission; and

Whereas, the County currently has budgeted receiving \$847,704 from the HSB in exchange for internal services provided to the MTB Facility and/or the HSB, which would not be available if the County no longer provides all those services; and

Whereas, the OCE’s change in internal services will therefore require a budgetary amendment; and

Whereas, the Commission's Chairperson and the Chairperson of the HSB have already proposed to the OCE to consider an amended JOA that would include the Executive as a party, but the Executive rejected that proposal.

Now, therefore, be it resolved that:

1. The Commission urges the OCE to reconsider its stance on amending the JOA and, if the Executive chooses to do so, authorizes the Commission Chairperson, such other Commissioners and Commission staff as he may select and, if he deems necessary, the Commission's independent counsel, to negotiate the terms of an amended JOA with the Executive and the current parties to the JOA to be brought to the Commission for approval.
2. In accordance with state law, the county charter and Judge Biernat's court opinion, the Commission concludes that the MTB Facility is and shall remain a Macomb County Facility and the HSB is and shall remain an agent of Macomb County. Therefore, among other ramifications of this finding, it means the use of the Macomb County seal by the HSB and the MTB Facility is appropriate.
3. The Commission urges the Macomb County Retirement Commission and the Macomb County Retiree Health Care Board of Trustees to reaffirm MTB Facility employees as County employees under the plans they respectively oversee.
4. The Commission's Chairperson is authorized and directed to sign on behalf of the Commission such documents as are reasonably necessary as determined by and in a form approved by the Chairperson and the Commission's independent legal counsel in order for the HSB to obtain its own federal employer identification number if the HSB determines this is in the facility's best interest.
5. The Commission's Chairperson is authorized and directed to direct the Commission's independent legal counsel, Dickinson Wright, PLLC, in attempting to intervene or otherwise appropriately participate (such as by filing an *amicus curie* brief) on behalf of the Commission in the Medicaid Reimbursement Lawsuit.
6. The Commission recommends that the County Treasurer work with HSB to provide temporary funding using the delinquent tax revolving fund, subject to full reimbursement with appropriate interest from subsequently received Medicaid funding, to cover an interim period of delayed Medicaid reimbursements occasioned by the Executive's directive to convert from the County's to the HSB's federal employer identification number.
7. The Commission recognizes that certain positions taken by the Executive with respect to the MTB Facility and the HSB may exceed his authority under the Charter and applicable state law. Accordingly, the Commission authorizes and directs Commission Chairperson, with the concurrence of the chairpersons of the Finance and Government Operations Committees, to direct the Commission's independent counsel, in cooperation with legal counsel for the HSB to undertake or participate in any legal action they collectively determine is necessary to enforce the JOA, the Court Opinion, applicable state law, and the Charter with respect to the MTB Facility and the HSB.