

County of Jackson
120 W. Michigan Ave.
Jackson, MI 49201
(517) 788-4335



BOARD OF COMMISSIONERS

Clifford E. Herl, District 1
David F. Lutchka, District 2
Todd N. Brittain, District 3
Philip S. Duckham III, District 4
Earl J. Poleski, District 5
James C. Videto, District 6
James E. Shotwell, Jr., District 7
Gail W. Mahoney, District 8
Mike Brown, District 9
Patricia A. Smith, District 10
Michael J. Way, District 11
David K. Elwell, District 12

ELECTED OFFICIALS

Amanda Riska, Clerk
Dan Heyns, Sheriff
Mindy Reilly, Register of Deeds
Janet Rochefort, Treasurer
Geoffrey Snyder, Drain Commissioner
Hank Zavislak, Prosecuting Attorney

COUNTY STAFF

Randy Treacher, Administrator/Controller and
Human Resources Director
Adam Brown, Deputy Administrator
Charles Adkins, Circuit Court Administrator
Tammy Bates, District Court Administrator
Andy Crisenbery, Friend of the Court
Gerard Cyrocki, Finance Officer
Connie Frey, IT Director
Jim Guerriero, Parks Director
Teresa Hawkins, Youth Center Director
Juli Ann Kolbe, Equalization Director
Dr. John Maino, Medical Director
Kent Maurer, Airport Manager
Jan Seitz, MSU Ext.-Jackson County Director
Kristy Smith, Department on Aging Director
Steve Thelen, Fair Manager
Dave Welihan, Veterans Affairs Officer
Ted Westmeier, Health Officer

County Commission Agenda **September 23, 2008**

Order of Business:

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Approval of Agenda
6. Awards and Recognitions
7. Communications and Petitions
8. Special Orders/Public Hearing(s)
9. Public Comment
10. Special Meetings of Standing Committees
11. Minutes
12. Consent Agenda
13. Standing Committees
 - A. County Affairs
 - B. County Agencies
 - C. Human Services
 - D. Personnel & Finance
14. Unfinished Business
15. New Business
16. Public Comment
17. Commissioner Comment
18. Closed Session
19. Adjournment

Public Comment

Any person desiring to speak on a matter to the Board of Commissioners may do so under the Public Comment items near the beginning and end of the meeting. Please state your name and use the microphone. Please note that the Commission allocates a maximum of five minutes per individual at the beginning of the meeting and three minutes per individual at the end of the meeting for this purpose.

Consent Agenda

Items on the Consent Agenda are items generally routine in nature that have passed a Standing Committee and will be enacted by one motion and one vote. There will be no separate discussion on these items. Any Commissioner may remove an item from the Consent Agenda and it will be considered by separate motion at the proper place during the meeting.

Standing Committees

The Board of Commissioners operates under a Standing Committee system with the following Committees: County Affairs, County Agencies, Human Services, Personnel & Finance. All departments of the County coordinate their business through one of the Standing Committees. The Committees then forward their recommendations to the Board of Commissioners.

Closed Session

The Board of Commissioners is permitted under the Open Meetings Act to go into Closed Session to discuss labor contracts, purchase of property, and certain employee matters if requested by the employee. A two-thirds vote of the Commission is required to go into Closed Session.

"Your interest in your County Government is appreciated"

AGENDA
JACKSON COUNTY BOARD OF COMMISSIONERS BOARD MEETING
September 23, 2008
7:00 p.m.
County Commission Chambers

***Mission Statement:** Jackson County Government, in cooperation with the community
and local governmental units, strives through a planned process
to deliver quality services that address public needs.*

1. **CALL TO ORDER** – *Chairman Steve Shotwell*
2. **INVOCATION** – *by Commissioner Mike Way*
3. **PLEDGE OF ALLEGIANCE** – *by Chairman Steve Shotwell*
4. **ROLL CALL** – *County Clerk Amanda Riska*
5. **APPROVAL OF AGENDA**
6. **AWARDS & RECOGNITIONS**
 - A. **National Association of Counties (NACo) 2008 Achievement Award Winner – Jackson County, Michigan for its program “Courts-to-School”**

Attachments:
*2008 Achievement Award
 - B. **Resolution (09-08.32) Commending the Jackson County Health Department on Achieving Accreditation.**

Attachments:
*Resolution (09-08.32)
7. **COMMUNICATIONS/PETITIONS** – None.
8. **SPECIAL ORDERS/PUBLIC HEARINGS**
 - A. **Strategic Planning Presentations**
 1. Cooperation Between Governments
 2. Economic Vision of Jackson County
 3. Vision of a Healthy Community
 4. Quality of Life

Attachments:
*Cooperation Between Governments
*Economic Vision of Jackson County
*Vision of a Health Community
*Quality of Life
9. **PUBLIC COMMENTS**
10. **SPECIAL MEETINGS OF STANDING COMMITTEES** – None.

11. **MINUTES** - Minutes of the 7/22/08 and 8/8/08 Special and 7/22/08 Regular Meetings of the Jackson County Board of Commissioners

Attachments:

*7/22/08, 8/8/08 Special and 7/22/08 Regular Meetings of the Jackson County Board of Commissioners

12. **CONSENT AGENDA** (*Roll Call*)

A. County Affairs

1. **Resolution (09-08.30) Authorizing the Jackson County Board of Commissioners Chair, James E. Shotwell, Jr., to Sign Amended MDOT Contract #2007-0615/A1 (Federal Project #B-26-0051-1707)**

Attachments:

*Resolution (09-08.30)

2. **Resolution (09-08.31) Authorizing the County Board of Commissioners, Chair, James E. Shotwell, Jr. to Sign MDOT CONTRACT #2008-0530 (FEDERAL PROJECT #B-26-0051-2205)**

Attachments:

*Resolution (09-08.31)

3. **Proposed Contract to SME for Environmental Services**

Attachments:

*Proposed Contract to SME

B. County Agencies

4. **Inmate Food Service Contract for Jackson County Jail System**

Attachments:

*Letter from Corrections Division Command dated 8/20/08 and attachments

5. **Child Support Contract between the DHS, the County of Jackson and the Prosecuting Attorney**

Attachments:

*Contract CSPA-09-38002 between DHS, the County of Jackson and the Prosecuting Attorney

6. **Livestock Loss Claim**

Attachments:

*Livestock Loss Report dated 8/14/08

7. **Resolution (09-08.34) Opt-Out Tax Exempt Resolution Grass Lake Charter Township LDFA (2nd time)**

Attachments:

*Resolution 09-08.34

C. **Human Services**

8. **2008-2009 Proposed Budget – Jackson County Health Department**

Attachments:

*Health Department Budget Request

D. **Personnel & Finance**

9. **FTE Reduction Schedule**

Attachments:

*FTE Reduction Target Spreadsheet

10. **Friend of the Court CRP Contract**

Attachments:

*Friend of the Court CRP Contract

11. **Friend of the Court 2008-2009 Budget**

Attachments:

*Friend of the Court Budget

12. **Resolution (09-08.33) for the Adoption of Amendment No. 1 to the Group Health Plan of Jackson County**

Attachments:

*Resolution 09-08.33

13. **Budget Adjustments**

Attachments:

*Health Department Budget Narrative

*Department of Aging September Budget Adjustments

E. **Claims – 8/1/08 – 8/31/08**

13. **STANDING COMMITTEES**

A. **County Affairs – Commissioner Dave Lutchka**

1. September 2008 Appointments

- a. Agricultural Preservation Board - one public member, term to 6/30/2011
- b. Jackson LDFA/LBRA – one Commissioner Member, term to 2012
- c. Upper Grand River Watershed Council – one public member, term to 5/31/2010

Attachments:

*Commissioner Board Appointments

B. County Agencies – *Commissioner Gail W. Mahoney*

None.

C. Human Services – *Commissioner Mike Way*

None.

D. Personnel and Finance – *Commissioner James Videto*

- 1. One Time Payment of \$100,000 to Enterprise Group

Attachments:

*Memorandum from Administrator/Controller dated 9/18/08

14. UNFINISHED BUSINESS – None.

15. NEW BUSINESS

A. Fiscal Policy 900-1090 Revisions

Attachments:

- *Policy 900 – Fiscal Policies
- *Policy 1000 – Budget Resolution
- *Policy 1010 – Balanced Budget Policy
- *Policy 1020 – Additional Operating Appropriation Policy
- *Policy 1030 – Capital Budget Policy
- *Policy 1040 – Departmental Float Policy
- *Policy 1050 – Budgetary Adjustment Policy
- *Policy 1060 – Transfers Out-Appropriations Policy
- *Policy 1070 – Unreserved Fund Balance Policy
- *Policy 1080 – Budget Stabilization Fund Policy
- *Policy 1090 – Public Improvement Fund Policy

16. PUBLIC COMMENTS

17. COMMISSIONER COMMENTS

18. CLOSED SESSION – None.

19. ADJOURNMENT

National Association of Counties

*2008 Achievement
Award Winner*

This Award is Presented to

Jackson County, MI

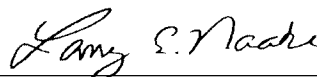
for
its program

Courts-to-School

in recognition of an effective and innovative program
which contributes to and enhances county government
in the United States.



Eric Coleman, President



Larry E. Naake, Executive Director

NACO National Association of Counties

The Voice of America's Counties

**Resolution (09-08.32) Commending the Jackson County Health
Department on Achieving Accreditation**

WHEREAS, required and necessary public health programs that are administered by local health departments in Michigan are reviewed every three years; and

WHEREAS, the reviews are an intensive and thorough commentary on the ability of a local health department to provide public health programs to the communities they serve; and

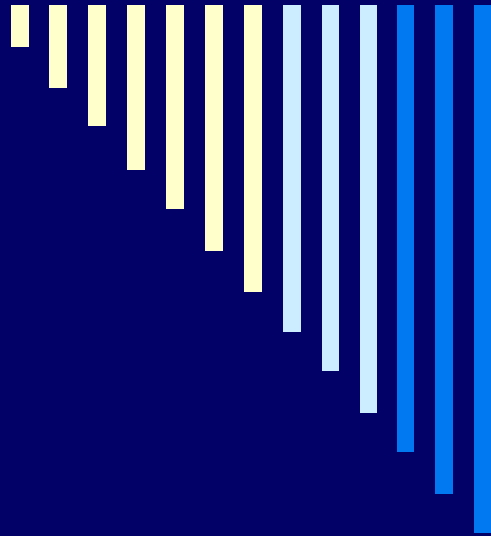
WHEREAS, Michigan is one of only a few states in the country to require such a rigorous review thereby holding Michigan local health departments to a higher standard than most health departments in the United States; and

WHEREAS, the Jackson County Health Department has recently received accreditation by the Michigan Department of Community Health for the third time; and

WHEREAS, the accreditation resulted in the Jackson County Health Department receiving the second highest score of all 45 departments in the State of Michigan.

NOW, THEREFORE, BE IT RESOLVED, that the Jackson County Board of Commissioners hereby congratulates the administration and staff of the Jackson County Health Department on a job well done and thanks them for their commitment to protecting the citizens of Jackson County.

**James E. Shotwell, Jr., Chairman
Jackson County Board of Commissioners
September 23, 2008**



Cooperation Between Governments

**Strategic Planning 2008
Update**



Vision Statement

- Jackson County provides effective and economical services for all citizens by working cooperatively and collaboratively with other units of government
-



Strategy I: Re-energize the Intergovernmental Committee to focus on cooperation

Strategy II: Conduct an inventory of existing intergovernmental cooperative arrangements

Strategy III: Get input from constituents (e.g. businesses, citizens, community leaders, etc.) to identify where and how government can cooperate

Strategy IV: Develop communication tools to assist local units in the means necessary to collaborate and communicate



Action Update

- ❑ Fuel Committee - The Jackson Transportation Authority has offered to sell fuel to the local government units at a low cost. This has been implemented in several areas successfully
 - ❑ Office Supplies - A joint effort to expand government pricing and discounts to townships and schools is underway. This has been expanded to several purchasing areas.
 - ❑ It Sub-Committee – E-government citizens portal has been approved and implementation plans are underway.
 - ❑ Survey Sub-Committee - A survey of existing cooperative programs is being performed and it includes a request for suggested new cooperative programs
 - ❑ Employee Benefits Sub-Committee (healthcare) review but no action at this time as there was not a cost effective solution
-



Intergovernmental Committee

- ❑ Revitalize the Jackson County Intergovernmental Committee
 - ❑ Several Meetings have been held
 - ❑ The new name for the committee is: “Governing Alliance Committee Meeting”
-

Economic Vision of Jackson County

Jackson County's diverse economy and innovative economic development efforts ensure continued growth and vibrancy within the local, regional, state, and global marketplace

Economic Strategy I

Create an economic development plan for Jackson County.

- Interviewed 5 Economic Development Consulting firms from March 2008 to July 2008
- Accepted the proposal submitted from the Enterprise Group on August 12, 2008 to create the Economic Development Plan

Economic Strategy II

Create a streamlined mechanism for permits, requirements and licenses to make it user-friendly to start and maintain businesses.

- Created subcommittee to collect existing data and processes
- Flow chart created identifying process
- Contacts made at all the local units of government; updates at Township Supervisor mtg.
- County IT dept is collaborating with the subcommittee and BS&A to be a BETA site for creating a new program

Economic Strategy III

Determine the feasibility of creating a central web site and/or an “e-commerce web site as a central and primary resource for anyone researching the possibility of doing business within Jackson County.

- Enterprise Group rolled out their e-commerce web site for the community
- Continual monitoring and feedback when GOV Q&A goes live

Vision Of A Healthy Community

Jackson County residents enjoy phenomenal health through affordable, accessible healthcare; a community commitment to wellness; and increased public recreation.

Strategy

Facilitate a countywide Healthy Community Task Force to develop a long-term, comprehensive plan for improving the overall health of Jackson County residents

Goals

- Build a healthy community by increasing access to affordable healthcare
- Educating the public on the community health status and its importance
- Promoting the adoption of a healthy lifestyle through personal choice and action

Action Steps Taken

- Merged Healthy Community (HC) team with Health Improvement Organization (HIO) Coordinating Council
- Conducted Jackson Community Health Assessment (CHA) Nov. 2007 to March 2008
 - 180 questions, 1,000 residents 18 yrs +
 - Focus of questions:
 - Behavioral Risk and Environment
 - Health Literacy and Access
 - Physical Health and Health Care Exp. / Utilization
 - Mental Health

Action Steps Taken

- Analyzed survey results and other research data to identify community health needs
 - Prioritized results by:
 - Magnitude of problem
 - Severity of problem
 - High need among vulnerable populations
 - Community's capacity to act on issue, including economic, social, cultural or political considerations.

Community Health Assessment Findings

Identified six main health issues:

1. Diabetes
2. Heart Disease
3. Smoking
4. Physical activity / Nutrition / Obesity
5. Depression
6. Stress

Diabetes

- 14% of residents in Jackson Co. have diabetes; the rate of diabetes in Jackson Co. is about 1.5 times higher than the state of MI (9%)
- Death rate for diabetes in Jackson Co. is much higher than in the state of MI
- More than 50% of Jackson Co. residents have not been screened for diabetes

Heart Disease

- 1 out of 10 Jackson Co. residents has heart disease.
- Jackson Co. heart disease rate is more than 2x that of state of MI (10.3 vs 4.9)
- Hospitalization for heart attacks in Jackson Co. is much higher than the state of MI

Smoking

- 27% of Jackson Co. residents compared to 21% of MI residents are smokers
- Highest number (almost 50%) of smokers are between ages of 18 – 34
- Over 50% have tried to quit in past year
- Almost half of the women who delivered at Allegiance Health System report smoking 3 months prior to pregnancy

Obesity / Physical Activity / Nutrition

- 70% of Jackson Co. residents are overweight or obese
- 73% were never given advice by health professional regarding body weight
- 65% seek health information from their doctor
- 60% are trying to lose weight
- 25% get recommended amount of exercise
- 16% eat recommended number of fruits / veg. a day compared to 21% for state of MI
- Jackson Co. residents average 3 – 4 hrs of TV per day

Depression

- 1 in 7 Jackson Co. residents have had depression
- Depression was more common among residents with other health problems
- Jackson Co. suicide rate is much higher than state of MI rate

Stress

- More than 25% of Jackson Co. residents reported feeling stressed in the past 30 days
- Jackson County stress rates are higher than national averages

Contributing Factors

- High healthcare costs
- Lack of health insurance
- Difficulty accessing affordable healthcare
- Poor communication between healthcare provider and patient re: health risks
- Lack of patient knowledge on health risks
- Lack of social support

Next Steps

- Disseminate CHA survey results to residents, stakeholders, businesses, etc., to educate / seek ownership / improve health status
- Create a plan detailing ways residents, businesses, and organizations can address the six main health issues to improve the health of Jackson County residents.
- Develop and implement a Comprehensive Health Plan with timelines and budget

Jackson County Strategic Plan – Progress

Quality of Life Team

Kristy Smith, Brad Piros
Co-Chairs

Quality of Life Team Members

- Kristy Smith – *Jackson County Department on Aging*
- Brad Piros – *Jackson County Office of the Sheriff*
- Randy Treacher – *Jackson County Administrator/Controller*
- Amy Wellington – *Ella Sharp Museum*
- David Welihan – *Office of Veterans Affairs*
- Irene Lecrone – *United Way of Jackson County*
- Karen Retter – *Jackson County Administrative Services*
- Kathy Tharp – *Jackson County Administrative Services*
- Patricia Spink – *Jackson County Department on Aging*
- Rosalyn Anderson – *Citizen at Large*
- Janet Rochefort – *Jackson County Treasurer*
- Suzanne McCloskey – *Anderson Printing*

Quality of Life Team Vision

- Jackson County's wealth of cultural opportunities, recreational activities, community amenities and neighborly environment makes it one of Michigan's most desirable places to live, work, and play.

Quality of Life Team Strategies

I. Measure the community's perception of Jackson County.

- A. Reviewed survey work done by other groups:*
 - Image Group (Chamber of Commerce)*
 - Arts & Cultural Alliance*
 - United Way Community Report Card*

- B. Reviewed County Strategic Plan Focus Group info.*

Quality of Life Team Strategies

II. Build on identified community strengths

- Midwestern Values
(hard work, friendliness, practicality, and resilience)
- Small-town feel
- Family-oriented
- Affordable cost of living
- Good mix of cultural and recreational options
- Great location to live and to visit
- Opportunity for everyone to participate

Quality of Life Team Strategies

III. Engage the community

A. Identify available resources

JTV
WKHM
2-1-1
Blogs

Citizen Patriot
scarab49201
jacksonpop.com
Billboards

Jackson Magazine
Brooklyn Exponent
County Press
local libraries

municipal websites
business websites
message boards

K-12 & college info. networks
organization websites/newsletters
church & service club bulletins

Quality of Life Team Strategies

III. Engage the community (continued)

B. Develop new resources

- Permanent welcome signs for Jackson County
- Central website with community information
- “Community Advisor” weekly publication
- Media segments showing “What’s Right About Jackson”
- Intergenerational Mentoring Program
- Jackson County Citizen’s Academy
- “Pro-Jackson County” phone messages

Quality of Life Team Strategies

III. Engage the community (continued)

C. Connect community with resources

*STRATEGY
STILL
UNDER
CONSTRUCTION*

MINUTES
JACKSON COUNTY BOARD OF COMMISSIONERS
July 22, 2008
7:00 p.m.
County Commission Chambers

- 1. CALL TO ORDER:** Chairman Shotwell called the July 22, 2008 meeting of the Jackson County Board of Commissioners to order at 7:01 p.m.
- 2. INVOCATION:** by Commissioner Mike Brown
- 3. PLEDGE OF ALLEGIANCE:** by Chairman Steve Shotwell
- 4. ROLL CALL:** County Clerk Amanda L. Riska

(12) Present: Commissioners Herl, Lutchka, Brittain, Duckham, Poleski, Videto, Mahoney, Brown, Smith, Way, Elwell, and Shotwell.

5. APPROVAL OF AGENDA:

Cmr. Herl removed item 13 B. 2. – Resolution (07-08.19) Brownfield Plan for former Plastigage Site, 2917 Wildwood Avenue in Blackman Charter Township

Moved by Mahoney, supported by Duckham for the approval of the agenda as amended.
Motion carried.

6. AWARDS & RECOGNITIONS

- A.** Proclamation (07-08.02) Honoring the Grass Lake Warriors Baseball Team on Winning the State Division 3 Championship, June 14, 2008 – Chairman Shotwell presented the Resolution.
- B.** Resolution of Commendation – Board of Jackson County Road Commissioners Resolution 08-11 – Tony Phillips presented the Resolution to Randy Treacher.

7. COMMUNICATIONS/PETITIONS

None.

8. SPECIAL ORDERS/PUBLIC HEARINGS:

- A. Use of Justice Assistance Grant Funds through the Edward Byrne Memorial Justice Assistance Grant (JAG) through the United States Department of Justice**

No public comment.

B. County of Jackson, Michigan, 2007 Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2007 – Dave Fisher from Rehmann Robson presented the report.

No public comment.

Administrator/Controller Treacher commented about a new password policy, and stated that he was very pleased with the comments in the audit. He further stated that the overall budget is in good shape.

Moved by Videto, supported by Lutchka to receive. Motion carried unanimously.

9. PUBLIC COMMENT:

No public comment.

10. SPECIAL MEETINGS OF STANDING COMMITTEES:

The meeting was adjourned briefly to allow the commissioners who are members of the County Agencies Committee to meet behind Cmr. Mahoney's desk.

11. MINUTES:

Minutes of the 6/17/08 Regular Meeting of the Jackson County Board of Commissioners

Moved by Elwell, supported by Mahoney for approval of the meeting minutes from the 6/17/08 Regular Meeting of the Jackson County Board of Commissioners. Motion Carried.

12. CONSENT AGENDA:

Cmr. Poleski asked that item 12. D. 4. be removed – Resolution (07-08.20) Authorizing Borrowing from the Delinquent Tax Revolving Fund for the General Fund. Item was moved to 13. D. 1. under Personnel & Finance.

Moved by Mahoney, supported by Videto for approval of the consent agenda as amended.
Roll call: (12) Yeas. Motion carried unanimously.

A. County Affairs

1. Falling Waters Trail Contract Modification with JJR

B. County Agencies

None.

C. Human Services

2. Region 2 Area Agency on Aging Annual Implementation Plan - 2009

3. **Community Development Block Grant (CDBG) Housing Rehabilitation Program Administration Contract between Jackson County and Community Action Agency**

D. Personnel & Finance

- ~~4. Resolution (07-08.20) Authorizing Borrowing from the Delinquent Tax Revolving Fund for the General Fund~~

5. Budget Adjustments

- a. **District Court – Drunk Driving Assistance Funds**
- b. **Airport**

E. Claims – 6/1/08 – 6/30/08

13. STANDING COMMITTEES:

A. County Affairs – Commissioner Dave Lutchka

1. July 2008 Appointments

- a. **Upper Grand River Watershed Council – one public member, term to 5/31/2010**

Comr. Lutchka stated that the committee recommended Kathlyn Kulchinski. No other nominations from the floor. Kathlyn Kulchinski appointed.

B. County Agencies – Commissioner Gail W. Mahoney

1. **Use of Justice Assistance Grant Funds through the Edwards Byrne Memorial Justice Assistance Grant (JAG) through the United States Department of Justice**

Moved by Mahoney, supported by Herl to adopt the Use of Justice Assistance Grant Funds through the Edwards Byrne Memorial Justice Assistance Grant (JAG) through the United States Department of Justice. Roll Call: (12) Yeas. Motion passed unanimously.

- ~~2. Resolution (07-08.19) Brownfield Plan for former Plastigage Site, 2917 Wildwood Avenue in Blackman Charter Township~~

C. Human Services – Commissioner Mike Way

None

D. Personnel and Finance – Commissioner James Videto

1. Resolution (07-08.20) Authorizing Borrowing from the Delinquent Tax Revolving Fund for the General Fund

Moved by Videto, supported by Herl to adopt Resolution (07-08.20) Authorizing Borrowing from the Delinquent Tax Revolving Fund for the General Fund. Roll Call: (12) Yeas. Motion passed unanimously.

14. UNFINISHED BUSINESS:

A. Report from Administrator/Controller on Discontinuing the Use of Take-Home Vehicles (from 6-17-08 BOC Meeting)

Administrator/Controller Treacher provided information that the four vehicles belong to the Sheriff, Undersheriff, and two Captains and what the annual cost to have them is.

Moved by Brittain, supported by Duckham to Discontinue the Use of All Take-Home Vehicles. Roll Call: (2) Yeas. Cmr. Brittain and Duckham. (10) Nays. Cmr. Herl, Lutchka, Poleski, Videto, Shotwell, Mahoney, Brown, Smith, Way, and Elwell.. Motion failed.

Discussion was held. Several commissioners felt that the issue could be taken up again at budget time.

B. Progress Report of Ad Hoc Committee to Review the Resources of the Sheriff's Department.

Cmr. Poleski provided the report.

Clarification was given that the intent of the motion is simply to get an idea from the body as to whether or not the Ad Hoc committee can even start investigating if there would be potential to put the City and County resources together.

Moved by Poleski, supported by Way to Expand the Charge of the Committee to Include Consideration of a Co-Location. Roll Call: (12) Yeas. Motion passed unanimously.

C. Retirement System Options

Administrator/Controller Treacher provided a report regarding the MERS Retirement System.

Moved by Lutchka, supported by Brittain to Proceed with Further Study of MERS. Roll Call: (12) Yeas. Motion passed unanimously.

15. NEW BUSINESS:

A. **Expand the Scope of Responsibilities of the Ad Hoc Committee to Review the Resources of the Sheriff's Department to Include Review of Options for Operating 911 Services.**

Moved by Mahoney, supported by Duckham to Expand the Scope of Responsibilities of the Ad Hoc Committee to Review the Resources of the Sheriff's Department to Include Review of Options for Operating 911 Services. Roll Call: (11) Yeas. Cmr. Herl, Lutchka, Brittain, Duckham, Poleski, Videto, Shotwell, Mahoney, Brown, Smith, and Way. (1) Nay. Cmr. Elwell.

Cmr. Elwell stated that he would not be supporting the motion and believes that the police chiefs in the County are satisfied with Central Dispatch.

B. **Retirement Health Benefits for Elected Officials**

Moved by Herl, supported by Mahoney that Any County-Wide Elected Official, Who Was Elected or Appointed on or after January 1, 2009, Would Need to Attain the Following Continuous Service Credit to be Eligible for Health Insurance Coverage in Retirement.

0-15 years 0%
16 years 75%
17 years 80%
18 years 85%
19 years 90%
20 years 95%

This motion would not apply to any person who currently receives these benefits and is elected or appointed to a county-wide position on or after January 1, 2009.

Moved by Elwell, supported by Brittain to Amend the Motion to Read that Any County-Wide Elected Official Who Was Elected or Appointed After the Date of Adoption of this Motion Would Need to Attain the Following Continuous Service Credit to be Eligible for Health Insurance Coverage in Retirement. Said Percentages on Years of Service Requirements Shall also Apply to All New-Hire, Non-Bargained Employees After the Date of Adoption.

0-19 years 0%
20 years 75%
21 years 80%
22 years 85%
23 years 90%
24 years 95%
25 years 100%

This Motion Would not Apply to Any Person Who Currently Receives These Benefits

and is Elected or Appointed to a County-Wide Position on or After the Date of Adoption of this Motion.

Administrator/Controller Treacher stated that he would like to be able to discuss this with the Department Heads before the commission voted, so they were at least aware of the motion.

Moved by Videto, supported by Herl to Table the Motion Until the Next Board of Commissioner Meeting. Roll Call: (6) Yeas. Cmr.s Herl, Lutchka, Poleski, Videto, Brown, and Way. (6) Nays. Cmr.s Brittain, Duckham, Shotwell, Mahoney, Smith, and Elwell. Motion failed.

Cmr. Elwell pulled his amended motion, however it was found that the amendment had to be voted on. Roll Call: (3) Yeas. Cmr.s Brittain, Poleski, and Videto. (9) Nays. Cmr.s Herl, Lutchka, Duckham, Shotwell, Mahoney, Brown, Smith, Way, and Elwell. Motion failed.

Moved by Brittain, supported by Elwell to Amend the Original Motion to be Effective at the Commencement of the Meeting with the Percentages as Follows:

0-20 years 0%
21 years 75%
22 years 80%
23 years 85%
24 years 90%
25 years 95%

Roll Call: (10) Yeas. Cmr.s Herl, Lutchka, Brittain, Duckham, Poleski, Mahoney, Brown, Smith, Way, and Elwell. (2) Nays. Cmr.s Videto and Shotwell.

The commissioners voted on the original motion with the amendment. Roll Call: (9) Yeas. Cmr.s Herl, Lutchka, Brittain, Duckham, Mahoney, Brown, Smith, Way, and Elwell. (3) Nays. Cmr.s Poleski, Videto, and Shotwell.

C. New/Revised Policies

1. Revised Personnel Policy No. 3330 – Identification Badges

Moved by Mahoney, supported by Herl to Adopt Revised Personnel Policy No. 3330 Regarding Identification Badge. Roll Call: (12) Yeas. Motion passed unanimously.

2. Revised Purchasing Policy No. 2020 – Purchasing Procedures

Moved by Mahoney, supported by Way to Adopt Revised Purchasing Policy No. 2020 Regarding Purchasing Procedures.

Moved by Elwell, supported by Mahoney to Amend the Motion to strike the word

“depending” from the sentence in bold that states “depending on the amount of the purchase, with no language following “shall be used.” Roll Call: (12) Yeas. Motion passed unanimously.

Moved by Elwell, supported by Duckham to Amend the Motion to Strike Letter E. – Jackson County Fair, from the Applicability Portion of the Policy. Roll Call: (9) Yeas. Cmr. Brittain, Duckham, Poleski, Shotwell, Mahoney, Brown, Smith, Way, and Elwell. (3) Nays. Cmr. Herl, Lutchka, and Videto. Motion carried.

Original Motion – *Moved by Mahoney, supported by Way to Adopt Revised Purchasing Policy No. 2020 Regarding Purchasing Procedures.* Roll Call: (11) Yeas. Cmr. Herl, Lutchka, Brittain, Duckham, Poleski, Shotwell, Mahoney, Brown, Smith, Way, and Elwell. (1) Nay. Cmr. Videto.

3. New Information Technology Policy No. 6070 – Network Password Policy

Moved by Mahoney, supported by Lutchka to Adopt Policy No. 6070 Regarding the Network Password Policy. Roll Call: (12) Yeas. Motion passed unanimously.

D. Set Date for Special Meeting of the Board of Commissioners to Make Final Selection for the Deputy Administrator Position (week of August 4)

Moved by Lutchka, supported by Mahoney that on the Issue of Hiring the Deputy County Administrator, I Move to Authorize the Administrator/Controller to Conduct Further Background Checks and a Site Visit as Approved by the Board of Commissioners. In Addition, Allow the Administrator/Controller, to Make an Offer of Employment Within the Salary Range for the Position, to Adam Brown if he Determines it to be Appropriate and in the Best Interest of Jackson County. Roll Call: (12) Yeas. Motion passed unanimously.

16. PUBLIC COMMENTS:

Jack DeBoe spoke in favor of the Divided We Fail effort.

Mindy Reilly thanked the Commission for not revising the retiree health benefits for non-union employees prior to discussion with Department Heads/Elected Officials.

17. COMMISSIONER COMMENTS:

Cmr. Brittain requested that an incentive program for departments under budget be in the next study session.

18. CLOSED SESSION:

None

19. ADJOURNMENT:

Chairman Shotwell adjourned the July 22, 2008 meeting of the Jackson County Board of Commissioners at 9:14 p.m.

James E. Shotwell – Chairman, Jackson County Board of Commissioners

Amanda L. Riska – County Clerk

Respectfully submitted by Carrienne VanDusseldorp – Chief Deputy County Clerk

**JACKSON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING
Tuesday, July 22, 2008
6th Floor Conference Room – Tower Building
7:30 a.m.**

1. CALL TO ORDER

Chairman Shotwell called the Special Meeting of the Jackson County Board of Commissioners to order at 7:30 a.m.

2. ROLL CALL Chief Deputy County Clerk – Carrienne VanDusseldorp

(11) Present at time of Roll Call: Commissioners Herl, Lutchka, Brittain, Duckham, Poleski, Videto, Brown, Smith, Way, Elwell and Shotwell. (1) Absent: Commissioner Mahoney. Commissioner Mahoney later appeared at 9:36 a.m.

3. PUBLIC COMMENT

None.

4. SECOND ROUND OF INTERVIEWS OF CANDIDATES FOR DEPUTY ADMINISTRATOR

- **8:00 a.m. – Daniel Bishop**
- **9:15 a.m. – Rob Anderson**
- **10:30 a.m. – Adam Brown**

5. PUBLIC COMMENT

None.

6. ADJOURN

Moved by Mahoney, supported by Duckham to adjourn.

Chairman Shotwell adjourned the July 22, 2008, Special Meeting of the Jackson County Board of Commissioners at 12:45 p.m.

James E. Shotwell – Chairman, Jackson County Board of Commissioners

Amanda L. Riska – Jackson County Clerk

Respectfully Submitted by Carrienne VanDusseldorp – Chief Deputy County Clerk

**JACKSON COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING
Friday, August 8, 2008
6th Floor Conference Room – Tower Building
7:30 a.m.**

1. CALL TO ORDER

Chairman Shotwell called the Special Meeting of the Jackson County Board of Commissioners to order at 7:30 a.m.

2. ROLL CALL County Clerk – Amanda L. Riska

(9) Present: Commissioners Herl, Lutchka, Brittain, Poleski, Mahoney, Brown, Way, Elwell and Shotwell. (3) Absent: Cmr. Duckham, Videto, and Smith.

3. PUBLIC COMMENT

None.

4. ADOPT A DEFICIT REDUCTION PLAN

Moved by Herl, supported by Lutchka to Adopt a Deficit Reduction Plan. Motion carried unanimously.

5. PUBLIC COMMENT

None.

6. ADJOURN

Moved by Mahoney, supported by Duckham to adjourn.

Chairman Shotwell adjourned the August 8, 2008, Special Meeting of the Jackson County Board of Commissioners at 7:39 a.m.

James E. Shotwell – Chairman, Jackson County Board of Commissioners
Carrienne VanDusseldorp – Chief Deputy County Clerk



J X N

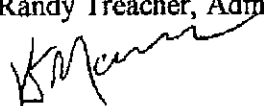
Jackson County Airport

3606 Wildwood Avenue
(517) 788-4225

Jackson, Michigan 49202
FAX (517) 788-4682

August 14, 2008

TO: Jackson County Airport Board Members; Jackson County Board of
Commissioner Members; and, Randy Treacher, Administrator – Controller

FROM: Kent Maurer, Airport Manager 

RE: **AGENDA ITEM: Amended Grant with MDOT for Runway 14-32 Phase
One Construction; 405 Survey; and FAA Reimbursable Agreement**

I am submitting for your approval an amended MDOT Sponsor Contract #2007-0615/A1 for Federal Project # B-26-00511707 that was originally for \$1,381,868 (Federal \$1,055,094; State \$230,801; County \$32,973). This grant is for Phase One construction of Runway 14-32; costs associated with a Part 405 Survey (surveys for new runway approaches); and, an FAA Reimbursable Agreement (installation of new runway approach equipment).

The amended grant is increased by \$91,132 (Federal \$72,906, State \$15,949 and Local \$2,277) for final grant amounts of \$1,410,000 (Federal \$1,128,000, State \$246,750 and Local \$35,250) because of higher than anticipated costs associated with this now completed project.

I am requesting that this amended grant be placed as an item for consideration at the Jackson County Commission meeting. I will be present to answer any questions.

Please feel free to contact me with any questions.

RESOLUTION # 09-08,30
AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR, James E. Shotwell, Jr. TO SIGN AMENDED MDOT CONTRACT
#2007-0615/A1 (FEDERAL PROJECT #B-26-0051-1707),

For EXTENSION OF RUNWAY 14-32 (PHASE D; PART 405 SURVEY; FAA REIMBURSABLE
AGREEMENT AS FURTHER DEFINED IN (CONTRACT NO. 38-01-C69)

AT THE JACKSON COUNTY AIRPORT

WHEREAS, The FAA has indicated that Runways at the Jackson County Airport do not have the needed "safety areas" at their respective ends and approaches; and

WHEREAS, continued progress in building these runway safety areas required Phase one construction of Runway 14-32; a Part 405 Survey and a reimbursable agreement with the FAA; and

WHEREAS, the original grant funds in the amount of \$1,381,868.00 (Federal \$1,055,094.00; State \$230,801.00 and County \$32,973.00) had been granted by the Michigan Aeronautics Commission to the Jackson County Airport – Reynolds Field and were in the public interest; and,

WHEREAS, because of higher than anticipated costs in the amount of \$91,132 the original grant needs to be amended by this amount; Federal (\$72,906), State (\$15,949) and Local (\$2,277); and,

WHEREAS, the final grant funds in the amount of \$1,410,000 (Federal \$1,128,000); State \$246,750) and County \$35,250) have been allocated by the Michigan Aeronautics Commission to the Jackson County Airport – Reynolds Field and are in the public interest; and,

WHEREAS, the Jackson County Board of Commissioners, have previously decided that this project will enhance the safety of the airport and is in the public interest; and,

WHEREAS, The Jackson County Board of Commissioners has legal authority to approve such grants; and

WHEREAS, James E. Shotwell, Jr. is the Chairman of the Jackson County Board of Commissioners and has authority to sign such grant; and;

NOW, THEREFORE, BE IT RESOLVED THAT, the Jackson County Board of Commissioners approves of the referenced grant contract AND authorizes James E. Shotwell, Jr. to sign on behalf of the Jackson County Board of Commissioners.

RESOLUTION 09-08,30 AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR,
James E. Shotwell, Jr. TO SIGN AMENDED MDOT CONTRACT
#2007-0615/A1 (FEDERAL PROJECT # B-26-0051-1707),

James E. Shotwell, Jr.
County Board Chairman

STATE OF MICHIGAN)
) ss.
COUNTY OF JACKSON)

I, the duly qualified and acting Clerk of the County of Jackson, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the County Board of Commissioners of the County of Jackson, State of Michigan, at a regular meeting held on June 17, 2008 at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

August 12, 2008

Kent Maurer, Airport Manager
Jackson County-Reynolds Field
3606 Wildwood Avenue
Jackson, Michigan 49202

Dear Mr. Maurer:

SUBJECT: Jackson County-Reynolds Field
Jackson, Michigan
Fed. Proj. No. B-26-0051-1707
MDOT Contract No. 2007-0615/A1 (Amendment)

Enclosed are the original and one copy of the above described contract amendment between your organization and the Michigan Department of Transportation. Please take time to read and understand this contract. If it meets with your approval, please complete the following checklist:

- _____ **PLEASE DO NOT DATE THE CONTRACTS.** MDOT will date the contracts when they are executed. (A contract is not executed unless both parties have signed it.)
- _____ Secure the necessary signatures on both contracts.
- _____ **Include a certified resolution/authorization that specifically names the official(s) authorized to sign the contract.** You must submit one for each contract even though you may have submitted one to us in the past.
- _____ If applicable, please provide any credit documentation to the project manager as soon as possible.
- _____ Return both copies of the contract to my attention at the address below for execution by MDOT. In order to meet the scheduled project start date and/or timely processing of project costs, **please return the contract by September 18, 2008.** One original executed contract will be forwarded to you.

If you have any questions, please call me at (517)335-9960.

Sincerely,

Susan Panetta, Contract Administrator
Bureau of Aeronautics and Freight Services

Enclosures

cc: Amanda Hopper
File
DAB 9-2-08

MICHIGAN DEPARTMENT OF TRANSPORTATION
JACKSON COUNTY BOARD OF COMMISSIONERS
AMENDMENT

THIS AMENDATORY CONTRACT is made and entered into this date of _____ by and between the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," and the Jackson County Board of Commissioners, hereinafter referred to as the "SPONSOR," for the purpose of amending Contract No. 2007-0615, dated July 9, 2007, hereinafter referred to as the "CONTRACT."

WITNESSETH:

WHEREAS, the CONTRACT provides for the extension of runway 14/32 (phase 1) and the undertaking of the Part 405 survey and the Federal Aviation Administration reimbursable agreement at the Jackson County-Reynolds Field in Jackson, Michigan; and

WHEREAS, the parties desire to amend the CONTRACT to increase the amount in order to cover the higher than anticipated costs associated with the extension of runway 14/32;

NOW, THEREFORE, the parties agree that the CONTRACT be and that the same is amended as follows:

1. In order to set forth the revised amount, Exhibit 1 of the CONTRACT, dated June 4, 2007, is replaced with Revised Exhibit 1, dated July 23, 2008, attached hereto and made a part hereof, and all references in the CONTRACT to Exhibit 1 will be construed to mean Revised Exhibit 1, dated July 23, 2008.
2. In order to increase the CONTRACT amount by Ninety-One Thousand One Hundred Thirty-Two Dollars (\$91,132.00), for a revised total CONTRACT amount of One Million Four Hundred Ten Thousand Dollars (\$1,410,000.00), Section 11 of the CONTRACT is amended to read as follows:
 - "11. The PROJECT COST participation is estimated to be as shown below and as in Revised Exhibit 1. The PROJECT COST participation shown in Revised Exhibit 1 is to be considered an estimate. The actual DEPARTMENT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

Federal Share	\$1,128,000.00
Maximum DEPARTMENT Share	\$ 246,750.00
SPONSOR Share	<u>\$ 35,250.00</u>
Estimated PROJECT COST	\$1,410,000.00"

3. All other provisions of the CONTRACT, except as herein amended, remain in full force and effect as originally set forth.
4. The SPONSOR agrees that the compensation noted above represents payment in full for all services requested by the DEPARTMENT and waives any and all claims it has or may have against the DEPARTMENT that arise out of the need to amend the CONTRACT.
5. This Amendatory Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and of the DEPARTMENT and upon adoption of a resolution approving said Amendatory Contract and authorizing the signature(s) thereto of the respective representatives(s) of the SPONSOR, a certified copy of which resolution will be returned to the DEPARTMENT with this Amendatory Contract, as applicable.

IN WITNESS WHEREOF, the parties have caused this Amendatory Contract to be awarded.

JACKSON COUNTY BOARD OF COMMISSIONERS

By: _____
Title:

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: Department Director



REVISED EXHIBIT 1

JACKSON COUNTY-REYNOLDS FIELD JACKSON, MICHIGAN

Project No. B-26-0051-1707
Contract No. FM 38-01-C69

July 23, 2008

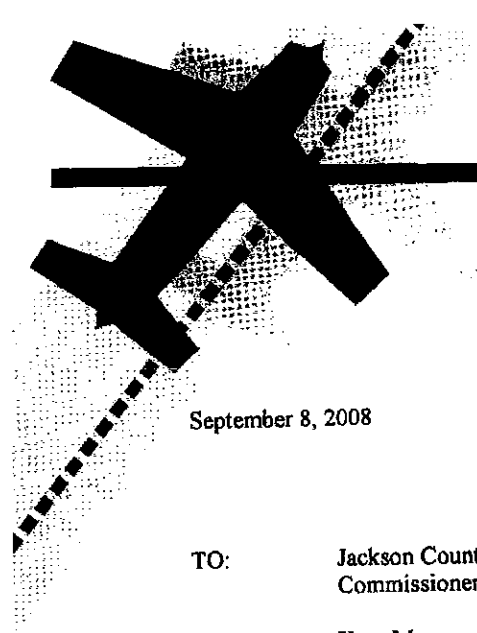
	Federal	State	Local	Total
ADMINISTRATION	\$1,600	\$350	\$50	\$2,000
DEPARTMENT-AERO	\$1,600	\$350	\$50	\$2,000
LAND	\$0	\$0	\$0	\$0
DESIGN	\$0	\$0	\$0	\$0
CONSTRUCTION	\$1,126,400	\$246,400	\$35,200	\$1,408,000
Runway 14/32 extension - phase I	\$892,129	\$195,153	\$27,879	\$1,115,161
Part 405 Survey	\$44,800	\$9,800	\$1,400	\$56,000
FAA Reimbursable Agreement	\$69,600	\$15,225	\$2,175	\$87,000
AERO-Construction	\$7,871	\$1,722	\$246	\$9,839
CONSULTANT-Construction	\$112,000	\$24,500	\$3,500	\$140,000
CONTINGENCIES	\$0	\$0	\$0	\$0
Funding Contingencies	\$0	\$0	\$0	\$0
ORIGINAL PROJECT BUDGET	\$1,055,094	\$230,801	\$32,973	\$1,318,868
INCREASE IN PROJECT BUDGET	\$72,906	\$15,949	\$2,277	\$91,132
TOTAL PROJECT BUDGET	\$1,128,000	\$246,750	\$35,250	\$1,410,000

MAC Transfer: 5/30/07

**FINANCIAL STATEMENT
JACKSON COUNTY DHS
COUNTY APPROPRIATION - CALENDAR YEAR 2008**

Aug-08

					TOTAL	APPROPRIATION	\$ 29,000.00
	<u>ALLOCATION</u>	<u>MONTHLY EXPENDITURE</u>	<u>YEAR TO DATE EXPENDITURE</u>	<u>MONTHLY REVENUE</u>	<u>YEAR TO DATE REVENUE</u>		<u>BALANCE</u>
SPECIAL CLIENT NEEDS	\$ 19,000.00	\$ 1,036.33	\$ 8,009.12				\$ 10,990.88
DHS BOARD	\$ 9,999.00	\$ 368.41	\$ 6,068.63				\$ 3,930.37
RESIDENT COUNTY HOSPITALIZATION	\$ 1.00						\$ 1.00
TOTAL JLS	\$ 29,000.00	\$ 1,404.74	\$ 14,077.75	\$ -	\$ -		\$ 14,922.25



J X N

Jackson County Airport

3606 Wildwood Avenue
(517) 788-4225

Jackson, Michigan 49202
FAX (517) 788-4682

September 8, 2008

TO: Jackson County Airport Board Members; Jackson County Board of
Commissioner Members; and, Randy Treacher, Administrator – Controller

FROM: Kent Maurer, Airport Manager *KM*

RE: **AGENDA ITEM:** Grant with MDOT for Land Acquisition Costs for
Parcel #86 (Tylutki Parcel)

I am submitting for your approval MDOT Sponsor Contract #2008-0530 for Federal
Project # B-26-0051-2205 totaling \$425,000 (Federal \$340,000); State \$74,375); County
\$10,625). This grant is for land acquisition for future runway 7-25.

I am requesting that this grant be placed as an item for consideration at the Jackson
County Commission meeting.

PLEASE NOTE: Because of the need to expedite this matter; I am submitting this agenda
item simultaneously to the County Board of Commissioners and the Airport Board. The
Airport Board will next meet on September 25, 2008.

RESOLUTION # 09-08.31
AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR, James E. Shotwell, Jr. TO SIGN MDOT CONTRACT
#2008-0530 (FEDERAL PROJECT #B-26-0051-2205),

For Land Acquisition Costs for Parcel #86 as Further Described in Contract No. FM 38-01-LAND
AT THE JACKSON COUNTY AIRPORT

WHEREAS, The FAA has indicated that Runway 6-24 at the Jackson County Airport does not have the needed "safety areas" and requires construction of a new runway, Runway 7-25; and

WHEREAS, continued progress in building this new runway with safety areas requires acquisition of parcel #86 commonly known as the Tylutki Parcel located near M-60 and Michigan Avenue; and

WHEREAS, grant funds in the amount of \$425,000 (Federal \$340,000; State \$74,375 and County \$10,625) have been granted by the Michigan Aeronautics Commission to the Jackson County Airport – Reynolds Field and are in the public interest; and,

WHEREAS, acquisition of this parcel is required in order to construct new runway 7-25 as detailed on the Jackson County Airport – Reynolds Field Airport Layout Plan; and,

WHEREAS, the Jackson County Board of Commissioners, have previously decided that this overall Runway Safety Area project will enhance the safety of the airport and is in the public interest; and,

WHEREAS, The Jackson County Board of Commissioners has legal authority to approve such grants; and

WHEREAS, James E. Shotwell, Jr. is the Chairman of the Jackson County Board of Commissioners and has authority to sign such grant; and;

NOW, THEREFORE, BE IT RESOLVED THAT, the Jackson County Board of Commissioners approves of the referenced grant contract AND authorizes James E. Shotwell, Jr. to sign on behalf of the Jackson County Board of Commissioners.

RESOLUTION 09-08.31 AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR,
James E. Shotwell, Jr. TO SIGN MDOT CONTRACT
#2008-0530 (FEDERAL PROJECT # B-26-0051-2205),

James E. Shotwell, Jr.
County Board Chairman

STATE OF MICHIGAN)
) ss.
COUNTY OF JACKSON)

I, the duly qualified and acting Clerk of the County of Jackson, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the County Board of Commissioners of the County of Jackson, State of Michigan, at a regular meeting held on June 17, 2008 at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

RESOLUTION # _____
AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR, James E. Shotwell, Jr. TO SIGN MDOT CONTRACT
#2008-0530 (FEDERAL PROJECT #B-26-0051-2205),

For Land Acquisition Costs for Parcel #86 as Further Described in Contract No. FM 38-01-LAND
AT THE JACKSON COUNTY AIRPORT

WHEREAS, The FAA has indicated that Runway 6-24 at the Jackson County Airport does not have the needed "safety areas" and requires construction of a new runway, Runway 7-25; and

WHEREAS, continued progress in building this new runway with safety areas requires acquisition of parcel #86 commonly known as the Tylutki Parcel located near M-60 and Michigan Avenue; and

WHEREAS, grant funds in the amount of \$425,000 (Federal \$340,000; State \$74,375 and County \$10,625) have been granted by the Michigan Aeronautics Commission to the Jackson County Airport – Reynolds Field and are in the public interest; and,

WHEREAS, acquisition of this parcel is required in order to construct new runway 7-25 as detailed on the Jackson County Airport – Reynolds Field Airport Layout Plan; and,

WHEREAS, the Jackson County Board of Commissioners, have previously decided that this overall Runway Safety Area project will enhance the safety of the airport and is in the public interest; and,

WHEREAS, The Jackson County Board of Commissioners has legal authority to approve such grants; and

WHEREAS, James E. Shotwell, Jr. is the Chairman of the Jackson County Board of Commissioners and has authority to sign such grant; and;

NOW, THEREFORE, BE IT RESOLVED THAT, the Jackson County Board of Commissioners approves of the referenced grant contract AND authorizes James E. Shotwell, Jr. to sign on behalf of the Jackson County Board of Commissioners.

RESOLUTION _____ AUTHORIZING THE COUNTY BOARD OF COMMISSIONERS
CHAIR,
James E. Shotwell, Jr. TO SIGN MDOT CONTRACT
#2008-0530 (FEDERAL PROJECT #B-26-0051-2205),

James E. Shotwell, Jr.
County Board Chairman

STATE OF MICHIGAN)
) ss.
 COUNTY OF JACKSON)

I, the duly qualified and acting Clerk of the County of Jackson, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the County Board of Commissioners of the County of Jackson, State of Michigan, at a regular meeting held on June 17, 2008 at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

September 4, 2008

Kent Maurer, Airport Manager
Jackson County-Reynolds Field
3606 Wildwood Avenue
Jackson, Michigan 49202

Dear Mr. Maurer:

SUBJECT: Jackson County-Reynolds Field
Jackson, Michigan
Fed. Proj. No. C-26-0051-2205
MDOT Contract No. 2008-0530

Enclosed are the original and one copy of the above-described contract between your organization and the Michigan Department of Transportation. Please take time to read and understand this contract (**noting the special conditions in Appendix F**). If this contract meets with your approval, please complete the following checklist:

- _____ **PLEASE DO NOT DATE THE CONTRACTS.** MDOT will date the contracts when they are executed. (A contract is not executed unless both parties have signed it.)
- _____ Secure the necessary signatures on both contracts.
- _____ **Include a certified resolution/authorization that specifically names the official(s) authorized to sign the contract.** One must be submitted for each contract even though you may have submitted one to us in the past.
- _____ If applicable, please provide any credit documentation to the project manager as soon as possible.
- _____ Return both copies of the contract to my attention at the address below for execution by MDOT. In order to meet the scheduled project start date and/or timely processing of project costs, **please return the contract by October 7, 2008.** One fully executed contract will be forwarded to you.

If you have any questions, please call me at 517-335-9960.

Sincerely,

Susan Panetta, Contract Administrator
Bureau of Aeronautics and Freight Services

Enclosures

cc: Forest Kraus
File
DAB 10-7-08

CONTRACT NO. 2008-0530
FEDERAL PROJECT NO. C-26-0051-2205
AGENDA: DAB

MICHIGAN DEPARTMENT OF TRANSPORTATION
JACKSON COUNTY BOARD OF COMMISSIONERS
CONTRACT FOR A FEDERAL/STATE/LOCAL
AIRPORT PROJECT
UNDER THE BLOCK GRANT PROGRAM

This Contract is made and entered into this date of _____ by and between the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," and Jackson County Board of Commissioners, hereinafter referred to as the "SPONSOR," for the purpose of fixing the rights and obligations of the parties in agreeing to the following undertaking at the Jackson County-Reynolds Field, whose associated city is Jackson, Michigan, such undertaking hereinafter referred to as the "PROJECT," estimated in detail in Exhibit 1, dated September 3, 2008, attached hereto and made a part hereof.

PROJECT DESCRIPTION: LAND ACQUISITION COSTS FOR PARCEL 86, AS FURTHER DEFINED IN CONTRACT NO. FM 38-01-LAND.

WITNESSETH:

WHEREAS, the PROJECT is eligible for federal funding pursuant to the Airport and Airway Improvement Act of 1982, as amended, and/or the Aviation Safety and Noise Abatement Act of 1979; and

WHEREAS, the DEPARTMENT has received a block grant from the Federal Aviation Administration (FAA) for airport development projects; and

WHEREAS, the DEPARTMENT is responsible for the allocation and management of block grant funds pursuant to the above noted act;

NOW, THEREFORE, the parties agree:

9/4/2008

1

PUBLIC BLOCK GRANT 2 v1w

1. The term "PROJECT COST," as herein used, is defined in Attachment(s) 3, attached hereto and made a part hereof. The PROJECT COST will also include administrative costs incurred by the DEPARTMENT in connection with the PROJECT. Administrative costs incurred by the SPONSOR are not eligible PROJECT COSTS.

THE SPONSOR WILL:

2. Enter into a contract with a consultant for each element of the PROJECT that requires expertise. The consultant will be selected in conformity with FAA Advisory Circular 150/5100-14. The DEPARTMENT will select the consultant for each element of the PROJECT involving preparation of environmental documentation. The SPONSOR will select the consultant for all other aspects of the PROJECT. All consultant contracts will be submitted to the DEPARTMENT for review and approval. Any such approvals will not be construed as a warranty of the consultant's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity. The SPONSOR will neither award a consultant contract nor authorize the consultant to proceed prior to receiving written approval of the contract from the DEPARTMENT. Any change to the consultant contract will require prior written approval from the DEPARTMENT. In the event that the consultant contract is terminated, the SPONSOR will give immediate written notice to the DEPARTMENT.
3. Make payment to the DEPARTMENT for the SPONSOR's share of the PROJECT COSTS within thirty (30) days of the billing date. The DEPARTMENT will not make payments for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of the PROJECT work.

Eligible PROJECT COSTS that are paid by the SPONSOR may be submitted for credit toward the SPONSOR's share of the PROJECT COST provided that they are submitted within one hundred eighty (180) days of the date the costs were incurred or within one hundred eighty (180) days of the date of award of this Contract by the parties, whichever is later. Documentation of the PROJECT COST will include copies of the invoices on which the SPONSOR will write the amounts paid, the check numbers, the voucher numbers, and the dates of the checks. Each invoice will be signed by an official of the SPONSOR as proof of payment. The amount of the SPONSOR billing will be reduced by the amount of the eligible credit, based on documentation submitted, provided it is submitted prior to the date of the billing. Should it be determined that the SPONSOR has been given credit for payment of ineligible items of work, the SPONSOR will be billed an amount to insure that the SPONSOR share of PROJECT COSTS is covered.

The SPONSOR pledges sufficient funds to meet its obligations under this Contract.

4. With regard to audits and record-keeping,
 - a. The SPONSOR will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Contract, said records to be hereinafter

referred to as the "RECORDS." Separate accounts will be established and maintained for all costs incurred under this Contract.

- b. **Audit and Inspection.** The SPONSOR will comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 U.S.C. 7501-7507) the OMB Circular A-133, as revised or amended, and the provisions of 1951 PA 51; MCL 247.660h; MSA 9.1097(10i), as applicable, that is in effect at the time of Contract award with regard to audits.
- i. Agencies expending a total of Five Hundred Thousand Dollars (\$500,000.00) or more in federal funds from one or more funding sources in their fiscal year will comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The SPONSOR will submit two (2) copies of:

- The Reporting Package
- The Data Collection Package
- The management letter to the SPONSOR, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

- ii. Agencies expending less than Five Hundred Thousand Dollars (\$500,000.00) in federal funds must submit a letter to the DEPARTMENT advising that a circular audit was not required. The letter will indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the DEPARTMENT federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.
- iii. **Address:** Michigan Department of Transportation
Multi-Modal Transportation Services Bureau (Aeronautics)
2700 East Airport Service Drive
Capital City Airport
Lansing, MI 48906-2060
- iv. Agencies must also comply with applicable state laws and regulations relative to audit requirements.
- v. Agencies will not charge audit costs to the DEPARTMENT's federal programs that are not in accordance with the aforementioned OMB Circular A-133 requirements.

- vi. All agencies are subject to the federally-required monitoring activities, which may include limited scope reviews and other on-site monitoring.
 - vii. The federal award associated with this Contract is CFDA Airport Improvement Program number 20.106, Federal Project Number C-26-0051-2205, award year 2005, Federal Aviation Administration, Department of Transportation.
- c. The SPONSOR will maintain the RECORDS for at least six (6) years from the date of final payment made by the DEPARTMENT under this Contract. In the event of a dispute with regard to allowable expenses or any other issue under this Contract, the SPONSOR will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.
 - d. The DEPARTMENT or its representative may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.
 - e. If any part of the work is subcontracted, the SPONSOR will assure compliance with subsections (a), (b), (c), and (d) above for all subcontracted work.
- 5. Provide and will require its subcontractors to provide access by the DEPARTMENT or its representatives to all technical data, accounting records, reports, and documents pertaining to this Contract. Copies of technical data, reports, and other documents will be provided by the SPONSOR or its subcontractors to the DEPARTMENT upon request. The SPONSOR agrees to permit representatives of the DEPARTMENT to inspect the progress of all PROJECT work at any reasonable time. Such inspections are for the exclusive use of the DEPARTMENT and are not intended to relieve or negate any of the SPONSOR's obligations and duties contained in this Contract. All technical data, reports, and documents will be maintained for a period of six (6) years from the date of final payment.
 - 6. The SPONSOR agrees to require all prime contractors to pay each subcontractor for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the prime contractor receives from the DEPARTMENT or SPONSOR. The prime contractor also is required to return retainage payments to each subcontractor within ten (10) calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from these time frames may occur only upon receipt of written approval from the DEPARTMENT. These requirements are also applicable to all sub-tier subcontractors and will be made a part of all subcontract agreements.

This prompt payment provision is a requirement of 49 CFR, Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a subcontractor against the DEPARTMENT. This provision applies to both Disadvantaged Business Enterprise (DBE) and non-DBE subcontractors.

The SPONSOR further agrees that it will comply with 49 CFR, Part 26, as amended, and will report any and all DBE subcontractor payments to the DEPARTMENT semi-annually in the format set forth in Appendix G, dated June 1, 2001, attached hereto and made a part hereof, or any other format acceptable to the DEPARTMENT.

7. In the performance of the PROJECT herein enumerated, by itself, by a subcontractor, or by anyone acting on its behalf, comply with any and all state, federal, and local applicable statutes, ordinances, and regulations. The SPONSOR further agrees to obtain all permits that are applicable to the entry into and the performance of this Contract.

The SPONSOR agrees to comply with the Special Conditions set forth in Appendix F, attached hereto and made a part hereof.

In addition, the SPONSOR agrees to accomplish the project in compliance with the FAA "Terms and Conditions of Accepting Airport Improvement Program Grants" signed on October 19, 2006.

THE DEPARTMENT WILL:

8. Bill the SPONSOR for the SPONSOR's share of the estimated PROJECT COST. The DEPARTMENT will bill the SPONSOR for the SPONSOR's share of additional estimated PROJECT COSTS for changes approved in accordance with Section 14 at the time of award of the amendment for approved work.
9. Upon receipt of payment request approved by the SPONSOR, make payment for eligible PROJECT COSTS. The DEPARTMENT will seek reimbursement from the FAA through the block grant issued to the DEPARTMENT for funds expended on eligible PROJECT COSTS.

The DEPARTMENT will not make payments for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of PROJECT work.

10. Make final accounting to the SPONSOR upon completion of the PROJECT, payment of all PROJECT COSTS, and completion of necessary audits. Any excesses or deficiencies will be returned or billed to the SPONSOR.

IT IS FURTHER AGREED:

11. The PROJECT COST participation is estimated to be as shown below and as in the attached Exhibit 1. Exhibit 1 is to be considered an estimate. The actual DEPARTMENT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

Federal Share	\$340,000.00
Maximum DEPARTMENT Share	\$74,375.00
SPONSOR Share	<u>\$10,625.00</u>
<i>Estimated PROJECT COST</i>	<i>\$425,000.00</i>

12. The PROJECT COST will be met in part with federal funds granted to the DEPARTMENT by the FAA through the block grant program and in part with DEPARTMENT funds. Upon final settlement of cost, the federal funds will be applied to the federally-funded parts of this Contract at a rate not to exceed ninety-five percent (95%) up to and not to exceed the maximum federal obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 14. Those parts beyond the federal funding maximum may be eligible for state funds at a rate not to exceed ninety percent (90%) up to and not to exceed the maximum DEPARTMENT obligation shown in Section 11.

For portions of the PROJECT where only DEPARTMENT and SPONSOR funds will be applied to the final settlement, DEPARTMENT funds will be at a rate not to exceed ninety percent (90%), and the total DEPARTMENT funds applied toward the PROJECT COST may be up to but will not exceed the maximum DEPARTMENT obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 14. Any items of PROJECT COST not funded by FAA or DEPARTMENT funds will be the sole responsibility of the SPONSOR.

DEPARTMENT funds in this Contract made available through legislative appropriation are based on projected revenue estimates. The DEPARTMENT may reduce the amount of this Contract if the revenue actually received is insufficient to support the appropriation under which this Contract is made.

13. The SPONSOR agrees that the costs reported to the DEPARTMENT for this Contract will represent only those items that are properly chargeable in accordance with this Contract. The SPONSOR also certifies that it has read the Contract terms and has made itself aware of the applicable laws, regulations, and terms of this Contract that apply to the reporting of costs incurred under the terms of this Contract.
14. The PROJECT COST shown in Section 11 is the maximum obligation of DEPARTMENT and federal funds under this Contract. The maximum obligation of DEPARTMENT and federal funds may be adjusted to an amount less than the maximums shown in Section 11 through a budget letter issued by the DEPARTMENT. A budget letter will be used when updated cost estimates for the PROJECT reflect a change in the amount of funds needed to fund all PROJECT COSTS. The budget letter will be signed by the Administrator of Airports Division of the Multi-Modal Transportation Services Bureau (Aeronautics).

A budget letter will also be used to add or delete work items from the PROJECT description, provided that the costs do not exceed the maximum obligations of Section

11. If the total amount of the PROJECT COST exceeds the maximum obligations shown in Section 11, the PROJECT scope will have to be reduced or a written amendment to this Contract to provide additional funds will have to be awarded by the parties before the work is started.
15. In the event it is determined by the DEPARTMENT that there will be either insufficient funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or authorizing work performance, may cancel the PROJECT or any portion thereof by giving written notice to the SPONSOR. In the event this occurs, this Contract will be void and of no effect with respect to the canceled portion of the PROJECT. Any SPONSOR deposits on the canceled portion less PROJECT COST incurred on the canceled portions will be refunded following receipt of a letter from the SPONSOR requesting excess funds be returned or at the time of financial closure, whichever comes first.
16. In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, the DEPARTMENT will promptly submit to the SPONSOR a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the SPONSOR at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the SPONSOR will (a) respond in writing to the responsible Bureau of the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE." The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the SPONSOR may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE will refer to and apply the language of the Contract. The SPONSOR agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the SPONSOR, the SPONSOR will repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the SPONSOR fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the SPONSOR agrees that the DEPARTMENT will deduct all or a portion of the overpayment from any funds then or thereafter payable by

the DEPARTMENT to the SPONSOR under this Contract or any other agreement or payable to the SPONSOR under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The SPONSOR expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT's decision only as to any item of expense the disallowance of which was disputed by the SPONSOR in a timely filed RESPONSE.

17. This Contract will be in effect from the date of award through twenty (20) years.
18. Failure on the part of the SPONSOR to comply with any of the conditions in this Contract may be considered cause for placing the SPONSOR in a state of noncompliance, thereby making the SPONSOR ineligible for future federal and/or state funds until such time as the noncompliance issues are resolved. In addition, this failure may constitute grounds for cancellation of the PROJECT and/or repayment of all grant amounts on a pro rata basis, if the PROJECT has begun. In this Section, pro rata means proration of the cost of the PROJECT over twenty (20) years, if the PROJECT has not yet begun.
19. Any approvals, acceptances, reviews, and inspections of any nature by the DEPARTMENT will not be construed as a warranty or assumption of liability on the part of the DEPARTMENT. It is expressly understood and agreed that any such approvals, acceptances, reviews, and inspections are for the sole and exclusive purposes of the DEPARTMENT, which is acting in a governmental capacity under this Contract, and that such approvals, acceptances, reviews, and inspections are a governmental function incidental to the PROJECT under this Contract.

Any approvals, acceptances, reviews, and inspections by the DEPARTMENT will not relieve the SPONSOR of its obligations hereunder, nor are such approvals, acceptances, reviews, and inspections by the DEPARTMENT to be construed as a warranty as to the propriety of the SPONSOR's performance, but are undertaken for the sole use and information of the DEPARTMENT.
20. In connection with the performance of PROJECT work under this Contract, the parties (hereinafter in Appendix A referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, 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, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract.

The SPONSOR will carry out the applicable requirements of the DEPARTMENT's Disadvantaged Business Enterprise (DBE) program and 49 CFR Part 26, including, but not limited to, those requirements set forth in Appendix C, dated October 1, 2005, attached hereto and made a part hereof.

21. In accordance with 1980 PA 278; MCL 423.321 et seq; MSA 17.458(22), et seq, the SPONSOR, in the performance of this Contract, will not enter into a contract with a subcontractor, manufacturer, or supplier listed in the register maintained by the United States Department of Labor of employers who have been found in contempt of court by a federal court of appeals on not less than three (3) separate occasions involving different violations during the preceding seven (7) years for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the national Labor Relations Act, 29 USC 158. The DEPARTMENT may void this Contract if the name of the SPONSOR or the name of a subcontractor, manufacturer, or supplier utilized by the SPONSOR in the performance of this Contract subsequently appears in the register during the performance period of this Contract.
22. With regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract, the SPONSOR hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT.

The SPONSOR shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT as a third-party beneficiary.

The SPONSOR shall notify the DEPARTMENT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract may have occurred or is threatened to occur. The SPONSOR shall also notify the DEPARTMENT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract.

23. In any instance of dispute and/or litigation concerning the PROJECT, the resolution thereof will be the sole responsibility of the party/parties to the contract that is/are the subject of the controversy. It is understood and agreed that any legal representation of the SPONSOR in any dispute and/or litigation will be the financial responsibility of the SPONSOR.

24. The DEPARTMENT and the FAA will not be subject to any obligations or liabilities by contractors of the SPONSOR or their subcontractors or any other person not a party to this Contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.
25. Each party to this Contract will remain responsible for any claims arising out of that party's performance of this Contract as provided by this Contract or by law.

This Contract is not intended to increase or decrease either party's liability for or immunity from tort claims.

This Contract is not intended to nor will it be interpreted as giving either party a right of indemnification, either by Contract or at law, for claims arising out of the performance of this Contract.

26. In case of any discrepancies between the body of this Contract and any exhibit hereto, the body of the Contract will govern.

27. This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and the DEPARTMENT and upon adoption of a resolution approving said Contract and authorizing the signature(s) thereto of the respective representative(s) of the SPONSOR, a certified copy of which resolution will be sent to the DEPARTMENT with this Contract, as applicable.

IN WITNESS WHEREOF, the parties have caused this Contract to be awarded.

JACKSON COUNTY BOARD OF COMMISSIONERS

By: _____
Title:

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: Department Director

Exhibit 1

Jackson County - Reynolds Field

Jackson, Michigan

C-26-0051-2205

FM-38-01-LAND

03-Sep-08

	Federal	State	Local	Total
ADMINISTRATION	\$4,000	\$875	\$125	\$5,000
DEPARTMENT - AERO	\$4,000	\$875	\$125	\$5,000
LAND	\$336,000	\$73,500	\$10,500	\$420,000

Land acquisition just compensation parcel costs for parcel 86 (Tyluki).

Parcel Cost (Estimate)	\$320,000	\$70,000	\$10,000	\$400,000
Relocation Assistance (est)	\$0	\$0	\$0	\$0
Closing Cost	\$0	\$0	\$0	\$0

Consultant Costs

Exhibit A Cost	\$0	\$0	\$0	\$0
Phase 1 ESA Cost	\$0	\$0	\$0	\$0
Coordination/Documentation	\$0	\$0	\$0	\$0
Preliminary Interview Cost	\$0	\$0	\$0	\$0
Acquisition/Closing Cost	\$0	\$0	\$0	\$0
Appraisal Cost	\$0	\$0	\$0	\$0
Appraisal Review Cost	\$0	\$0	\$0	\$0
Relocation Cost	\$0	\$0	\$0	\$0
Demolition Cost	\$0	\$0	\$0	\$0
Title Costs	\$0	\$0	\$0	\$0
Exhibit X Cost	\$0	\$0	\$0	\$0
Survey Cost	\$0	\$0	\$0	\$0
Miscellaneous Cost	\$0	\$0	\$0	\$0

Condemnation Attorney/Expert Witness	\$16,000	\$3,500	\$500	\$20,000
DESIGN				

CONSTRUCTION**CONTINGENCIES**

Funding Contingencies	\$0	\$0	\$0	\$0
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TOTAL PROJECT BUDGET	\$340,000	\$74,375	\$10,625	\$425,000
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ATTACHMENT 3*(Aeronautics)***SUPPLEMENTAL PROVISIONS FOR FEDERAL/STATE/LOCAL CONTRACTS
INVOLVING LAND ACQUISITION AT ALL CLASSIFICATIONS OF AIRPORTS**

1. The term PROJECT COST, shall include the costs necessary for the performance of the PROJECT work including related engineering, title research, appraisals, negotiations, acquisition, relocation of displaced persons and businesses, structure removal, legal and litigation costs and attorney fees, the costs of technical guidance, and monitoring incurred in connection with the PROJECT.
2. If the PROJECT is canceled or the SPONSOR ceased acquisition on a voluntary basis, all costs, fees and damages allowed shall be the responsibility of the SPONSOR. If the SPONSOR discontinues or abandons any condemnation case, the SPONSOR shall be responsible for all costs, fees and damages allowed at law or equity. It is further agreed that any claims filed alleging a constructive or de facto taking shall be the responsibility of the SPONSOR with regard to damages, costs, interest, and attorney fees.
3. The SPONSOR hereby agrees that it will maintain said Airport in full operating condition on a year-round basis for a period of twenty (20) years in accordance with general utility licensing requirements set forth by the Michigan Aeronautics Commission rules and regulations. During this period, the Airport shall not be abandoned or permanently closed without the express written permission of the DEPARTMENT. During this period and beyond for land purchased under the project, the SPONSOR, when the land is no longer needed for airport purposes, shall dispose of such land at fair market value and make available to the DEPARTMENT an amount equal to the DEPARTMENT's proportionate share of the current fair market value of the land.
4. In addition to the requirements of paragraph 3 of these supplemental provisions, and not in lieu thereof, should the SPONSOR desire to abandon, close, sell or otherwise divest itself of the airport or any portion thereof, the SPONSOR agrees to also provide to the DEPARTMENT a prior written notice of any such intent giving the DEPARTMENT, for a period of one hundred eighty (180) days after receipt of such notice, a first right to purchase at fair market value the airport and all facilities thereon. Fair market value shall be determined by an independent appraisal of such properties.

The notice of intent and first right to purchase shall be provided via registered or certified mail, return receipt, postage prepaid, addressed to the Deputy Director of the Multi-Modal Transportation Services Bureau (Aeronautics), Michigan Department of Transportation.

5. The SPONSOR will operate and maintain in a safe and serviceable condition the Airport and all facilities thereon and connected therewith which are necessary to serve the aeronautical users of the Airport other than facilities owned or controlled by the United States in the State of Michigan, and will not permit any activity thereon which would interfere with its use for airport purposes; provided that nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to any act of God or other condition or circumstances beyond the control of the SPONSOR.
6. The SPONSOR will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace, or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration or growth of any structure, tree or other object in the approach areas of the runways of the Airport, which would constitute an obstruction to air navigation according to the criteria or standards prescribed in FAA Advisory Circulars.

For a period of twenty (20) years, the SPONSOR will make the airport available, as an airport, for public use, to all types, kinds and classes of aeronautical use on fair and reasonable terms and without unjust discrimination. Rates charged to aeronautical users will be determined on the basis of the cost to the SPONSOR of providing the facility. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in an approved non-aeronautical activity, the SPONSOR will charge fair market value for the right to conduct such activity. During this period, all revenues generated by the airport, for either aeronautical or non-aeronautical activities, will be expended for the capital or operating costs of the airport; the local airport system; or other local facilities, which are owned or operated by the SPONSOR and directly and substantially related to the actual air transportation of passengers or property.

**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.
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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

Appendix B
(Aeronautics)

**CIVIL RIGHTS ACT OF 1964, TITLE VI - 49 CFR PART 21
CONTRACTUAL REQUIREMENTS**

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

1. **Compliance with Regulations.** The contractor will comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, 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, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor will 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. **Solicitation for Subcontracts, Including Procurement 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 procurement of materials or leases of equipment, each potential subcontractor or supplier will 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 will provide all information and reports required by the Regulations or directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor will so certify to the sponsor of the FAA, as appropriate, and will 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 sponsor will impose such contract sanctions as it or the FAA 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 will include the provisions of paragraphs 1 through 5 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directive issued pursuant thereto. The contractor will take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. 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 Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

(Revised October 1, 2005)

APPENDIX C

Assurances that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR § 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Airport Name: Jackson County-Reynolds Field
Associated City: Jackson, Michigan
Project No: C-26-0051-2205

APPENDIX F

SPECIAL CONDITIONS

1. RUNWAY PROTECTION ZONES The Sponsor agrees to take the following actions to maintain and/or acquire a property interest, satisfactory to the FAA, in the Runway Protection Zones:
 - a. Existing Fee Title Interest in the Runway Protection Zone.
The Sponsor agrees to prevent the erection or creation of any structure or place of public assembly in the Runway Protection Zone, as depicted on the Exhibit "A" Property Map, except for nav aids that are fixed by their functional purposes or any other structure approved by the FAA. Any existing structures or uses within the Runway Protection Zone will be cleared or discontinued unless approved by the FAA.
 - b. Existing Easement Interest in the Runway Protection Zone.
The Sponsor agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is a hazard to air navigation or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
 - c. Future Interest in the Runway Protection Zone.
The Sponsor agrees that it will acquire fee title or easement interest in the Runway Protection Zone(s) for Runway(s) that presently are not under their control. Said interest shall provide the protection noted in above Subparagraphs a and b.
2. AIR AND WATER QUALITY. Approval of the project included in this agreement is conditioned on the Sponsor's compliance with applicable air and water quality standards in accomplishing project construction and in operating the airport. Failure to comply with this requirement may result in suspension, cancellation, or termination of federal assistance under this agreement.
3. BUY AMERICAN REQUIREMENT. Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for

airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.

4. WASTE DISPOSAL SITES. It is hereby agreed by and between the parties hereto that, within its authority, the Sponsor will not approve or permit the establishment or existence of a waste disposal site which has been determined to be objectionable under the provisions of FAA Order 5200.5A, dated January 31, 1990, entitled "Waste Disposal Sites On or Near Airports."
5. OPEN BIDDING. The Sponsor agrees not to include in any bid specification, project agreement, or other controlling documents to perform construction activities under this grant, any provisions which would:
 - a. Require bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or other related construction project(s), or
 - b. Otherwise discriminate against bidders, offerors, contractors, or subcontractors for refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations, on the same or other related construction project(s), or
 - c. Require any bidder, offeror, contractor, or subcontractor to enter into, adhere to, or enforce any agreement that requires its employees, as a condition of employment, to:
 - (1) become members of or affiliated with a labor organization, or
 - (2) pay dues or fees to a labor organization, over an employee's objection, in excess of the employee's share of labor organization costs relating to collective bargaining, contract administration, or grievance adjustment.

The Sponsor further agrees to require any contractor or subcontractor to agree to not include any similar provision that would violate paragraphs a through c above in their contracts or subcontracts pertaining to the projects under this grant.

6. PAVEMENT MAINTENANCE MANAGEMENT PROGRAM (PGL 95-2). For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance program as is required by the assurance in Section III.C.11 of the "Terms and Conditions of Accepting Airport Improvement Program Grants." The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it

deems appropriate. As a minimum, the program must include the following:

a. **Pavement Inventory.** The following must be depicted in an appropriate form and level of detail:

- (1) location of all runways, taxiways, and aprons;
- (2) dimensions;
- (3) type of pavement, and;
- (4) year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program (AIP) assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

b. **Inspection Schedule.**

- (1) Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspection may be extended to three years.
- (2) Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

c. **Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:

- (1) inspection date,
- (2) location,
- (3) distress types, and
- (4) maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

d. **Information Retrieval.** An airport sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.

- e. **Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.
7. **PROGRAM INCOME FROM LAND.** It agrees that all program income produced from real property purchased in part with federal funds in this grant received during the grant period shall be deducted from the total cost of that project for determining the net costs on which the maximum United States obligation will be based. Airport fiscal and accounting records shall clearly identify actual sources and uses of these funds.
8. **REVENUE FROM REAL PROPERTY - LAND IN PROJECT.** The Sponsor agrees that all net revenues produced from real property purchased in part with federal funds in this grant shall be used on the airport for airport planning, development, or operating expenses, except that all income from real property purchased for noise compatibility purposes or for future aeronautical use as indicated on Exhibit "A" for this grant under the Airport and Airway Improvement Act of 1982. Income from noise or future use property may not be used for the Sponsor's matching share of any airport grant. Airport fiscal and accounting records shall clearly identify actual sources and uses of these funds.

June 1, 2001

APPENDIX G Statement of DBE Subconsultant Payments

Statement of DBE Subcontract Payments

[illegible]

	DATE:
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APPENDIX G

June 1, 2001

Prime Consultant Statement of DBE Subconsultant Payments

Information required in accordance with 49 CFR §26.37 to monitor progress of the prime consultant in meeting contractual obligations to DBEs.

PRIME CONSULTANT:			<input type="checkbox"/> CHECK IF PRIME IS MDOT-DBE CERTIFIED		AUTHORIZATION NO.		CONTRACT NO.		
BILLING PERIOD:			<input type="checkbox"/> Check if Final Payment					JOB NO.	
CERTIFIED DBE CONSULTANT	SERVICES WORK PERFORMED	TOTAL CONTRACT AMOUNT	CUMULATIVE DOLLAR VALUE OF SERVICES COMPLETED	DEDUCTIONS	ACTUAL AMOUNT PAID TO DATE	ACTUAL AMOUNT PAID DURING THIS BILLING PERIOD	DBE AUTHORIZED SIGNATURE (Final Payment Report Only)	DATE	
As the authorized representative of the above prime consultant, I state that, to the best of my knowledge, this information is true and accurate.									
PRIME CONSULTANT'S AUTHORIZED REPRESENTATIVE (SIGNATURE):				TITLE			DATE		
				FOR MDOT USE ONLY					

COMMENTS:

CONTRACT ADMINISTRATOR (Signature)	DATE:
------------------------------------	-------

Special note: "Prime Consultant or Authorized Representative" refers to recipients of federal funds as defined at 49 Code of Federal Regulations Part 26.

INSTRUCTIONS

This statement reports the actual dollar amounts of the project cost earned by and paid to DBE subconsultants. Complete and submit to the Contract Administrator semi-annually. Some forms may be blank if no payment was made since the previous billing.

For "Authorization No., Contract No.," and "Job No." as appropriate, use the numbers assigned by MDOT.

For "Billing Period," report the calendar days covered by the billing.

For "Services Work Performed" report the main service performed by the subconsultant during the reporting period.

For "Total Contract Amount" report the total amount of the contract between the prime consultant and subconsultant.

For "Cumulative Dollar Value of Services Completed" report the total amount the subconsultant has earned since beginning the project.

For "Deductions," report deductions made by the prime consultant to the subconsultant's "Cumulative Dollar Value of Services Completed" for retainage, bond or other fees, materials, services or equipment provided to the subconsultant according to mutual, prior agreement (documentation of such agreement may be required by MDOT).

For "Actual Amount Paid to Date," report cumulative actual payments made to the subconsultant for services completed.

For "Actual Amount Paid During this Billing Period" report actual payments made to the subcontractor for services during this billing period.

Provide "DBE Authorized Signature" for final payment only.

Be sure to sign, title and date this statement.

MDOT CONTRACT ADMINISTRATOR:

Complete "Comments" if necessary, sign, date and forward to the Office of Equal Opportunity within seven (7) days of receipt.



J X N


Jackson County Airport

3606 Wildwood Avenue
(517) 788-4225

Jackson, Michigan 49202
FAX (517) 788-4682

August 21, 2008

TO: Randall Treacher, Administrator – Controller

FROM: Kent Maurer, Airport Manager 

RE: **AGENDA ITEM:** Proposed contract with SME of Plymouth, Michigan to provide environmental services to the Jackson County Airport

Future runway 7-25 will traverse the area of the airport where the former City of Jackson landfill is located, resulting in a disturbance of the soils and materials associated with that landfill operation. It is critical to conduct a preliminary environmental and geotechnical assessment of the impact of future runway 7-25 on this area of the airport. The firm of SME (Plymouth, Michigan) is recommended by the Airport Board to perform these services. A memo outlining how this environmental firm was selected is provided as an attachment.

A scope of services contract was prepared by SME in the amount of \$29,300 and is detailed in another attachment. This scope of services resulted from joint input from MDOT-Aeronautics; Mead and Hunt, SME and the Airport and is a necessary preliminary step for the Runway 7-25 Safety Project.

The Jackson County Airport Board has approved sending this matter to the Jackson County Commission for consideration and suggests funding the project from the Runway Public Improvement fund. Some of this expense will be reimbursable with Federal-State funds allocated to the larger RSA project. The exact amount and timing of this reimbursement is not known at this time. I would estimate it to be more than 50% of the total cost and would occur within the next 12 to 18 months.

I am requesting that this matter be placed as an agenda item for the September County Board of Commissioners meeting. I will be present to answer any questions.



J X N

Jackson County Airport

3606 Wildwood Avenue
(517) 788-4225

Jackson, Michigan 49202
FAX (517) 788-4682

June 16, 2008

TO: Airport Board Members
FROM: Kent Maurer, Airport Manager
RE: Landfill Environmental Firm Selection

The committee charged with making an environmental firm recommendation has interviewed and ranked three firms. The committee was comprised of Board members Steve Shotwell and Steve Wellman plus me. The three firms interviewed were SME, Groundwater Solutions and Weston. Each firm was supplied with copies of the landfill environmental data gathered to date and invited to make a presentation to the committee covering the following:

... Prepare a formal Statement of Qualifications for us. I would also request that you include the following information with your materials:

- 1) Experience with 201 landfill closures;
- 2) Experience working at airports;
- 3) History working on Jackson County projects;
- 4) History or experience working with the Jackson DEQ office;
- 5) Brief executive summary and/or suggested action plan based on your review of existing environmental reference materials from the Jackson County Airport taking into account the runway safety project, Woodville private homes, Part 201 requirements, etc.;
- 6) Five year budgetary plan for environmental services with the priority placed on the former landfill's impact on the runway safety project.

The committee then, by consensus scoring, evaluated the presentations for; professional capability, presentation quality, technical background, quality of materials review, Part 201 closure experience and overall

project capability. The scoring was weighted and the totals are contained on the attached tally form.

The committee is recommending selection of SME for environmental work related to the former City of Jackson landfill as it related to construction of Runway 7-25.

BID SELECTION MATRIX

Evaluator's:

Date: 6/3 & 6/4 2008

Weight		Bidder #1		Bidder #2		Bidder #3		Bidder #4	
Bidder		SME		GROUND WATER SOL.		WESTON			
SELECTION CRITERIA	(1-10)	score	weighted score	score	weighted score	score	weighted score	score	weighted score
Professional Capability	10	5	50	3	30	5	50	0	0
Presenation Quality	5	6	30	2	10	5	25	0	0
Technical Background	8	5	40	4	32	6	48	0	0
Quality of Materials Review	7	6	42	3	21	5	35	0	0
Part 201 Closure Experience	4	5	20	3	12	6	24	0	0
Overall Project Capability	9	6	54	2	18	5	45	0	0
			276		123		227		
Total Score:									0

Scale for Scoring for Bidders:

- 7 - Outstanding
- 6 - Well Above Satisfactory
- 5 - Above Satisfactory
- 4 - Satisfactory
- 3 - Below Satisfactory
- 2 - Well Below Satisfactory
- 1 - Poor
- 0 - Not Rated

Notes on specific bidders follow below



Soil and Materials Engineers, Inc.
2683 Eaton Rapids Road
Lansing, MI 48911-6310

tel (517) 887-9181
fax (517) 887-2666
www.sme-usa.com

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Michael J. Thelen, PE
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Plymouth
Bay City
Grand Rapids
Kalamazoo
Lansing
Shelby Township
Toledo
Traverse City

August 19, 2008

Mr. Kent Maurer, Airport Manager
Jackson County Airport
3606 Wildwood Avenue
Jackson, Michigan 49202

Via email kmaurer@co.jackson.mi.us/airport

RE: Geotechnical and Environmental Evaluations Task 1
Reynolds Field Proposed Improvement Area
3606 Wildwood Avenue
Jackson, Michigan
SME Proposal No. L08-0294

Dear Mr. Maurer:

Soil and Materials Engineers, Inc. (SME) has prepared this proposal to provide you with a specific scope for geotechnical engineering and environmental assessment services for the referenced project site. SME's scope of services will be provided in phases. The scope of services for the initial phase (Task 1) is presented in this proposal and was discussed during our August 6, 2008 meeting with you and representatives of Mead & Hunt.

PROJECT DESCRIPTION

Jackson County Airport is working with Mead & Hunt to prepare design documents; obtain funding and secure regulatory approval for an expansion of the existing airport. The proposed improvement area includes construction of a runway in the area of a former county landfill.

Based on our discussions during the August 6, 2008, meeting, SME understands that resolution of the following issues in the near term is necessary to meet project objectives:

- Assess residential properties, including the historical coal miner's home adjacent to the planned runway expansion for contamination;
- Evaluate the volume of fill resulting from the former county landfill that extends into the planned runway and taxiway expansion areas; and

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consultants in the geosciences, materials, and the environment

- Evaluate the geotechnical properties of the fill resulting from the former county landfill that extends into the planned runway and taxiway expansion areas, and assess the possibility of constructing the proposed runway over the former landfill.

Based on the Soil Survey for Jackson County, Michigan, portions of the proposed new runway will extend into an existing Houghton Muck Deposit, located along the northern side of the existing runways. The presence of Houghton Muck deposits, and other muck deposits, could have a significant impact on the design and construction of the proposed improvements. Therefore, SME recommends performing muck probes during this initial Task to obtain limited geotechnical information to evaluate potential design and construction concerns. The muck probes would be performed by hand. We have included a separate fee to complete the muck probes.

SCOPE OF SERVICES

Based on our understanding of the project, our scope of services for this phase of the project (Task 1) will consist of conducting a limited Geotechnical Evaluation and a Limited Phase II Environmental Site Assessment (ESA). SME has also provided a scope of services for a Hazardous Materials Assessment of the residential properties adjacent to the airport, particularly the historic coal miner's home, in the event that access to these properties is obtained.

Our detailed scope of services for the geotechnical evaluation of the site is included on the attached Geotechnical Evaluation Scope of Services. Our report presenting the findings of our geotechnical evaluation will be submitted under separate cover from the limited Phase II ESA and Hazardous Materials Assessments, described below.

Our detailed scope of services for the limited Phase II ESA and Hazardous Materials Assessment are attached. Upon completion of the Phase II ESA and Hazardous Materials Assessment, SME will generate a report to summarize our findings and to provide recommendations, if any, for further assessment of the site. This will be based upon observed conditions and the results of analytical laboratory testing.

The following additional services were also discussed during our August 6, 2008 meeting:

- Preparation of a Construction Due Care Sheet that could be displayed on site during construction activities or included in bid documents; and
- Review of Building Department records and completion of a walkover of the adjacent residential properties, if access is obtained, to observe basements and foundation walls, for evidence of the historical usage of heating oil.



SME also anticipates that meetings and consultation will be necessary to work with Jackson County Airport and Mead & Hunt to discuss the results of the various evaluations and develop solutions to address construction challenges.

PROFESSIONAL SERVICES FEES

Services will be provided on a unit fee basis using our current fee schedules. Your investment, based on the scope of services as outlined in this proposal, is estimated to be:

Limited Geotechnical Evaluation	\$8,500
Muck Probes	2,200
Limited Phase II ESA -Test Pits	2,500
Limited Phase II ESA – Soil Probes	6,000
Hazardous Materials Assessment	2,600
Construction Due Care Sheet	2,500
Walkover/Visual Heating Oil Observation	1,000
Consulting/Meetings	<u>4,000</u>

Task 1 Estimated Fee: \$29,300

Assumptions made by SME in developing our estimated fees for each of the services presented above are included in the respective attached scopes of service. We will contact you if unanticipated conditions are encountered requiring additional services or a change in scope of services. SME can provide scopes of service and estimated fees for future tasks later.

SCHEDULE

We anticipate we can mobilize to the site for the field exploration within about one to two weeks after receiving authorization to proceed. We have included up to two days of field exploration with test pits. After the field exploration is completed, the preliminary geotechnical report can be completed within approximately 10 business days. The limited Phase II ESA and Hazardous Materials Assessment will be completed within approximately three weeks of receipt of authorization to proceed. Preliminary verbal reports can be provided earlier, if desired. If this schedule does not meet your needs, please contact us.

AUTHORIZATION

Services will be provided in accordance with the attached fee schedules and General Conditions. Please sign the enclosed General Conditions in the space indicated, including billing address, and return one copy for our records. Changes to terms and conditions provided could result in changes to scope and fees.




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consultants in the geosciences, materials, and the environment

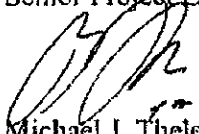
We look forward to teaming with you on this project. If you have questions concerning this proposal, please contact us.

Very truly yours,

SOIL AND MATERIALS ENGINEERS, INC.


Brian F. Burke, CPG
Senior Project Consultant


Daniel O. Roeser, PG
Vice President


Michael J. Thelen, PE
Senior Project Engineer

Attachments: Geotechnical Evaluation Scope of Services
Phase II ESA Scope of Services
Hazardous Materials Assessment Scope of Services
General Conditions (1/04)
Fee Schedules FS:0 (01/08), FS:1 (01/08) and FS:6 (01/08)
Important Information About Your Geotechnical Engineering Proposal
SME Fact Sheet

Enclosure: One copy

t:\prop\2008\L08-0294.doc



**PHASE II ENVIRONMENTAL SITE ASSESSMENT
SCOPE OF SERVICES**

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

(Page 1 of 2)

The Phase II Environmental Site Assessment (ESA) will include a field exploration to evaluate the soil and groundwater conditions at the site, laboratory testing, and preparation of a summary evaluation report. The specific Scope of Services for the Phase II ESA is presented below:

Field Exploration

SME will perform five soil probes, as near as accessible on JCA property adjacent to the residential dwellings. The soil probes will be extended to approximately 16 feet below-grade. Soil samples from the probes will be collected continuously. If access is obtained, SME will also collect four surface soil samples around the perimeter of the historic coal miner's house.

Soil samples collected during drilling will be field screened for ionizable volatile organic compounds using a calibrated photoionization detector (PID). Groundwater samples will be collected using low flow sampling techniques at each soil probe where groundwater is encountered during drilling.

Soil and groundwater samples will be collected using environmental protocol that will include equipment decontamination, sample preservation and chain-of-custody documentation.

Laboratory Testing

SME will submit a total of five soil and/or five groundwater samples collected from the soil probes to an analytical laboratory for volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), and the 10 Michigan metals (arsenic, barium, cadmium, chromium, copper, lead, mercury, selenium, silver and zinc) analyses. SME will also submit two soil or groundwater samples collected from the geotechnical test pits for VOCs, SVOCs and 10 Michigan metals analyses. If access is obtained, SME will submit four surface soil samples collected adjacent to the coal miner's house for lead analysis.

Report

Upon receipt of the analytical testing results, SME will prepare a limited Phase II ESA report that will document the soil and groundwater conditions and present the results of the analytical laboratory testing. The report will include a sample location diagram; soil probe logs and tables comparing the results of analytical testing to applicable Part 201 cleanup criteria.

**PHASE II ENVIRONMENTAL SITE ASSESSMENT
SCOPE OF SERVICES**

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

(Page 2 of 2)

If requested, SME will also develop a construction Due Care sheet to describe compliance with due care obligations under Section 20107(a) of Part 201. The Due Care sheet will depict the proposed development and describe practices that should be followed to prevent worker exposure to hazardous substances. The Due Care sheet will be prepared for display in the on-site construction offices or inclusion in design documents.

If unanticipated conditions are encountered requiring a change in scope, you will be contacted.

HAZARDOUS MATERIALS ASSESSMENT SCOPE OF SERVICES

**3606 Wildwood Avenue
Lansing, Ingham County, Michigan
August 19, 2008**

(Page 1 of 3)

In addition to the Phase II ESA, if access is obtained, SME will perform a Hazardous Materials Assessment of the historic coal miner's building at the site.

The Hazardous Materials Assessment will assist the Jackson County Airport in complying with the United States Environmental Protection Agency (USEPA) requirements for inspection of commercial buildings prior to renovation and demolition under the National Emissions Standards for Hazardous Air Pollutants (NESHAP 40 CFR Part 61). The assessment will also assist in complying with the requirements of the Occupational Safety and Health Administration (OSHA) Asbestos Construction Standard (29 CFR Part 1926.1101) and the OSHA Lead Exposure in Construction Standard (29 CFR 1926.62). SME will provide the following scope of services:

- SME staff, trained in accordance with USEPA requirements and accredited by the Michigan Department of Labor and Economic Growth (MDLEG) under the requirements of Michigan Act 440 as Inspectors, will tour the building and assess it for suspected asbestos-containing materials (ACMs).
- Based upon the visual assessment, SME will develop a sampling plan and collect samples of suspect homogenous areas of ACMs in accordance with the USEPA Asbestos Hazard Emergency Response Act (AHERA) assessment protocol (40 CFR Part 763), which is also referenced by the OSHA regulations. SME estimates up to 35 suspect asbestos samples may be collected, which may require up to 70 analyses due to multiple layers of some materials.
- SME staff will conduct a visual inspection to identify the painted structural surfaces within the building, select random sample locations, and collect chip samples of suspected lead-bearing paints. SME estimates up to 15 paint chip samples may be collected.
- SME staff will walk through the structure and note suspected PCB articles, items, containers, equipment, and transformers. SME will assess a representative portion of fluorescent light fixture ballasts within the structure for labels or markings indicating PCB content. SME will also note equipment suspected to contain mercury, radioactive sources found in facility equipment such as smoke detectors and self-illuminated exit signs, and potential biological hazards, such as areas with accumulations of bird excrement. The scope of the assessment will not include mold or fungi.

HAZARDOUS MATERIALS ASSESSMENT SCOPE OF SERVICES

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

(Page 2 of 3)

- SME will submit the building materials samples to an accredited laboratory for analysis via Polarized Light Microscopy (PLM) to determine those materials that contain one percent or more asbestos by the visual estimation method. Samples found to contain less than 10 percent asbestos via the visual estimation method of PLM will be further verified via the "Point Count Method" as defined by the AHERA regulation (40 CFR Part 763).
- SME will submit the paint chip samples to an accredited laboratory for lead analysis via atomic absorption spectrophotometry (AAS).
- SME will prepare a summary report for the assessment services. The report will include a list of homogeneous areas of suspect ACMs and locations where each was observed in the building; chain-of-custody forms with sample descriptions and locations for samples collected during the assessment; the laboratory analytical data for samples collected during the assessment, estimates of the quantities and descriptions of the locations of visible, accessible, friable, and nonfriable areas of asbestos; descriptions and locations of lead-bearing paints; an inventory of equipment with suspected PCBs, mercury and radioactive sources; and an inventory of potential biological hazards noted during the assessment. The summary report will also include recommendations for abatement and/or work practices prior to and/or during demolition to address materials of concern identified by the assessment.

SME will provide the proposed Hazardous Materials Assessment on a lump sum fee basis. Our fee for the Hazardous Materials Assessment is \$2,600. The estimated fee includes subcontractor services (sample shipping and analytical fees.) The number of building material samples submitted for laboratory analysis is dependent upon the number of suspect ACMs observed. The actual number of samples is determined in accordance with USEPA sampling requirements. The number of paint chip samples collected is dependent upon the number of uniquely painted surfaces encountered during the assessment.

We have included fees for up to 35 suspect ACM samples (70 asbestos analyses) and 15 paint chip samples, as well as expenses for field activities such as travel, equipment, and supplies related to the performance of the proposed scope of services. This fee is based on a five-day turnaround time for PLM and AAS analysis. Please note fees may vary depending on the number of samples actually collected and/or analyzed. If more than the estimated number of samples is necessary to complete the assessment, you will be notified and additional fees will be required.

**HAZARDOUS MATERIALS ASSESSMENT
SCOPE OF SERVICES**

3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 13, 2008

(Page 3 of 3)

SME anticipates one site visit to complete the assessment and sampling services. If unanticipated conditions, such as restricted access, are encountered which require additional site visits or if a change in the scope of work is necessary, we will contact you to discuss the proposed change in services and associated fee. SME will complete the hazardous materials assessment report within approximately three weeks of starting the assessment field work.

If ceilings or other materials are located greater than 12 feet above the floor and need to be assessed, the client will provide access to these materials via appropriate ladders or lifts if they are available on site. If no such lifts or ladders are available at the site, SME will arrange to acquire an appropriate lift or ladder to access those materials for an additional fee.

FEE SUMMARY AND LIMITATIONS

SME's proposed fee and scope of services do not include responding to comments by third parties, preparation of draft reports, or extending reliance to third parties. The proposed scope of services does not include confined space entry. If confined spaces are encountered, appropriate confined space entry procedures will be necessary. If unanticipated conditions, such as restricted access, are encountered which require additional site visits, you will be contacted and additional fees may be necessary. Fees for additional consulting services beyond the scope of services specified in this proposal will be invoiced in accordance with the attached fee schedule.

TASK 1 GEOTECHNICAL EVALUATION SCOPE OF SERVICES

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

(Page 1 of 3)

This task of the geotechnical evaluation will include a limited field exploration to evaluate the volume and geotechnical properties of the fill resulting from the former county landfill that extends into the planned runway expansion area and assess the possibility of constructing the proposed runway over the former landfill. In addition, SME recommends also performing muck probes within the existing Houghton Muck deposit to evaluate the potential depth and extent of deeper muck deposits that could extend into the planned runway and taxiway expansion areas. The specific Scope of Services for Task 1 Geotechnical Evaluation is presented below:

Field Exploration – Former County Landfill

SME will retain a subcontractor to excavate and backfill test pits within the planned runway and taxiway expansion areas. The locations of the test pits will be selected by SME and recorded in the field using a hand-held global positioning system (GPS). SME can submit a proposed test pit location diagram to Mead & Hunt for review and comment.

We have included up to two, eight (8) hour days (on-site) to complete the test pits. SME will observe and document the condition of the fill and groundwater conditions encountered in the test pits using photographs, dynamic cone penetrometers (DCPs) and depth measurements. The test pit excavations will be backfilled with excavated material and covered with the surface soils encountered.

Field Exploration – Houghton Muck Deposits

SME attempt to perform muck probes within the planned runway and taxiway expansion areas that extend into the mapped Houghton Muck deposit. We envision performing a line of muck probes along the centerline of the proposed runways and exiting taxiways that extend into the mapped Houghton Muck deposits. Time permitting, we also envision performing a line of muck probes within the mapped Houghton Muck deposit located roughly 50 feet outside the edge of the proposed runways.

The locations muck probes will be selected by SME and recorded in the field using a hand-held global positioning system (GPS). The GPS will be referenced to horizontal control points, provided by Mead & Hunt. Since the accuracy of the hand-held GPS can vary, based on satellite positions, tree cover and other factors, the locations should be considered approximate. SME can submit a proposed test pit location diagram to Mead & Hunt for review and comment.

TASK 1 GEOTECHNICAL EVALUATION SCOPE OF SERVICES

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

(Page 2 of 3)

We have included up to one, eight (8) hour day (on-site) to complete the muck probes. SME will observe and record the approximate depth of the muck deposits based on the probing resistance. The muck probes will be performed first where the probes can be pushed without pre-drilling. The number of probes that can be completed in one day will depend on several factors that could include ground cover, surface water, amount of sediment or fill present over the muck deposits, etc.

Laboratory Testing

Perform routine laboratory tests consisting of visual engineering classification on recovered soil samples and moisture content, hand penetrometer or Torvane shear tests on recovered cohesive soil samples. Analytical testing of recovered soil or groundwater samples is not included in our geotechnical evaluation.

Analysis and Report

Analyze the soil and groundwater conditions and discuss subsurface conditions and recommendations with appropriate project team members. Prepare a geotechnical evaluation report presenting our findings and including the following items:

- a. a description of the site conditions and project information;
- b. a description of the field and laboratory testing programs;
- c. a description of soil and groundwater conditions encountered in the test pits;
- d. a description of depth of muck encountered at the muck probe locations;
- e. a preliminary estimate of volume of fill resulting from the former county landfill that extends into the proposed runway and taxiway expansion areas;
- f. a preliminary discussion of the suitability of the existing fill resulting from the former county landfill to support the proposed runway and taxiways along with preliminary recommendations for subgrade improvements;
- g. a preliminary discussion of the suitability of the mapped Houghton Muck deposits to support the proposed runway and taxiways along with preliminary recommendations for subgrade improvements;
- h. a test pit location diagram
- i. a muck probe location diagram with estimated depths to firm bottom;
- j. test pit logs for each test pit location that will include a description of the soil and groundwater conditions encountered and the results of the laboratory tests; and
- k. photographs taken during the test pit evaluation.

TASK 1 GEOTECHNICAL EVALUATION SCOPE OF SERVICES

**3606 Wildwood Avenue
Jackson, Jackson County, Michigan
August 19, 2008**

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Assumptions and Limitations

The following assumptions were made in preparing our professional services fee:

1. Client will provide or obtain right-of-entry for SME to conduct the evaluation.
2. SME will contact the Miss Dig system to clear and mark the location of public underground utilities at the site prior to performing the field exploration. Client will locate any known private underground utilities at the site prior to performing the field work. SME is not responsible for damage to utilities not cleared, located and marked at the site.
3. The test pit and muck probe locations will be staked in the field and documented using a hand-held GPS. The GPS will be referenced to horizontal control points, provided by Mead & Hunt. Since the accuracy of the hand-held GPS can vary, based on satellite positions, tree cover and other factors, the locations should be considered approximate. The locations should be determined later by a surveyor to determine accurate locations.
4. Field exploration (drilling) will be performed Monday through Friday during normal business hours. Additional fees will be required for field services required by the Client during off-hours or weekends.
5. Care will be exercised to mitigate damage to lawn, landscape, pavement, soft ground and other areas that may be disturbed during the field exploration. Our fee does not include time or expenses associated with the repair of ruts or damage.
6. We have not budgeted for significant delays (e.g., waiting for site access or contact personnel, time for meetings, etc.) once the drill rig arrives at the site.
7. Excess soils generated from test pit excavations will not be removed from the site by SME. Excess soils will be left at the test pit locations and covered with the surface soils encountered unless directed otherwise.

The scope of services for described above was developed to assist with the preliminary planning and design of this project. Borings will be required during future tasks to further evaluate the subsurface conditions and to provide specific design recommendations for runways, aprons, towers, hangers and other outbuildings.

SME PROJECT NAME: Reynolds Field Proposal Improvement Area

SME PROJECT NUMBER: Proposal No. 108-0294

SME GENERAL CONDITIONS

1. In this Agreement, the party agreeing to have the services performed is the "Client." The Client's client shall be referred to as the "Owner." Unless expressly stated otherwise, Soil and Materials Engineers, Inc., its employees, agents, subconsultants and subcontractors, are collectively referred to as "SME."
2. SME will submit invoices to Client monthly and a final bill upon completion of services.
3. Payment is due upon presentation of invoice to the Client and is past due 30 days from date of the invoice. Client agrees to pay a service charge of 1-1/2% per month, or the maximum rate allowed by law, whichever is greater, on past due accounts.
4. All reports, field data, field notes, laboratory test data, calculations, estimates, and other documents prepared by SME in connection with this Project shall be considered instruments of service, and shall remain the property of SME. SME grants Client and Owner a limited license to use such instruments of service for the purpose of designing, constructing, maintaining or repairing work that is part of this Project. Any reuse of SME's instruments of service for any purpose other than the limited license granted herein is prohibited and SME shall have no responsibility to Client, Owner or third parties for unauthorized use of its instruments of services.
5. Client agrees that all reports and other work furnished to the Client or its agents, which are not paid for, will be returned upon demand and will not be used by the Client for any purpose whatsoever.
6. SME will retain pertinent records relating to the services performed for Client for a period of time consistent with SME's File Management Plan, a copy of which will be provided to Client upon request. During that period, the records will be made available to the Client at reasonable times. At the end of the retention period indicated in SME's File Management Plan, SME may, in its sole discretion, dispose of all such records.
7. **SME MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH REGARDS TO ITS SERVICES.**
8. Either party may terminate this Agreement upon at least 7 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof. Such termination will not be effective if that substantial failure is remedied before expiration of the period specified in the written notice. This Agreement shall also be automatically terminated upon a suspension of the project for more than 3 months. In the event of termination, Client will pay SME for services performed to the termination notice date plus reasonable termination expenses. In the event of termination, or suspension, prior to completion of all reports contemplated by this Agreement, SME may complete such analyses and records as are necessary to complete the files and may also complete a report on the services performed to the date of notice of termination or suspension. The expenses of termination or suspension include all direct costs of completing such analyses, records, and reports.
9. If any dispute arising out of or relating to this Agreement, or its breach, is not settled through direct discussions, the parties agree that as a condition precedent to litigation, they will endeavor for 30 days following written notice by one party to the other of a dispute or breach, to settle the dispute by mediation with the assistance of a neutral mediator. In any litigation or arbitration, if applicable, the parties agree that the prevailing party is entitled to recover all reasonable costs incurred in defense or prosecution of the claim, including its staff time, court costs, attorney's fees, and other claim-related expenses. Notwithstanding, SME has no obligation to mediate with Client prior to litigation when collecting fees legally owned by Client.
10. If Client gives SME other-than-written authorization to proceed with services after receiving SME's written proposal, Client agrees to accept the proposal, including these General Conditions, as the Agreement

governing SME's services and the relationship between the parties. Such acceptance based on other-than-written authorization is effective except for those provisions that Client objects to in writing within 7 days following the other-than-written authorization.

11. SME and its staff are protected by worker's compensation insurance and SME has coverage under General Liability and Professional Liability insurance policies. SME will provide Client with evidence of such policies upon written request. SME is not responsible for any loss, damage or liability arising from acts of Client, its agents, staff, and other consultants employed by Client.
12. In consideration for SME's undertaking to perform services at the rates set forth on the Fee Schedule attached to SME's proposal or the lump sum fee provided, Client agrees to limit all potential liability of SME to Client, its employees, agents, successors and assigns, for any and all claims, losses, breaches, damages or expenses arising from, or relating to SME's performance of services on this Project, such that SME's total aggregate liability to Client, its employees, agents, successors and assigns shall not exceed \$50,000 or SME's total fee for the services rendered on the project, whichever is greater. The Client understands that it may negotiate a higher limit of liability in exchange for an appropriate increase in SME's fee.
 - a) Client further agrees that it will require all of its contractors and consultants on this project and their respective subcontractors and subconsultants, be bound by an identical limitation of SME's aggregate liability in their agreements for work on this project.
 - b) Client further agrees that it will require all of its contractors and subcontractors defend and indemnify Client and SME from any and all loss or damage, including bodily injury or death, arising from contractor or subcontractors performance of work on this project, regardless of whether or not such claim, damage, loss or expense is caused in part by SME provided however, that this obligation shall not apply to claims, damage, loss or expense caused by the sole negligence or fault of SME.
13. To the fullest extent permitted by law, Client shall defend and indemnify SME from and against all claims, damages, losses and expense, including reasonable attorney fees, arising out of the work or materials of any contractor, subcontractor, supplier or consultant, or anyone employed by them, relating to the Project regardless of whether or not such claim, damage, loss or expense is caused in part by SME; provided however, that this obligation shall not apply to claims, damage, loss or expense to the extent caused by the negligence of SME.
14. If SME provides services at the request of Client, in addition to those described in the scope of work contained in SME's proposal, Client agrees that these general conditions including the general notes on the fee schedules shall apply to all such additional services.
15. In the event any provision of this Agreement is held invalid or unenforceable, the other provisions will remain in full force and effect, and binding upon the parties. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between Client and SME will survive the completion of the services and the termination of this Agreement. This Agreement cannot be assigned by either party without the written consent of the other party. This Agreement includes SME's Fee Schedule(s), and any notes thereon, these General Conditions and other documents incorporated herein. This Agreement constitutes the entire Agreement between the parties and cannot be changed except by a written instrument signed by both parties. All preprinted Terms and Conditions on Client's Purchase Order(s) or acknowledgement forms are inapplicable to this Agreement. The parties agree that this Agreement shall be governed in all respects by the laws of the State of Michigan.

PROPOSAL ACCEPTED BY:

Signature

Date

Printed Name

Title

Company

BILLING ADDRESS

Street

City / State

Zip Code



SME General Conditions - Commercial (1/04)

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FEE SCHEDULE PERSONNEL AND EXPENSES

PERSONNEL

Technician I	Per Hour	40.00
Technician II	Per Hour	48.00
Technician III	Per Hour	55.00
Technician IV, NDT Technician	Per Hour	65.00

Minimum 4 Hours Per Day for Technicians

Field Engineer/Geologist	Per Hour	70.00
Staff Engineer/Geologist, Materials Specialist, Environmental Specialist	Per Hour	80.00
Senior Engineer/Geologist, Senior Materials Specialist, Senior Environmental Specialist	Per Hour	95.00
Project Engineer/Consultant, Materials Consultant	Per Hour	110.00
Senior Project Engineer/Consultant, Project Manager	Per Hour	135.00
Senior Consultant, Senior Project Manager, Certified Industrial Hygienist	Per Hour	155.00
Principal Consultant	Per Hour	185.00
Laboratory Technician	Per Hour	65.00
CAD	Per Hour	75.00
Drafter	Per Hour	60.00
Log Processor	Per Hour	55.00
Word Processing, Administrative Assistant	Per Hour	48.00
Communication Fee (Postage, Shipping, Faxes, Cell Phones, etc)	3% of Personnel Fees	

Expert Testimony and Depositions (including preparation time) Premium of 50% added to hourly rate

Overtime rate (Applies to all work in excess of 8 hours per day,
before 8:00 am or after 5:00 pm Monday through Friday or
anytime Saturday, Sunday, or Holiday) Standard Rate x 1.5

TRANSPORTATION AND EXPENSES

Transportation Charge, SME or Private Vehicle	Per Mile	0.65
Lodging, Subsistence, Out-of-town Travel	At Cost + 20%	
Subcontract Expenses, Equipment Rental	At Cost + 20%	
Direct Expenses (Film, Photos, Prints, Permits, Maps, etc)	At Cost + 20%	
Extra Copies of Report (normal distribution is 3 copies)	Per Copy	50.00
Blueprints	Per Sheet	2.00
Blueprint Sepia	Per Sheet	20.00
<i>Other Services including Drilling, Special Equipment use, and</i>		
<i>Special Laboratory Testing</i>		
<i>See Appropriate Fee Schedule</i>		

Other services not listed will be provided upon request

GENERAL NOTES

1. Hourly rates will be charged for time spent in the interest of the project, in preparation of reports, as well as travel time to and from the job site. Fees for laboratory tests include reporting of routine results without comments, recommendations or conclusions. Discussion, interpretation, and consultation are charged at appropriate hourly rates.
2. SME representatives may provide observation and field-testing. The scope of services does not include job or site safety, supervision, or direction of the actual work of the contractor. The presence of SME on the job site should not be construed to relieve the contractor in any way of his obligations and responsibilities under the construction contract.
3. SME General Conditions govern all the work performed.

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FEE SCHEDULE GEOTECHNICAL ENGINEERING SERVICES

SEE FS-0 FOR STAFF RATES

DRILLING

Mobilization of drill rig and two-man crew on and off site	Per Mile-Each Way.....	3.75
	Minimum Charge	475.00
Mobilization of all-terrain drill rig and two-man crew on and off site	Per Mile-Each Way.....	3.75
	Minimum Charge	475.00
Charge for all-terrain drill rig	Per Day.....	400.00
Out-of-town living expenses for drill crew	At Cost + 20%	
Equipment required to complete investigation, i.e. bulldozer, backhoe, subcontract drill rigs, water permits and charges, access fees, tools.	At Cost + 20%	
Drilling with split-barrel soil sampling (ASTM D-1586). Semi-continuous to 10', & 5' intervals thereafter.		
0' to 20'	Per Foot	12.00
20' to 40'	Per Foot	13.00
40' to 60'	Per Foot	15.00
60' to 80'	Per Foot	17.00
Special situations, or drilling below 80'	Rate Available on Request	
Hard soil drilling (blows per foot greater than 60)	Standard Rate Times 1.2	
2" split-barrel sampling in addition to normal 5' intervals below 10'		
10' to 50'	Each.....	40.00
50' to 100'	Each.....	50.00
Additional charge for Shelby tube samples (0 - 50')		
2 inch	Each.....	35.00
3 inch	Each.....	50.00
Auger sampling without split-spoon or Shelby tube (0' - 20')	Per Foot	9.00
Auger drilling thru concrete	Standard Hourly Rate + per foot (addn)	60.00
Rock coring (0' - 20') - \$150 set-up plus	Per Foot	45.00
Pavement Coring	Each.....	80.00
Grout boreholes - bentonite pellets	Per Foot	3.00
-- bentonite/cement slurry (\$50 Set-up plus)	Per Foot	4.00
2" diameter PVC pipe	Per Foot	3.00
2" diameter PVC well screen - 5' length	Each.....	40.00
Traffic Control Signage; non-freeway (8 signs maximum)	Per Day.....	300.00
Lighted Arrow Board	Per Day.....	125.00
Other materials	At Cost + 20%	
Hourly charge for drill rig and crew, for location of borings, installation and development of monitoring wells, specialized in-situ testing, phone calls, standby time, clearing access, utility clearance, site clean-up, hourly drilling, hauling water, drilling through obstructions, etc.	Per Hour	190.00
Pressuremeter	Rate Available upon Request	
Vane Shear	Rate Available upon Request	
Dutch Cone	Rate Available upon Request	
Muck Probe	Per Day.....	50.00
Corps of Engineers DCP	Per Day.....	80.00

LABORATORY

Calibrated Penetrometer Test	Each.....	4.00
Torvane Test	Each.....	5.00
Moisture Determination	Each.....	6.00
Visual Engineering Classification: Soil	Per Sample.....	5.00
Visual Engineering Classification: Cores	Per Sample.....	15.00
Unconfined Compressive Strength	Each.....	20.00
Unit Weight Determination	Each.....	10.00
Atterberg Limits (LL + PL)	Each.....	115.00
Hydrometer Analysis	Each.....	115.00
Sieve Analysis	Each.....	60.00
Loss by Wash	Each.....	60.00

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LABORATORY (Continued)

Organics Content (Loss on Ignition).....	Each.....	50.00
Permeability Test of Liner Sample	Each.....	275.00
Permeability Test of Compacted Sample.....	Each.....	300.00
Consolidation Test on 2 1/2" Dia. Specimen w/pressure-strain curve	Each.....	450.00
Modified Proctor (ASTM D-1557) 4-inch mold	Each.....	140.00
California Bearing Ratio (CBR)	Each.....	250.00
Direct Shear Test (Sands - one density at three confining pressures)	Each.....	275.00
Direct Shear Test (Other Soils).....	Rate Available on Request	
Triaxial Strength Testing	Rate Available on Request	

GENERAL NOTES

1. Preliminary engineering reconnaissance, location of borings, utility clearance by contacting MISS DIG and/or meeting with utility staff at the site, elevations at borings, engineering analysis, recommendations, consultation, meetings, or project management are charged at the appropriate hourly rate.
2. The Owner will provide for right of entry of SME and all necessary equipment, in order to complete the work. While SME will take reasonable precautions to reduce the likelihood of damage to the property, it is understood by Client and Owner that some damage may occur in the normal course of our work. The fee for correction of this damage is not part of this agreement unless specifically noted.
3. While working SME will take reasonable precautions to avoid damage or injury to subterranean structures or utilities. The Client and Owner agree to hold SME harmless for any damages to subterranean structures, which are not called to SME's attention and/or not correctly shown on the plans furnished.
4. The accuracy and proximity of provided survey control will affect the accuracy of in-situ test location and elevation determinations. Unless otherwise noted, the accuracy of test locations and elevations will be commensurate only with pacing and approximate measurements or estimates. The client will furnish SME with a diagram indicating the location of the site. Boring and test locations may also be indicated on the diagram. SME reserves the right to deviate a reasonable distance from the boring and test locations unless this right is specifically revoked by the client in writing at the time the diagram is supplied. SME reserves the right to modify this contract if conditions preventing drilling at the specified locations are encountered which were not made known to SME prior to the date of this contract.
5. Client recognizes that subsurface conditions may vary from those encountered at the location where borings, surveys, or explorations are made by SME and that the data, interpretations and recommendations of SME are based solely on the information available to SME. SME will not be responsible for the data, interpretation and recommendations by others of the information developed.
6. Certain types of hazardous materials including subsurface contaminants and biological pollutants (molds, spores, bacteria, fungi and other byproducts of biological organisms) may exist at a site where there is no reason to believe they could or should be present. SME and Client agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating renegotiation of the scope of work and fees. SME and Client also agree that the discovery of unanticipated hazardous materials may make it necessary for SME to take immediate measures to protect human health and safety, and/or the environment. SME agrees to notify Client as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. Client encourages SME to take any and all measures that in SME's professional opinion are justified to preserve and protect the health and safety of SME's personnel and the public, and/or environment, and Client agrees to compensate SME for the additional cost of such work. In addition, Client and Owner waive any claim against SME and agree to indemnify, defend and hold SME harmless from any claim or liability for injury or loss arising from or caused by the presence of, or exposure of SME, Client, or any third party to unanticipated hazardous materials or suspected hazardous materials, except to the extent caused by SME's sole negligence. Client agrees to compensate SME for time spent and expenses incurred by SME in defense of any such claim. Compensation to be based upon SME's prevailing fee schedule and expense reimbursement policy.
7. SME will retain all soil and rock samples for 30 days. Further storage or transfer of samples can be made at Owner's expense upon written request.



FEE SCHEDULE ENVIRONMENTAL SERVICES

SEE FS:0 FOR STAFF RATES

DRILLING/FIELD SERVICES

Drilling and Well Installation See Fee Schedule FS:1
Geoprobos See Fee Schedule FS:6.I

Equipment required to complete investigation, i.e. bulldozer, backhoe,
subcontract drill rigs, water permits and charges, access fees, tools. At Cost + 20%
Environmental Health Protection Equipment

Level C Per Day/Person 125.00
Level B Rate Available on Request
Other services At cost + 20%

EQUIPMENT

Steam Cleaner	Per Day	110.00
Generator	Per Day	110.00
Compressor	Per Day	100.00
Explosive Gas Meter/Tri-gas Meter	Per Day	80.00
Photoionization Detector	Per Day	140.00
Peristaltic Pump	Per Day	40.00
Groundwater Bladder Pump	Per Day	165.00
Groundwater Pump (Grundfos)	Per Day	80.00
5/8" OD x 3/8" ID Flex Tubing	Per Foot	2.00
1/2" OD x 3/8" ID Poly Vinyl Tubing	Per Foot60
3/8" OD x 1/4" ID High Density Poly Tubing	Per Foot10
Soil Gas Equipment	Per Day	250.00
Groundwater Sampling Filter	Each	25.00
Environmental Sampling Kit	Per Day	50.00
Disposable Bailer	Each	25.00
Interface Probe	Per Day	40.00
Drums - Steel/Poly	Each	35.00
Methanol Preservation Kit	Each	15.00
Water Level Meter	Per Day	30.00
Survey Equipment (Level Rod)	Per Day	30.00
Well Locks	Each	15.00
Well Supplies, Other Supplies and Equipment	At Cost + 20%	
Low Flow Sampling Equipment	Per Day	300.00
Pressure Transducer	Per Day	25.00
2-inch Absorbent Socks	Each	20.00
4-inch Absorbent Socks	Each	25.00
Locking Well Caps	Each	25.00
GEM 2000	Day	275.00

LABORATORY

Asbestos Analyses	As Quoted or At Cost + 20%
Analytical Chemistry of Water and Soil	As Quoted or At Cost + 20%
Calibrated Penetrometer Test	Each
Torvane Test	Each
Visual Engineering Classification: Soil	Per Sample
Visual Engineering Classification: Cores	Per Sample
Moisture Determination	Each
Unit Weight Determination	Each
Atterberg Limits (LL + PL)	Each

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LABORATORY (Continued)

Hydrometer Analysis.....	Each.....	115.00
Specific Gravity.....	Each.....	60.00
Loss by Wash.....	Each.....	60.00
Sieve Analysis.....	Each.....	60.00
Permeability Test of Liner Sample.....	Each.....	275.00
Permeability Test of Compacted Sample.....	Each.....	325.00
Other services.....	Rate available upon request	

GENERAL NOTES

1. The Owner grants a right of entry from time to time to SME, its agents, staff, and contractors or subcontractors, for the purpose of performing and with the right to perform all acts, studies, and research including without limitation the making of tests and evaluations, pursuant to the agreed services. Client represents that he possesses all necessary permits and licenses required for activities at the site.
2. Generally, test samples or specimens are consumed or substantially altered during the conduct of tests and SME, at our sole discretion, will dispose of these samples or specimens upon completion of tests, subject to the following:

Non-Hazardous Samples: At Client's written request, we will maintain preservable test samples and specimens or the residue there from for 30 days after submission of our report free of storage charges. After the initial 30 days and upon written request, we will retain test specimens or samples for a mutually acceptable storage charge and period of time. Client agrees that it will not hold us responsible or liable for any loss of test specimens or samples retained in storage.

Hazardous or Potentially Hazardous Samples: In the event samples contain substances or constituents hazardous or detrimental to health, safety, or the environment as defined by federal, state or local statutes, regulations, or ordinances, we will, after completion of testing and at Client's expense, (i) return such samples to Client, or (ii) using a manifest signed by Client as generator, we will have such samples transported to a location selected by Client for final disposal. Client agrees to pay all costs associated with the storage, transport, and disposal of samples. Client recognizes and agrees that we are acting as a bailee and at no time assume title of said waste.

3. All laboratory and field equipment contaminated in performing our services and which cannot be reasonably decontaminated shall become the property and responsibility of Client. All such equipment shall be delivered to Client or disposed of in a manner similar to that indicated for hazardous samples. Client agrees to pay the fair market value of any such equipment, which cannot reasonably be decontaminated.
4. Client agrees to advise us upon execution of this Agreement of any hazardous substances including subsurface contaminants and biological pollutants (mold, spores, bacteria, fungi and other byproducts of biological organisms), environmental violations, or any condition existing in, on or near the site presenting a potential danger to human health, the environment, or equipment. Client agrees to provide continuing information as it becomes available to the attention of Client in the future. By virtue of entering into this Agreement or of providing services hereunder, we do not assume control of or responsibility for reporting to any federal, state, or local public agencies any conditions at the site that may present a potential danger to health, safety, or the environment. Client agrees to notify the appropriate federal, state or local public agencies as required by law, or otherwise to disclose, in a timely manner, any information that may be necessary to prevent any danger to health, safety, or the environment.

In connection with hazardous waste, Client/Owner agrees to the maximum extent permitted by law to defend, hold harmless and indemnify SME from and against any and all claims and liabilities resulting from: Client's/Owner's violation of any federal, state or local statute, regulation or ordinance relating to the disposal of hazardous substances or constituents; Client's/Owner's undertaking of or arrangement for the handling, removal, treatment, storage, transportation or disposal of hazardous substances or constituents found or identified at the site; changed conditions or hazardous substances or constituents introduced at the site by Client/Owner or third persons before or after the completion of services herein; allegations that SME is a



handler, generator, operator, treater or storer, transporter, or disposer under the Resource Conservation and Recovery Act of 1976 as amended or any other similar federal, state, or local regulation or law.

5. Client recognizes that it is impossible for SME to know the exact composition of a site's subsurface even after employing a comprehensive exploratory program. As a result, there is a risk that sampling may result in contamination of certain subsurface areas, as when a probe or boring device moves through a contaminated area, linking it to an aquifer, underground stream, or other hydrous body not previously contaminated and capable of spreading hazardous materials off-site. Because such sampling is a necessary aspect of the work which SME will perform for Client's/Owner's benefit, Client/Owner waives any claim against SME, and agrees to defend, indemnify and save SME harmless from any claim or liability for injury or loss which may arise as a result of cross-contamination caused by sampling, except to the extent of SME's sole negligence.
6. Client recognizes that it is Client's responsibility to inform the property owner of the discovery of unanticipated hazardous materials or suspected hazardous materials. Client also recognizes that any such discovery may result in a significant reduction of the property's value, and this may spur the property's owner to institute action against SME. Accordingly, in such situations, Client waives any claim against SME, and agrees to defend, indemnify and save SME harmless from any claim or liability for injury or loss of any type arising from SME's discovery of unanticipated hazardous materials or suspected hazardous materials on a site not owned by Client.
7. It is possible this assessment may fail to reveal the presence of contaminants (including subsurface contaminants, hazardous materials and biological pollutants [mold, spores, bacteria, fungi and other byproducts of biological organisms] and all other types of environmental contamination collectively referred to as "Contaminants") at sites where contaminants are assumed, or expected to exist or contaminants are inaccessible or unobservable. Client understands that SME's failure to discover contaminants does not guarantee that contaminants do not exist at the site. Similarly, a site which in fact is unaffected by contaminants at the time of SME's study, may later, due to natural phenomena or human intervention, become contaminated. Client agrees that it would be unfair to hold SME liable for failing to discover contaminants whose exact location is impossible to foretell due to the site or building conditions, or for failing to discover contaminants, which, in fact, did not exist at specific sampling locations at the time such samples were taken. Accordingly, Client waives any claim against SME, and agrees to defend, indemnify and save SME harmless from any claims or liability for injury or loss arising from SME's failure to detect the presence of contaminants through techniques commonly employed for the purpose, except to the extent caused by SME's sole negligence.
8. If during the performance of services, unforeseen hazardous substances or constituents, biological pollutants or other unforeseen conditions or occurrences are encountered which, in our sole judgment significantly affect or may affect the services, the risk involved in providing the services, or the recommended scope of services, we will notify Client thereof. Subsequent to the notification, SME may: if practicable, in our sole judgment, complete the original scope of services in accordance with the procedures originally intended in the proposal; agree with Client to modify the Scope of Services and the estimate of charges to include study of the previously unforeseen conditions or occurrences, such revision to be in writing and signed by the parties and incorporated herein; or terminate the services effective on the date specified by SME in writing.
9. Client also agrees to compensate SME for any time spent and expenses incurred by SME in defense of any claims (related to Items 4, 5, 6, and 7 above), with such compensation to be based upon SME's prevailing fee schedule and expense reimbursement policy.
10. While working SME will take reasonable precautions to avoid damage or injury to subterranean structures or utilities. The Client and Owner agree to hold SME harmless for any damages to subterranean structures, which are not called to SME's attention and/or not correctly shown on the plans furnished.



Important Information About This Geotechnical Engineering Proposal

Subsurface problems are a principal cause of construction delays, cost overruns, claims, and disputes.

While you cannot eliminate all such risks, you can manage them. The following information is provided to help.

Participate In Development of the Subsurface Exploration Plan

Geotechnical engineering begins with the creation of an effective subsurface exploration plan. This proposal starts the process by presenting an initial plan. While that plan may consider the unique physical attributes of the site and the improvements you have in mind, it probably does not consider your unique goals, objectives, and risk management preferences. Subsurface exploration plans that are finalized without considering such factors presuppose that clients' needs are unimportant, or that all clients have the same needs. *Avoid the problems that can stem from such assumptions* by finalizing the plan and other scope elements directly with the geotechnical engineer you feel is best qualified for the project, along with the other project professionals whose plans are affected by the geotechnical engineer's findings and recommendations. If you have been told that this step is unnecessary; that client preferences do not influence the scope of geotechnical engineering service or that someone else can articulate your needs as well as you, you have been told wrong. No one else can discuss your geotechnical options better than an experienced geotechnical engineer, and no one else can provide the input you can. Thus, while you certainly are at liberty to accept a proposed scope "as is," recognize that it could be a unilateral scope developed without direct client/engineer discussion; that authorizing a unilateral scope will force the geotechnical engineer to accept all assumptions it contains; that assumptions create risk. *Manage your risk. Get involved.*

Expect the Unexpected

The nature of geotechnical engineering is such that planning needs to *anticipate the unexpected*. During the design phase of a project, more or deeper borings may be required, additional tests may become necessary, or someone associated with your organization may request a service that was not included in the final scope. During the construction phase, additional services may be needed to respond quickly to unanticipated conditions. In the past, geotechnical engineers commonly did

whatever was required to oblige their clients' representatives and safeguard their clients' interests, taking it on faith that their clients wanted them to do so. But some, evidently, did not, and refused to pay for legitimate extras on the ground that the engineer proceeded without proper authorization, or failed to submit notice in a timely manner, or failed to provide proper documentation. *What are your preferences? Who is permitted to authorize additional geotechnical services on your project? What type of documentation do you require? To whom should it be sent? When? How?* By addressing these and similar issues sooner rather than later, you and your geotechnical engineer will be prepared for the unexpected, to help prevent molehills from growing into mountains.

Have Realistic Expectations; Apply Appropriate Preventives

The recommendations included in a geotechnical engineering report are *not final*, because they are based on opinions that can be verified only during construction. For that reason, most geotechnical engineering proposals offer the construction observation services that permit the geotechnical engineer of record to confirm that subsurface conditions are what they were expected to be, or to modify recommendations when actual conditions were not anticipated. *An offer to provide construction observation is an offer to better manage your risk.* Clients who do not take advantage of such an offer; clients who retain a second firm to observe construction, can create a high-risk "Catch-22" situation for themselves. *The geotechnical engineer of record cannot assume responsibility or liability for a report's recommendations when another firm performs the services needed to evaluate the recommendations' adequacy.* The second firm is also likely to disavow liability for the recommendations, because of the substantial and possibly uninsurable risk of assuming responsibility for services it did not perform. Recognize, too, that no firm other than the geotechnical engineer of record can possibly have as intimate an understanding of your project's geotechnical issues. As such, reliance on a second firm to perform construction observation can elevate risk still more, because its personnel may not

have the wherewithal to recognize subtle, but sometimes critically important unanticipated conditions, or to respond to them in a manner consistent with your goals, objectives, and risk management preferences.

Realize That Geoenvironmental Issues Have Not Been Covered

The equipment, techniques, and personnel used to perform a geoenvironmental study differ significantly from those used to perform a geotechnical study. *Geoenvironmental services are not being offered in this proposal. The report that results will not relate any geoenvironmental findings, conclusions, or recommendations.* Unanticipated environmental problems have led to numerous project failures. If you have not yet obtained your own geoenvironmental information, ask your geotechnical consultant for risk management guidance. *Do not rely on an environmental report prepared for someone else.*

Obtain Professional Assistance To Deal with Mold

Diverse strategies can be applied during building design, construction, operation, and maintenance to prevent significant amounts of mold from growing on indoor surfaces. To be effective, all such strategies should be devised for the express purpose of mold prevention, integrated into a comprehensive plan, and executed with diligent oversight by a professional mold prevention consultant. Because just a small amount of water or moisture can lead to the development of severe mold infestations, a number of mold prevention strategies focus on keeping building surfaces dry. While groundwater, water infiltration, and similar issues may be addressed as part of the geotechnical engineering study described in this proposal, the geotechnical engineer who would lead this project ***is not a mold prevention consultant; none of the services being offered have been designed or proposed for the purpose of mold prevention.***

Have the Geotechnical Engineer Work with Other Design Professionals and Constructors

Other design team members' misinterpretation of a geotechnical engineering report has resulted in costly problems. Manage that risk by hav-

ing your geotechnical engineer confer with appropriate members of the design team before finalizing the scope of geotechnical service (as suggested above), and, again, after submitting the report. *Also retain your geotechnical engineer to review pertinent elements of the design team members' plans and specifications.*

Reduce the risk of unanticipated conditions claims that can occur when constructors misinterpret or misunderstand the purposes of a geotechnical engineering report. Use appropriate language in your contract documents. Retain your geotechnical engineer to participate in prebid and preconstruction conferences, and to perform construction observation.

Read Responsibility Provisions Closely

Clients, design professionals, and constructors who do not recognize that geotechnical engineering is far less exact than other engineering disciplines can develop unrealistic expectations. Unrealistic expectations can lead to disappointments, claims, and disputes. To help reduce the risk of such outcomes, geotechnical engineers commonly include a variety of explanatory provisions in their proposals. Sometimes labeled "limitations," many of these provisions indicate where geotechnical engineers' responsibilities begin and end, to help others recognize their own responsibilities and risks, thus to encourage more effective scopes of service. *Read this proposal's provisions closely.* Ask questions. Your geotechnical engineer should respond fully and frankly.

Rely on Your ASFE-Member Geotechnical Engineer for Additional Assistance

Membership in ASFE/The Best People on Earth exposes geotechnical engineers to a wide array of risk management techniques that can be of genuine benefit to everyone involved with a construction project. Confer with an ASFE member geotechnical engineer for more information. Confirm a firm's membership in ASFE by contacting ASFE directly or at its website.



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e-mail: info@asfe.org www.asfe.org

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Starr D. Kohn, PhD, PE	

team members 220

projects completed 55,000

professional staff	Geotechnical Engineers Hydrogeologists Materials Consultants Civil Engineers Environmental Engineers Forensic Engineers	Pavement Engineers Roofing Consultants Metals Consultants Geologists/Geological Engineers Certified Industrial Hygienist Facility Engineers
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technical staff	Restoration Specialists Qualified Concrete Technicians Certified Bituminous Plant Inspectors Certified Aggregate Inspectors Certified Welding Inspectors	Coating Specialists Certified Masonry Inspectors NICET Engineering Technicians Roofing and Pavement Specialists Asbestos Specialists
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geosciences

Engineering evaluation and design for soil, rock and groundwater conditions.

Caissons/Piles: Design, wave equation analysis, load and integrity tests, and construction observation.

Corrosion: Perform and evaluate field and laboratory tests for corrosivity of buried metallic structures, and design of corrosion prevention systems.

Dewatering: Observe and model groundwater flow, field pump tests, and design temporary and permanent dewatering systems.

Drilling: Soil borings, specialized sampling, in-situ testing (pressuremeter, Dutch cone, dilatometer, vane shear), observation wells, and Geoprobos.

Earth Retention Systems: Design of temporary and permanent earth retention systems including reinforced earth/geogrid walls, tiebacks, shoring and bracing.

Foundation Engineering: Design including foundation type, bearing elevation, bearing pressure, estimated settlement, and underpinning design.

Geodynamics/Vibrations: Measure ambient vibrations, seismic, crosshole, downhole, attenuation, refraction surveys, evaluate existing foundations and design new foundations.

Geophysical Surveys: Including electrical resistivity, seismic, borehole logging, EM, gravity, and ground penetrating radar.

Geosynthetics: Design of geosynthetic-based systems, such as reinforced earth walls, and slopes and erosion protection for landfills, pavements, and special applications.

Ground Modification: Design of special techniques to improve soil, including wick drains, surcharging, vibroflotation, deep dynamic compaction, grouting, and surface compaction.

Instrumentation: Installation and monitoring (manual and remote) for in-situ determination of soil and rock properties and performance during construction.

Slope Stability: Design for stabilization of existing and proposed slopes, and design repair of failed slopes.

materials

Engineering evaluation of material properties, failure analyses, and design using life-cycle costs.

Coatings: Evaluation, selection, construction monitoring, and failure analysis for steel, concrete and wood construction.

Concrete: Construction monitoring, strength evaluation using destructive and nondestructive testing, flat floor measurements, corrosion, and durability evaluations.

Construction Materials Services: Monitor construction procedures and material properties for conformance to specifications, and total quality control/quality assurance plans.

Facility Asset Management: Evaluation of building components/systems and design of maintenance management programs.

Forensic Engineering: Expert witnesses who develop alternative dispute resolution strategies by researching facts, explaining complex technical issues, and conveying expert opinions involving issues in the built environment.

Masonry/Stone: Construction monitoring, material evaluation, and full scale testing.

Metals: Failure analysis, material characterization, and welding and jointing design.

Pavements: Evaluation of existing pavements and subgrade conditions, including use of falling weight deflectometer (FWD) and other specialized equipment. Pavement design, plans and specifications, construction monitoring, and maintenance management programs.

Restoration: Condition assessment, and development of building and infrastructure improvements.

Roofs: Evaluation of existing roofs including use of infrared technology, design of rehabilitation systems, new roof design, construction monitoring, and roof maintenance management programs.

Sealants/Waterproofing: Design and evaluation of moisture management systems for new construction and building restoration.

Structural Steel: Shop and site monitoring including bolted and welded connections, coatings, shear studs, use of ultrasonic, radiographic magnetic particle, and nondestructive testing.

environment

Environmental assessment, contamination evaluation, remediation, and regulatory compliance.

Air Quality: Emission inventories, source sampling, screening models and permits.

Asbestos/Lead-Based Paint: Assessment of hazardous materials, abatement specifications, and project monitoring.

BEA/Due Care: Perform Baseline Environmental Assessments, prepare Due Care plans, observe construction, and monitor Due Care implementation.

Brownfield Development: Environmental/geotechnical evaluations for redevelopment, prepare workplans and assist with funding alternatives. Provide construction observation, testing, and Due Care implementation.

Environmental Site Assessments: Phase I/II ESAs for all types of property transactions, including multi-site and large industrial projects.

Hydrogeologic Studies: Evaluation of geologic conditions, aquifer flow characterization, groundwater quality, and well field studies.

Industrial Hygiene/Mold/Indoor Air Quality: Exposure assessments, and health and safety programs.

Landfills: Site evaluation, monitoring programs, leachate containment, stabilization of excavations and construction slopes, and remediation systems.

Regulatory Compliance: Compliance auditing, ISO 14001 implementation, pollution prevention, TRI reporting, spill planning and permits.

Remediation: Assess type/extent of contamination, evaluate remedial alternatives, remediation design, monitor remediation system installation, and provide operation and maintenance for treatment systems.

Risk Assessment: Identify hazards, assess exposure, characterize risk and evaluate site cleanup levels.

Storm Water Management: Conceptual plans, sampling programs, permits, and certified operator monitoring at construction and industrial sites.

USTs: Manage removal of USTs, closure of UST systems, and implementation of Risk-Based Corrective Action (RBCA).

MEMORANDUM FOR RECORD

TO: RANDY TREACHER
FROM: CORRECTIONS DIVISION COMMAND
SUBJECT: FOOD SERVICE CONTRACT JUSTIFICATION
DATE: 8/20/2008
CC: FILE

We have completed the solicitation process for quotes to provide inmate food services to the Jackson County Jail System. The vendors we received quotes from were: Canteen Services; Aramark; Swanson; and Keefe Commissary Services. (Canteen Services is our current service provider.) The results of our search are as follows:

1. Keefe- Excluded from further consideration: Does not provide inmate food services.
2. Swanson- Excluded from further consideration: Does not provide inmate food services.
3. Aramark- Provides all necessary services and was considered as a possible vendor.
4. Canteen- Provides all necessary services and was considered as a possible vendor.

After careful consideration and review of data and budgetary items listed in the proposed contracts for Canteen and Aramark Services; it is our opinion that Canteen Services offers the best overall package of food service to the Jackson County Jail System. Specific items of interest that led to this decision included:

- 1- Additional uniformed officer staffing requirements.

Aramark's pricing is based on a uniformed officer being provided to supervise the serving of all inmate meals at both facilities. Canteen employees are tasked to supervise the entire food service process. With this stipulation, the additional costs associated with the training and staffing of a Corrections Officer position and/or mandating a change in the proposed food service contract from Aramark makes this untenable.

- 2- Customer service from the prospective vendors.

The initial request to Aramark to provide a formal quote for inmate food services took six weeks to be returned. Multiple e-mails and phone calls to this provider to gain further data and clarity on specific food service costs and issues have not been answered. Budget and personal specific questions, and inquiries about specific services provided in the proposed contract have been ignored and/or have not been answered by this vendor. Such poor customer service is shocking; specifically as they are seeking employment with us as a service provider. (As an example: Lt Carmoney contacted Aramark's Regional Marketing Director on the afternoon of June 26th, 2008; requesting specific contract language clarification.

The information was promised to us no later than 10:30 on June 27th, 2008. On June 27th, 2008 at 1115 hours, Lt. Carmoney (having not received the requested information) called this individual back. The information we were seeking was still not ready. To date, this individual has never returned the requested information. We are highly concerned that this behavior will not improve if they are selected. Canteen has been prompt with all requests for information and has called us weekly to see if they need to provide anything additional for us. We also see a representative from canteen (usually a regional food service manager) weekly at both of our facilities. The difference is remarkable.

3- Costs associated with food service.

Initial costs associated with food service have Aramark at a slight advantage. Once other factors are added (Corrections Officer supervision of meals; cost variations associated with fluxations in the average daily population; numbers of employees provided to manage food services, etc.) show Canteen at an advantage. As an example: If the average inmate jail population is 400 inmates or less, Canteen's pricing is equal to or less than Aramark's. (At 400 inmates, Canteen's meal costs are \$1.04 per meal; Aramark's meal costs are \$1.044 per meal.) The consumer price index for Aramark's quote shows an expected increase in FY 2008 of 3.5%-4.5%. Canteen is proposing a lock on their pricing for the next two years. This will place Aramark's quote at over \$.02 per meal higher after the end of the second fiscal year of the contract. Based on our assumptive CPI increases and calculations; such a disparity would mean a \$9,417 difference at the end of the second fiscal year. Canteen is also offering a 2% reduction in costs after the current county employee leaves.

Recommendation:

After a review of the proposed food service contracts, we would recommend that Canteen Services be selected as the food service provider to the Jackson County Jail System. The proposed contract length is five (5) years.

CINDY BURNS
Vice President – Correctional Services



353 South Michigan, PO Box 160, Coldwater, MI 49036 • 616-745-2334 • cburns@canteenservices.com

June 27, 2008

Sheriff Dan Heyns
Captain Dave Luce
Jackson County Office of the Sheriff
212 W. Wesley Street
Jackson, MI 49201

Dear Sheriff Heyns and Captain Luce:

Thank you, for taking time to talk with me yesterday, Captain. We truly appreciate your partnership and have gone back to our numbers to see if there is anything that we can do to lower our pricing.

After talking at length with Patty and Jeff, we have found a way that can reduce our offer to Jackson by \$.02 per meal on all proposed options with the exception of snack pricing which would remain at \$1.00.

To reach this reduction, Canteen is recommending the following:

Exclusion of steamer from proposal

Kitchen staffed with Canteen personnel only/no Jackson County associates

Canteen will hold pricing for 24 months from the date of our agreement

We are asking for a 5 year contract with 1 year renewable options to include the normal "out clause" of 60 days for any reason.

Over the past years, we have all seen salaries, benefits, gas, food prices, insurances, and more all increase at a pace not seen in the past 30 years. Through this time, we held the meal cost at Jackson for the entire term of the contract. We will do everything in good faith, to hold meal pricing as low as possible to you in the future while providing the training and support Jackson needs to protect your interests from undue exposure to liability. This has been and continues to be our commitment to you.

If it is time, Canteen is ready to review services at the juvenile home and the Crouch Center. The Jackson kitchen is sized right and was built to satellite meals. The Chanter Road facility could easily accommodate meals to both areas with the addition of an early morning shift of Canteen workers. The savings of closing kitchens and bringing in prepared meals to the sites listed above would offer a substantial savings to your county. Historically, counties have saved in excess of \$100k annually by closing a senior meals kitchen through utilities, overhead, product control, etc. Wage and benefit savings are in addition to the quoted \$100k.

Canteen is rarely the lowest price in food proposals and yet, 100% of all food accounts we have partnered with over the years, continue to place their trust in Canteen. Last month, Muskegon County opted to renew partnership after going out to bid. We are now in serious discussions with 2 counties which have services provided by our competitors. They came to us because they are not comfortable with service as provided. What you cannot see in a dollar amount on a bid, is what allows for our on-going partnerships with the Sheriff's of MI....our people, our support and our dedication to you, our partner, sets us apart from others who offer food and commissary. We at Canteen want to continue to provide Jackson County with the security and peace of mind that comes from having the best services available in MI Corrections. Please allow Jackson County and Canteen that continuing partnership opportunity.

Thank you for your consideration,


Cindy Burns

CINDY BURNS
Vice President – Correctional Services



353 South Michigan, PO Box 160, Coldwater, MI 49036 • 616.745.2334 • cburns@canteenservices.com

June 25, 2008

Sheriff Dan Heyns
Captain Dave Luce
Jackson County Office of the Sheriff
212 W. Wesley Street
Jackson, MI 49201

Dear Sheriff Heyns and Captain Luce:

Thank you, on behalf of the Canteen Services' team, for the opportunity to propose options for the future within our partnership. It is hard to believe we have been partners since 1993. At that time, Canteen had about 6 accounts and at this time we are at 53 food and commissary.

Through the years, we have had ups, downs, and arounds! Some of our most frustrating times, it seems, have come within the past 12 months. We believe we are on the right track and are hopeful you do too.

One of the most valuable lessons I have learned is "Hope is not a strategy". To correct the problems we created at Jackson has taken a lot of strategy and also brought forth the opportunity to form a true team with Jackson, as led by Captain Luce. We know that together, we are headed in the right direction. As we work daily towards better communication we form a stronger partnership.

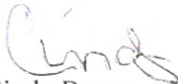
To that end, we are proud to offer you the proposed options for continued partnership which you will find on the following pages. We have offered a way for costs for food to remain the same with the institution of operational procedures that work well in other operations.

We also have offered an increase in commissary commissions which contains an increase in pricing to inmates that is reflective of current pricing. You will find an offer of kiosks and also the opportunity to explore InTouch messaging as a voice mail option that will allow Jackson to make money, rather than spend money for this service.

Please review the following proposal. I will call you to schedule a time to meet and see if there is anything else Canteen can do to lighten the economic load we are all experiencing presently.

We value your partnership and more than appreciate the faith and trust you have placed in our hands. Thank you for the opportunity to be considered as a continuing part of the future of Jackson County food and commissary services. We appreciate your support and will not let you down if chosen as your continuing partners.

Sincerely Yours,


Cindy Burns

Changes in food price indexes, 2004 through 2008							June 20, 2008
Item		Relative importance ¹	Final 2004	Final 2005	Final 2006	Final 2007	Forecast 2008 ²
		Percent	Percent change				
All food		100.0	3.4	2.4	2.4	4.0	4.5 to 5.5
Food away from home		44.6	3.0	3.1	3.1	3.6	3.5 to 4.5
Food at home		55.4	3.8	1.9	1.7	4.2	5.0 to 6.0
	Meats, poultry, and fish	12.2	7.4	2.4	0.8	3.8	2.0 to 3.0
	Meats	7.9	8.4	2.3	0.7	3.3	1.5 to 2.5
	Beef and veal	3.8	11.6	2.6	0.8	4.4	2.0 to 3.0
	Pork	2.4	5.6	2.0	-0.2	2.0	1.5 to 2.5
	Other meats	1.7	4.5	2.4	1.8	2.3	0.0 to 1.0
	Poultry	2.3	7.5	2.0	-1.8	5.2	3.0 to 4.0▲
	Fish and seafood	2.0	2.3	3.0	4.7	4.6	3.0 to 4.0
	Eggs	0.9	6.2	-13.7	4.9	29.2	10.0 to 11.0
	Dairy products	6.4	7.3	1.2	-0.6	7.4	5.0 to 6.0
	Fats and oils	1.5	6.6	-0.1	0.2	2.9	11.5 to 12.5▲
	Fruits and vegetables	8.4	3.0	3.7	4.8	3.8	3.5 to 4.5
	Fresh fruits and vegetables	6.0	3.5	3.9	5.3	3.9	3.0 to 4.0
	Fresh fruits	3.4	2.8	3.7	6.0	4.5	3.5 to 4.5
	Fresh vegetables	3.2	4.3	4.0	4.6	3.2	2.5 to 3.5
	Processed fruits and vegetables	1.8	1.3	3.3	2.9	3.6	6.0 to 7.0▲
	Sugar and sweets	2.0	0.7	1.2	3.8	3.1	4.5 to 5.5▲
	Cereals and bakery products	7.4	1.6	1.5	1.8	4.4	9.0 to 10.0▲
	Nonalcoholic beverages	6.7	0.4	2.9	2.0	4.1	4.5 to 5.5
	Other foods	9.9	0.5	1.6	1.4	1.8	3.0 to 4.0
Market basket of farm foods:							
Farm value		N.A.	11.7	-0.4	-3.1	18.3	N.A.
Farm to retail price spread		N.A.	1.7	5.2	0.4	0.9.	N.A.
Retail price		N.A.	4.2	3.9	-0.3	4.5.	N.A.

¹BLS estimated expenditure shares, December 2007.

²Forecasts updated by the 25th of each month.

N.A. = Not Available.

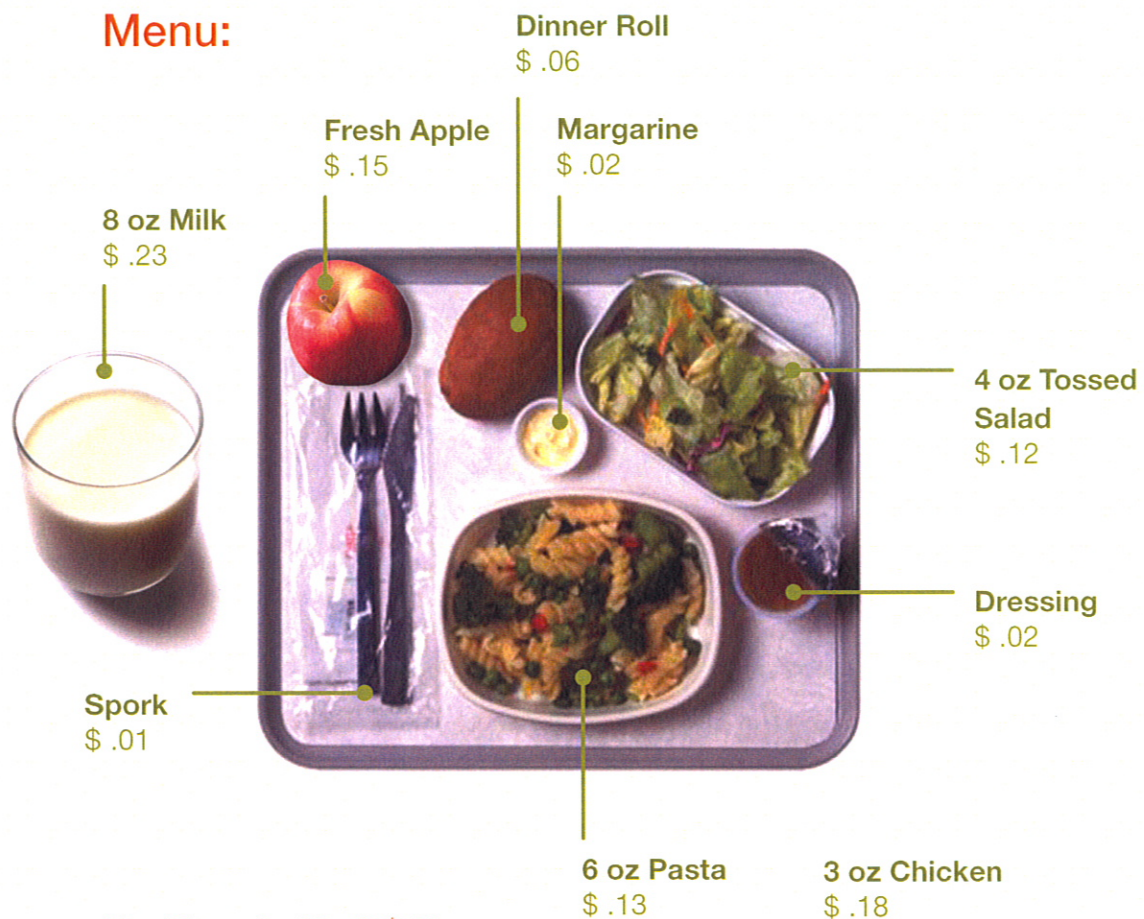
Sources: Historical data from Bureau of Labor Statistics; forecasts by Economic Research Service.

Notes: Bolded entries reflect changes from the previous month's forecast. Red arrows indicate an increase; green arrows indicate a decrease in the forecast from the previous month's forecast.

Because a full assessment of crop damage was not available at the time of this forecast, this update does not explicitly account for potentially higher corn and soybean prices due to crop damage from recent flooding in the Midwest. Estimates of the impact of potential supply disruptions on food prices will be included in this data series once an assessment of the flood losses becomes available.

What Does This Meal Cost?

Menu:



Some meals cost more and some cost less but the point of this slide is that there are no magic places for any vendor to go for “cheap” food in this economy.

Prices are what they are...

Jackson Options

Food and Commissary
Proposed Services
2008 – 2012



CANTEEN 
SERVICES

Partnership History

- Canteen and Jackson County became partners in commissary services December 13, 1993 beginning services at a 15% commission rate and increasing to 20% in 2003.
- Since that time, we have expanded our partnership to include food service at both Wesley and Chanter facilities beginning in October 2003. At the time of the agreement, meal prices were:

\$1.34-\$1.45

- With the addition of Chanter Road, per meal pricing dropped to:
\$1.04 - \$1.10 with Canteen assuming payroll responsibility for positions as Jackson union employees transferred out.

Average meal cost is \$ 1.08

- We have had a good partnership and together have weathered many challenges from all sides that we believe have helped strengthen the Jackson/Canteen relationship. Our hopes are that Jackson believes the same.

Canteen Suggests

Commissary:

- Increase pricing per inflation.
- Increase commissions to 30% as a result of increased pricing to inmates
- Sales for the past 12 months in commissary: \$258,329
- Commissions for the past 12 months in commissary: \$47,968
- Increase to 30% would yield \$71,952
- Install 2 kiosks at Jackson County to decrease officer time spent on inmate deposits.
- Kiosk offer also includes web and phone based deposits.



Canteen Suggests Food Options

Canteen has not put through a price increase with the exception of when staffing has changed since beginning our services. Based on CPI for the past 5 years, increases would have taken the original per meal cost to: \$1.22*

Canteen's decision to maintain pricing has saved Jackson \$139,000 since 2004.

Product cost increases have brought us to offer the following options for your consideration:



* Based on information obtained at <http://www.ers.usda.gov/briefing/CPIFoodAndExpenditures/Data/cpiforecasts.htm>

Food Options for Jackson County

Option 1:

- Daily cold bag breakfast both facilities (Officers serve)
- Hot lunch and dinner
- Reconstituted Milk/Replacement
- Purchase of steamer to increase quality and production
- Prices remain status quo:

- Total Meals @ 0-349 per meal	\$1.10
- Total Meals @ 350-399 per meal	\$1.08
- Total Meals @ 400-499 per meal	\$1.04
- Snacks	\$1.00

Option 2:

- Daily cold bag breakfast both facilities (Officers serve)
- Hot lunch and dinner
- Fluid Milk
- Purchase of steamer to increase quality and production

- Total Meals @ 0-349 per meal	\$1.14
- Total Meals @ 350-399 per meal	\$1.12
- Total Meals @ 400-499 per meal	\$1.08
- Snacks	\$1.00

Option 3:

- Breakfast as at present both facilities with Canteen staff on-site to serve
- Hot lunch & dinner
- Fluid milk
- Purchase of steamer to increase quality and production

- Total Meals @ 0-349 per meal	\$ 1.18
- Total Meals @ 350-399 per meal	\$ 1.16
- Total Meals @ 400-499 per meal	\$ 1.12
- Snacks	\$ 1.00

Note: With any option, Canteen pricing would remain the same with or without any Jackson County foodservice workers.

InTouch

Canteen Services proposes InTouchVoice Mail messaging for inmates at Jackson County Jail.

Canteen offers this service at no charge to Jackson County.

Monthly subscription of \$15 includes all family and friends at one low cost.

After first year, Jackson County would receive \$1 per subscription sold to family members for inmates.

This service could be offered to attorneys to decrease traffic within the jail and increase public safety.



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Jackson County and Canteen Services

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March 24, 2008

RE: Allegan County Jail & Canteen Services Partnership

The Allegan County Jail has partnered with Canteen Services since March 1, 2000 and has maintained that partnership with contract renewals every three/five years. Within this partnership, Allegan County contracts for the inmate food service and the inmate commissary services.

Allegan County has a Canteen on-site supervisor who is very knowledgeable about the food service industry and has worked diligently to maintain an appealing menu for the inmates, while still keeping the cost within contract pricing. Over the past eight years, Canteen has kept the county informed of unusual circumstances in food items that rise in price due to crop failure etc, and has worked with the county to obtain equally nutritionally-valued substitute items until there is a price stabilization. There has never been an instance of food/calorie reduction even while being the inmate commissary provider. When a price increase becomes necessary, Canteen provides the county with several alternative options to maintain a reasonable price increase. Canteen provides a menu review quarterly to the jail administration and has the entire menu reviewed by a dietician annually.

Canteen runs a very well organized business and maintains professional, knowledgeable staff that work alongside inmate workers and provide opportunities to the inmates with incentives to learn valued skills so that they can obtain viable employment once they are returned back into their communities. The kitchen is kept immaculate and has passed the many inspections at 100%.

Canteen also has an outstanding customer service staff that has worked above and beyond in offering and integrating new ideas, programs and services that reduce the amount of time that employees of the Sheriff's Office have to spend on food and commissary related issues. They maintain the current practices with as few problems as possible and with minimal time in addressing and resolving any issues as that may arise.

I am available to answer any questions and will gladly offer a site visit to the Allegan County Jail upon request.

Respectfully,

Deborah K. Marculis

Lt. Deborah K. Marculis, Jail Administrator

Allegan County Sheriff's Office

112 Walnut Street, Allegan, MI 49010

269.673.0458

dmarculis@allegancounty.org



CORRECTIONAL COMPLEX

Michael K. Books, Sheriff

March 17, 2008

To Whom It May Concern:

The Elkhart County Sheriff's Corrections Complex has contracted with Canteen Services, Inc. to provide food service coordination and facilitate the laundry services for inmate clothing. With inmate population at approximately 700 to date, these tasks are daunting and thankless. Yet, the on-site Canteen Services employees and the oversight management team has been exemplary in being responsive, effectively accomplishing the tasks and meshing with the Elkhart County Corrections Management to become a partner in corrections.

We have asked Canteen Services to develop and bring in work from the outside to help offset operational costs and to provide low cost solutions to food and laundry services to interested entities both in and out of the criminal justice system. If you have the desire to partner with a first class team, I highly recommend Canteen Services, Inc.

Sincerely,

Captain Brad Rogers
Corrections Commander

BR:vl





TYLER RAMSEY
UNDERSHERIFF

HURON COUNTY

OFFICE OF THE SHERIFF

120 SOUTH HEISTERMAN ST. • BAD AXE, MICHIGAN 48413-1399
TELEPHONE 989/269-9910 • FAX 989/269-9811

KENT D. TIBBITS, SHERIFF

LT. ARLIN HERFORD
JAIL ADMINISTRATOR

LT. DAVE DROSSOS
ROAD PATROL SUPERVISOR

3-18-08

To Whom It May Concern:

Canteen Food Services has been with us for approximately four years. They have been excellent to work with and have saved the taxes payers considerable tax dollars. I have eaten their food and haven't had a bad meal yet. Cindy Burns has been great to work with and has always been there to help with advice or any other problems that would arise. Patti Baadle our District Supervisor has also been a great help. She stays in touch with me and also is great on solving problems and helping in any way she can. Dorothy Cole our Correction Food Service Manager, the person we see almost every day is also great to work with. Dorothy does a great job in saving money for Canteen and Huron County. She is always looking for ways to save without harming the quality of the meals.

All in all I am pleased that we choose Canteen Services and would recommend them to any one.

Thanks for the opportunity to write this letter.

Lt. Arlin Herford
Jail Administrator



MECOSTA COUNTY SHERIFF'S OFFICE

**JOHN W. SONNTAG, SHERIFF • ROGER D. HARRISON, UNDERSHERIFF
KEVIN WOOD, JAIL ADMINISTRATOR**

225 S. STEWART ST., BIG RAPIDS, MI 49307
TELEPHONE: 231/592-0150 • FAX 231/796-5577

Date: March 11, 2008

Cindy Burns
VP Correctional Services
Canteen Services, Inc.

Cindy,

I would like to take this opportunity to say thank you, for the services that Canteen Services, Inc. provides to our facility. As an administrator I can tell you that I have experienced the difficult and frustrating tasks of running a proper food operation within a jail while keeping other jail operations running. Since the 1st day you took over the food operations in this facility a huge weight was lifted from our shoulders. Personnel and staffing issues, inventory and quality of food, dietary issues, Federal and State statutes; these are just a few of the long list of issues that I no longer have to deal with. In the 8 years that you have provided food services for our jail we have received 100% compliance from state and local inspections and I am proud to say that our food operations ran by Canteen Services, Inc. could pass any inspection that anyone throws at us on a daily basis.

I have always been able to rely on Canteen Services to make sure that the food operations within our facility is being ran properly on a daily basis. As a Jail Administrator I can honestly say that you have given me "piece of mind" and for that I sincerely Thank You.

Sincerely,

Captain Kevin Wood
Jail Administrator
Mecosta County Sheriff's Office



MONTCALM COUNTY

OFFICE OF THE SHERIFF

SHERIFF WILLIAM J. BARNWELL • UNDERSHERIFF WILLIAM O. BURDEN
659 N. State • Stanton, Michigan 48888 • (989) 831-7590 Fax (989) 831-7420

March 12, 2008

To Whom It May Concern,

I would like to take this opportunity to speak about the services provided by Canteen Services to the Montcalm County Jail.

We began contracting for our Correctional Food Service with Canteen in the year 2000. Since that date we have been very pleased with all their services. The service they provide is excellent, the knowledge of their staff is very good and food service has been problem free since they began.

Kitchen inspections are excellent and the cleanliness of the kitchen is fantastic. There are approximately 537 to 550 meals per day served through this facility and yet at the end of each day the kitchen will pass inspection by the most thorough inspector. They supervise a crew of 5 to 6 inmate workers each day and make the job of working in the kitchen a very positive and rewarding experience.

The quality of the food is excellent, with a large portion of the jail staff dining from the kitchen on most days.

The Canteen staff is courteous and helpful, dealing with requests on short notice with no complaints.

I would recommend Canteen for Correctional food service to anyone with no reserve. If you have questions please feel free to contact me at 989-831-7439.

Sincerely,

Mark Sabin
Jail Administrator
Montcalm County Jail



MICHIGAN SHERIFFS' ASSOCIATION

EDUCATIONAL SERVICES, INC.

515 NORTH CAPITOL AVENUE • LANSING, MICHIGAN 48933-1241

TELEPHONE 517 / 485-3135 • FAX 517 / 485-1013

www.michigansheriff.com

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Isabella County

Terrence L. Jungel
Executive Director

Thomas N. Edmonds
Of Counsel

March 4, 2008

Ms. Cindy Burns
Canteen Services
P. O. Box 160
353 South Michigan Ave
Coldwater, MI 49036

Dear Ms. Burns:

The kindness and dedication shown by you and the others associated with Canteen Services and your partners in New Orleans was nothing short of wonderful.

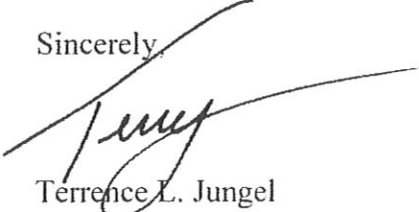
The days were long and the nights were short, but thanks to you and your team, we were well taken care of.

As always, you were there when we needed you!

Please accept my heartfelt thanks for taking the time out of your busy schedule to fly down personally and assist us. Also, please pass on my sincere appreciation to the rest of your team for their support.

We make a great team!

Sincerely,


Terrence L. Jungel
Executive Director
Michigan Sheriffs' Association

TLJ:ad

you are the best!



MICHIGAN SHERIFFS' ASSOCIATION

EDUCATIONAL SERVICES, INC.

515 NORTH CAPITOL AVENUE • LANSING, MICHIGAN 48933-1241

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Terrence L. Jungel
Executive Director

Thomas N. Edmonds
Of Counsel

February 8, 2008

Ms. Cindy Burns
Vice President, Correctional Services
Canteen Services
353 South Michigan Avenue
Coldwater, Michigan 49036

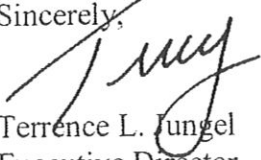
Dear Ms. Burns:

On behalf of the Michigan Sheriffs' Association I wanted to take this opportunity to tell you how much everyone appreciated the treats you delivered to our Winter Meeting at the Amway Grand and our MISSION training at the Ingham County Sheriff's Office.

Your staff should be commended for their dedication and attention to detail. The brownies and cookies were incredible and the deliveries were timed perfectly. My thanks go out to Viola Braxmaier for putting together goodie bags to the Amway Grand. The Sheriffs loved them! I also want to thank Patty Beadle for getting up very early to deliver cookies and pop to the Ingham County Sheriff's Office.

Thank you for everything you do!

Sincerely,


Terrence L. Jungel
Executive Director

We are a team!

TLJ:jsz



OSCEOLA COUNTY SHERIFF DEPARTMENT

325 WEST UPTON AVENUE • REED CITY, MICHIGAN 49677

Corrections Department Lt. Russ Wayne Jail Administrator
231-832-2288 ext. 3107

March 6, 2008

To Whom It May Concern:

The Osceola County Sheriff's Office / Jail has been using Canteen Service as the inmate food provider for several years. We believe it is one of the best discussions we have made considering the inmate food program. At this time we would not have any other food provider in this facility due to the treatment we receive from Canteen Services. We feel that with the staff that they provide is one of the best kitchen staffs we have ever had. They seem to really care about the food that they are serving to our inmates. They also care about the way they keep the kitchen facility so clean. I think that the screening process that they use for new staff members should be used by everyone.

The care that they use in the way they get staff and the way they treat them begins at the top with Fred Tiggelman. Fred Tiggelman has built himself a dream team, with Cindy Burns, Patty Beadle, and Stacy Shillington, right down to our manger Cheryl Heath and her staff. Everyone that I have ever met within the Canteen has treated us at this facility with nothing less than excellence. That is why when we were looking to replace our in house commissary program for inmates that I only wanted to look at Canteen Services. We had a personal touch with our in house program and I knew that the caring, personal touch that they provide in the food service would be the same with their inmate commissary, and I was correct.

The Osceola County Sheriff's Office / Jail has used the Canteen inmate food services for almost eight years and their commissary program just over 4 years. If you would like to contact me about Canteen Services please do not hesitate.

Lt. Russ Wayne
Osceola County
Jail Administrator.

MARK A. FEYEN
CHIEF PROBATE JUDGE — FAMILY DIVISION

JON A. VAN ALLSBURG
CIRCUIT JUDGE — FAMILY DIVISION

STATE OF MICHIGAN



PATRICIA M. VERDUIN
JUVENILE SERVICES DIRECTOR

TWENTIETH JUDICIAL CIRCUIT COURT
OTTAWA COUNTY FAMILY DIVISION

March 7, 2008

To Whom It May Concern:

Our food service provider since 1994 has been Canteen Service Company. I have coordinated services with them for the past 14 years.

I have found Canteen to be responsive, helpful and concerned with the quality and quantity of meals served to the residents in our detention facility. We participate in the Michigan Department of Education School Lunch Program, and they have partnered with us to insure compliance with the standards that are required.

Pam and her staff go out of their way to problem solve any areas of concern, and do a good job of serving meals that adolescents find appealing. They provide meals for many special events held in Detention throughout the year. I would recommend Canteen Service Company.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen A. Cleveland".

Kathleen A. Cleveland
Interim Superintendent

JUVENILE SERVICES
12120 FILLMORE STREET
WEST OLIVE, MI 49460
PHONE (616) 786-4100
FAX (616) 786-4154

TREATMENT SERVICES
12185 JAMES STREET, SUITE 170
HOLLAND, MI 49424
PHONE (616) 393-4450
FAX (616) 373-4471

DETENTION CENTER
12110 FILLMORE STREET
WEST OLIVE, MI 49460
PHONE (616) 786-4130
FAX (616) 786-4157

WEBSITE WWW.MIOTTAWA.ORG



County of Ottawa

Sheriff's Office

Gary A. Rosema
Sheriff

Gregory A. Steigenga
Undersheriff



Headquarters / Administration
12220 Fillmore Street
West Olive, Michigan 49460
(616) 738-4000 or (888) 731-1001
Fax: (616) 738-4062

Correctional Facility
12130 Fillmore Street
West Olive, Michigan 49460
(616) 786-4140 or (888) 731-1001
Fax: (616) 738-4099

March 7, 2008

To Whom It May Concern:

For the past several years, our department has had the opportunity to establish a relationship with the Canteen Corporation. Prior to partnering with Canteen, we had experienced many of the difficulties associated with a growing jail population, as well as all of the other challenges associated with an expanding department. When the decision was ultimately made to seek out a private firm that could offer what we needed, we looked to Canteen.

Since partnering with Canteen for jail meals and many other related services that they provide, the efficiency within our correctional system has improved immensely. We have developed a relationship with the Canteen Corporation that has proven to be very valuable in terms of cost containment, efficiency of service, and over all quality of product.

We look forward to continued success in working with Canteen to achieve our goals and objectives in the area of jail services.

Sincerely,

Gregory A. Steigenga
Undersheriff

MEMORANDUM

TO: WHOM IT MAY CONCERN
FROM: LT. STEVEN R. BAAR, OTTAWA COUNTY JAIL ADMINISTRATOR *SRB*
SUBJECT: LETTER OF RECOMMENDATION
DATE: 3/13/2008
CC:

Ottawa County has been affiliated with Canteen Services for the past 15 years for food service. As we developed a successful business relationship, we expanded our contract to include the Inmate Commissary Program.

Canteen has been the choice of Ottawa County over the past 15 years due in part to their commitment to provide us with a quality food service program, and their ability to keep their pricing in line with contract expectations.

We have been fortunate to have had the same Canteen manager for the past 13 years. This to me is an indication that Canteen is a company that is respected by its employees as well.

We have been pleased with Canteen Services and the professional standards they follow to insure this account is managed well.

Please feel free to call me at 616.738.4090 if you have any questions.

**SAGINAW COUNTY
SHERIFF'S OFFICE**

618 CASS STREET
SAGINAW, MICHIGAN 48602
(989) 790-5456
FAX (989) 790-5429



**SHERIFF
CHARLES L. BROWN**

ARNOLD J. BURNS
Undersheriff
RANDY L. JEROME
Captain
WILBUR YANCER
Lieutenant - LE
WILLIAM H. GUTZWILLER
Lieutenant - Jail

03/06/2008

Letter of Reference.

To Whom It May Concern:

This is a letter of reference and support for Canteen Services

I have personally worked with Canteen Services as the Jail Administrator for the Saginaw County Sheriff's Office for just over 7 years. I have known Cindy Burns for almost 20 years while employed at the Saginaw County Sheriff's Office

I can honestly tell you that Canteen Services has been with our Sheriff's Office for approximately 18 years as our inmate food provider and I cannot express to you enough the integrity, honesty and dedication that Canteen Services and Cindy Burns brings to the table to assist us in running our jail.

It is not just Cindy that represents Canteen Services and the service they provide but also the managers who work with Cindy such as Patty Beadle, Robin Sherman and Stacy Shillington who make my job much easier knowing that they are taking care of the inmate food services within my jail.

I would highly recommend you consider Canteen Services for your food service provider you will not be sorry. Cindy Burns is Canteen Services and with Cindy you can expect the highest quality of service that is needed and expected by us as administrators of our agencies

Thank you for your time.

Lt. William Gutzwiller
Jail Administrator
Saginaw County Sheriff's Office
618 Cass Street
Saginaw, MI 48602
989-790-5409



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Tuscola County Sheriff's Department

420 Court Street • Caro, MI 48723

Thomas Kern, Sheriff
James Jashinske, Undersheriff

Phone (989) 673-8161
Fax (989) 673-8164

03/10/2008

Ms. Cindy Burns
Vice President
Canteen Services
5695 West River Drive, N E.
Belmont, Michigan 49306

Ms. Burns,

Sheriff Kern has asked that I write a letter of recommendation on behalf of your company and the food service you provide to the Tuscola County Jail and I am more than happy to do so. We have employed Canteen Services to provide for our jail needs since July 15, 2006.

Since that time your company has delivered a quality product that meets the required standards set by the Michigan Department of Corrections. Your entire staff has been a pleasure to work with and the policies you developed for us regarding special diets, allergy problems and other specific needs has been instrumental in reducing the number of inmate complaints and medical emergencies related to food service problems.

Please feel free to have anyone contact me at any time if they have any questions I can answer regarding your company and the service your provide our facility.

Sincerely,

Lt. Leland Teschendorf # 7
Jail Administrator
Tuscola County Sheriff's Office
420 Court Street
Caro, Mich. 48723



**ST. JOSEPH COUNTY
SHERIFF'S DEPARTMENT**

MATTHEW J. LORI
Sheriff

P.O. Box 339
Centreville, MI 49032-0339
Telephone (616) 467-9045
Fax (616) 467-4009 Booking
Fax (616) 467-6201 Administration

Dennis J. Allen, Undersheriff
Jim Barnes, Captain
Mark Books, Lieutenant

November 19, 2002

Subject: Canteen Food Services and Canteen Commissary Services

To Whom It May Concern:

I would like to take a minute and write this letter of recommendation for the use of Canteen Services. Our facility is located in the southwestern portion of the State of Michigan. On a daily basis we house one hundred and sixty five inmates. As the Jail Administrator the burden of watching over the inmate kitchen facility along with the operation of the inmate commissary services is part of my responsibility. Our facility had previously handled the commissary vending in house, which proved to be a time consuming ordeal. With the ordering of the stock, the inventory control issues, and the associated record keeping it proved to be too much work for the staff members to keep up with. Our facility went with a commissary vending service in approximately 1995. That company did a fair job in the beginning, but as time went by the attention that was received by the vendor to the customer trailed off. Soon vendor and customer relations were strained and that vending service was released from service. At that point Canteen Services was contacted and we began a relationship with the Tiggleman family. The commissary account was quickly converted, and all was up and running very quickly. There were no problems and the staff from the Canteen "Family" was always very easy to deal with. They went out of their way to handle problems and see to the customer needs at our facility. Seeing how the Tiggleman family handled business our facility ventured into a contract to take over and provide the food services for the inmates at the facility. This was done in January of 2001. Like before, our County provided the services using our own food service employees. Canteen worked closely with us once again. They took our current food service manager into their organization as the manager at our facility. They began training this person to their standards immediately. Once again any worries our organization had about control and food quantity or quality were put to rest. Working with the staff of the Canteen Food Services was just

as satisfying as working with the people involved in the Commissary Services. We learned something new from Canteen as they learned some new things from our past way of working the kitchen area. The partnership has continued to grow and the customer service is still the same as the first day of business. The Tiggleman family has provided us an outstanding service with the relationship between their business and us. Daily task in the kitchen such as temperature recordings, ordering, cleaning, diet control and recording have all been improved upon from our old system.

If Canteen Services provides other clients with the same care and concern that they have extended to our organization, then I can't see how anyone would be dissatisfied with the Canteen Corporation.

Respectfully,

Mark Books

Mark Books
Lieutenant / Jail Administrator
St. Joseph County Sheriff's Office



OFFICE OF THE SHERIFF

Michael E. Brooks, Sheriff

March 17, 2004

RE: Recommendation For Canteen Services

Dear Sir or Madam:

The Elkhart County Sheriff's Department has had nothing but fine dealings with Canteen Services at our minimum security Work Release Center and at our jail facility. When hired late last year to take over the food service at our jail, Canteen Services was able to meet all deadlines and make the transition as smooth as possible. Not only is the on site staff excellent to work with, the company offers excellent support service that is available any time to handle problems or concerns we may have. I can say that we are very pleased with Canteen Services and I would be happy to answer any questions you might have about our relationship with Canteen Services.

Sincerely,

Julie Dijkstra
Chief Deputy



MONTCALM COUNTY

OFFICE OF THE SHERIFF

SHERIFF WILLIAM J. BARNWELL • UNDERSHERIFF WILLIAM O. BURDEN
659 N State • Stanton, Michigan 48888 • (989) 831-7590 Fax (989) 831-7420

May 11, 2004

Canteen Services
Correctional Food Services Division
5695 West River Drive
P.O. Box 390
Belmont, MI 49306

Dear Sirs or Madam,

I would like to take this opportunity to explain why the Montcalm County Jail Food Services Employees should be the Operation of the Year for your company. Our supervisor, Dawn Kelly strives each and every day to better the operation of Canteen Services in our facility both for your operation and our operation as well. Dawn came to us about 4 months ago and explained a plan to help with meal costs for us, as well as keep costs down for you. I must admit, I was very skeptical about serving cold sack breakfast each day. However Dawn and the kitchen staff have made the transition pleasant and effortless for the correctional staff.

Dawn and her staff, prepare nutritional and good tasting food on a budget for both inmates and staff. She keeps the menu of express meals for staff interesting and changes selections so eating at the jail doesn't become a chore.

I guess the best representation of what a good job the food services staff does is that most inmates have to have larger jeans when leaving the jail after a stay. No one can say more than that.

Please consider these girls for operation of the year as I can not believe anyone is more deserving.

Sincerely,

L. M. Sabin
Jail Administrator
Montcalm County Jail



MECOSTA COUNTY SHERIFF'S OFFICE

JOHN W. SONNTAG, SHERIFF • ROGER D. HARRISON, UNDERSHERIFF
RICHARD KALIDAS, JAIL ADMINISTRATOR
225 S. STEWART ST., BIG RAPIDS, MI 49307
TELEPHONE: 231/592-1150 • FAX: 231/790-5577

Date: May 18, 2004

To: Canteen Services

From: Capt. R. Kaledas, CIM

RE: Operation of the year recommendation

To Whom It May Concern:

I would like to take this opportunity to recommend the Mecosta County Jail Food Service Operation as deserving of the "Operation Of The Year" award. Without question, I believe that our food service operation is second to none, and this is made possible due to the efforts of our food service manager, Dar Gardner.

Our food service operation been continually recognized for its high standards of operation, both by Canteen Services inspections and external inspections. Food Service has received full compliance marks on recent Michigan Department of Corrections inspections, and continues to receive outstanding marks during required Canteen inspections.

Aside from the formal inspections, I am clearly proud of the "unofficial" recognition received from others, both inside of the Sheriff's Office and also those outside. On more than one occasion, potential Canteen clients have observed our food service operations and were very impressed. At one point, I was required to inform one of the visitors that Dar was staying in our facility, and would not be leaving as he attempted to "take" Dar away he was so impressed. In addition, Dar has created much "good will" within our agency as well as our local government by conducting our food service in such a professional manner. I am sure that anyone within the Sheriff's Office, or even members of the Mecosta County Board of Commissioners, would speak very highly of our operation.

Lastly, I am known for my high standards of operations within the Mecosta County Jail. Without question, Dar has been able to meet these high standards within the food service operation. I have had the opportunity to tour jails throughout the state and country, and I still remain proud of the high qualitative level of our food service operation.

You are fortunate to have someone as dedicated and professional as Dar with your organization, and this reflects in our food service operation. I believe that our operation deserves "Operation Of The Year", and would welcome the opportunity to discuss this personally if requested.

NEWAYGO COUNTY SHERIFF'S OFFICE

Michael S. Mercer, Sheriff • David Babcock, Undersheriff

P.O. Box 845 • 1135 James • White Cloud, MI 49349 • (231) 689-6623 • FAX (231) 689-7271

Canteen

5695 W. River Dr

PO Box 390

Belmont MI 49306

We, at the Newaygo County Sheriff's Department, would sincerely like to thank you for your assistance on our River Sting Operation. Your support was instrumental in the success of our operation. We were able to administer 30 arrests with the help of people like you, who were so willing to give their time and effort to help clean up the Muskegon River.

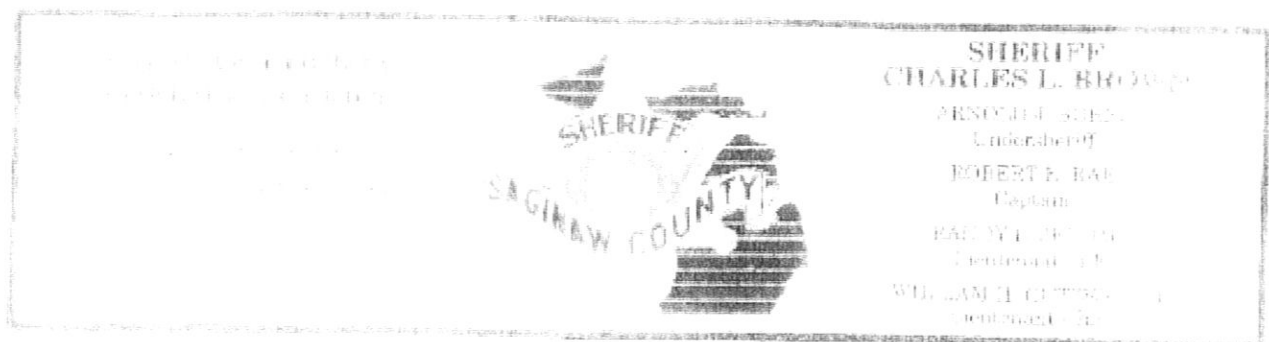
You jumped at the opportunity to help us with whatever we needed. The use of your boat was greatly appreciated.

For that we Thank You,

Marine Division

MISSION STATEMENT

To maintain a working relationship with the community to prevent criminal activity through education, vigilance and enforcement of state laws. Keep a kid safe, NO to drugs!



October 24, 2003

Ms. Cindy Burns
Canteen Services
5695 W. River Dr. N.E.
Belmont, Michigan 49306

Dear Cindy:

Words can not express our appreciation for what you, Patty, and Robin do for the Saginaw County Sheriff Department. The partnership and trust developed between Canteen and this department is extremely rewarding.

Once again when we needed your assistance with the support picnic, you were all there. Thanks again, for being part of our family. I hope we continue to work together for years to come.

Sincerely,

Charles L. Brown, Jr.

Charles L. Brown
Saginaw County Sheriff

CLB/jm



Saginaw County Sheriff's Office
1000 West Capitol Building
Saginaw, Michigan 48602

Sincerely, Roger Place, Jr.

415 HANS STREET
SALISBURY, MIDDLESEX, ENGLAND
T0800 700 5444
FAX 0800 700 5444



WILLIAM H. GUTZWILLER
Lieutenant - Jnd



County of Ottawa

Sheriff's Office

Gary A. Benson
Sheriff
Dale Vredevel
Undersheriff



Headquarters - Administration
12240 Holmes Ave.
Livonia, Michigan 48150
Phone: 734-430-1000 ext. 1100
Fax: 734-430-1002

Correctional Facility
12100 Holmes Ave.
Livonia, Michigan 48150
Phone: 734-430-1000 ext. 1000
Fax: 734-430-1001

February 2, 2004

Ms. Cindy Burns, Director
Specialty Markets
Canteen Services
8695 West River Drive, NE
Belmont, MI 49306

Dear Cindy

I just wanted to take the opportunity to thank you and your staff on behalf of our entire organization. What a "Class Act" Canteen Services provided for Dale's retirement.

Dale and I have worked together for 28 years and the last 11 years have been through thick and thin, ups and downs, good days, bad days, and great days. All have been great experiences. When Dale announced his retirement he didn't want a big thing, just something personal. Well you and your staff added a significant personal touch to Friday's event.

The food and professional presence of Canteen was greatly appreciated by Dale, his family and our staff as it allowed us to do what we like to do, mingle and tell old cop stories.

If you would, please share my appreciation to Pam, Jeff, and everyone from Canteen who played a role in making Dale's retirement get together a real success.

Friday's production was clearly just another example why your organization is a success. Partnerships like ours with canteen allow us to do what we do best and Canteen to do what they do best.

Thanks again and I look forward to our continued partnership.

Sincerely,

Gary A. Benson
Sheriff

Thursday, October 19, 2000

Page 7

Service Provider Of The Year



Pictured Patty Beadle, Sheriff Jeff Goyt and Cindy Burns, Canteen Supervisor.

Patty Beadle is chosen Canteen Services "Customer Service Provider of the Year". Ms. Beadle is enjoying an all expense paid vacation in Vegas as her reward for her hard work and dedication. Clare County contracts with Canteen to provide food service and inmate commissary supplies. Patty Beadle was hired by Canteen Services to run the program in Clare County Jail. The contract with Canteen has helped reduce the

cost of inmate meals, provide better salaries for food service employees and reduce county liability. Supervisor Burns says, "The Department of Corrections is now very happy with the Clare County Jail kitchen". Congratulations Patty Beadle on a job well done!



OSCEOLA COUNTY SHERIFF'S OFFICE

325 WEST UPTON AVENUE • REED CITY, MICHIGAN 49677

TEL: 231-832-2288 • FAX: 231-832-6173

JAMES A. CRAWFORD

SHERIFF

DAVID FOWLER

UNDERSHERIFF

Cindy Burns
Vice President of Correctional Services
Canteen Services
5695 West River Drive, N.E.
P.O. Box 390
Belmont, MI 49306

Cindy:

I just wanted to take this opportunity to thank you and your staff on behalf of the Osceola County Jail. I am so pleased to be working with Canteen; the past year and half that your company has taken over the kitchen duties has been nothing but outstanding. As you know, this was a problem that we had before you took those duties over.

As I have told you in the past, the staff that your firm has employed has been excellent. I am not sure what kind of training you, Diane and Patty have had on screening potential employees, but whatever it is, it is great. The three staff that we have at this time have a sense of honesty, willingness to help others, professional, and a sense of loyalty to their positions.

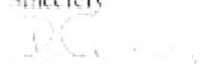
Tricia, the kitchen manager, has taken control of a facility that needed some work and turned it around into a smooth operation. I am able to go into the kitchen and get any question answered anytime that it is needed.

The staff's professionalism that I have encountered over the past year and half played a major part in the decision that I had to make regarding the commissary program. I sure that this operation will run as smooth as the kitchen operation after it begins.

With staff like Daisy, Terry, Tricia, Diane, Patty, and yourself in control of these operations, the president of Canteen Services should be very proud.

At this time I would recommend Canteen Food Services to any County Jail and am looking forward to the Commissary Services. Please share this letter with anyone that you wish, but be sure to share it with the Tiggleman Family, they should be very proud of you and the staff that work under you.

Sincerely,


Lt. Russ Wayne
Jail Administrator
Osceola County Jail



MECOSTA COUNTY SHERIFF'S OFFICE

JOHN W. SONNTAG, SHERIFF • ROGER D. HARRISON, UNDERSHERIFF
RICHARD KALIDAS, JAIL ADMINISTRATOR

1140 STEWART ST., HOSCHANG, MICHIGAN 48855
TELEPHONE (517) 552-2100 • FAX (517) 552-2107

Date: March 9, 2005

To: Custodial Services

From: Capt. R. Kalidas, CNY

OK

Re: Whom I. Mowbray

Our food service operation been continually recognized for its high standards of operation, both by internal and external inspections. Food Service has received full compliance marks on recent Michigan Department of Corrections inspections.

Aside from the formal inspection, I am clearly proud of the "quantitative" recognition received from others, both inside of the Sheriff's Office and those outside. I am proud for the high standards of operation within the Mecosta County Jail and without question, our food service operation has been able to meet those high standards. I have had the opportunity to tour jails throughout the state and country, and I still remain proud of the high "qualitative" level of our food service operation.

I recognize that success is dependent on leadership and I am proud of the officers, our food service manager, Dan Gardner, and the district supervisor, Duane Blackburn, in achieving that success.



OFFICE OF THE CLARE COUNTY SHERIFF

255 West Main Street • Box 407 Harrison, Michigan 49855-0407

Julian K. Leford
Sheriff

To Whom It May Concern:

This letter is in reference to Canteen Food Service. When we were approached by a representative of Canteen to try their service, we had many questions.

Our main concern was - what will happen to our current cooks?

The representative told us they would hire our current cooks, the cooks would be Canteen employees not County employees. However if we had a problem with a cook, we were to let Canteen know immediately.

What will Canteen do for us that we don't already do?

1. Canteen is always looking to save money. We went from serving hot lunches to sack lunches. Inmates do not get seconds and employees pay for their lunch.
2. All trays, cups and plastic spoons are counted after each meal, the cook advises of any shortages and where the shortage was if not caught by a Corrections Officer first.
3. All Special diets are submitted to the cooks on a daily basis or as prescribed by a physician.
4. Canteen inspects the kitchen on a quarterly basis to insure it will be ready for Department of Corrections inspection on a moments notice.
5. If you have Commissary that is hand-keyed in by a corrections officer, the Canteen Cook will do that. Now you have a Corrections officer back on the floor.
6. You do not have to worry if the cook calls in sick, Canteen makes sure that a cook is here to prepare meals.

Canteen's Vice-president of Specialty Markets calls occasionally and sometimes stops by in the course of a year to inquire how everything is going. The District Managers stops by at least once a week.

I highly recommend using Canteen Food Service. If you have any questions please feel free to contact me.

Sincerely,

Barney Ledford
Undersheriff, Clare County

TO PROTECT AND SERVE THE PEOPLE OF CLARE COUNTY

Clare County Sheriff's Office • 255 West Main Street • Harrison, Michigan 49855-0407
Tel: (907) 466-1111 • Fax: (907) 466-1112
Emergency: 911



OFFICE OF THE CLARE COUNTY SHERIFF

755 West Main Street • Box 407 Hattieson, Michigan 48725-0407

Officer K. Enoch
Adm. 407

March 3, 2005

To Whom It May Concern:

I am writing this letter to give you some idea of the advantages of Canteen Commissary. If you have Canteen employees working in your kitchen as we do at the Clare County Sheriff's Office, they will key in all the Commissary orders, make the phone call to download the order, advise you of any changes or corrections that need to be made if an error in the order occurs.

Canteen will periodically send a list of changes and/or additions of items available. Samples of new items will be sent to look at, it's up to you to decide if you would like to add one, a few or none of the items onto your order sheets.

If you presently have an officer keying in your orders this will put that officer back on the floor.

If you have any questions please feel free to contact me at (989) 539-7166.

Sincerely,

Lieutenant Jay Hoffman
Jail Administrator

TO PROTECT AND SERVE THE PEOPLE OF CLARE COUNTY

CLARE COUNTY

(989) 539-7166

CLARE

989-539-7166

Emergencies: 911



VIRG STRICKLER
SHERIFF

SANILAC COUNTY SHERIFF DEPARTMENT

65 N. Elk - Sandusky, MI 48471
Office: (810) 848-2000 • Emergency: 911

GREG FERRIBY
UNDERSHERIFF

To Whom It May Concern:
Reference: Letter of recommendation.
From: Undersheriff Greg Ferriby

March 21, 2005

Canteen Services provides meals for our correctional facility. They have provided this service since September 2004.

Prior to Canteen Services providing our meals, we contracted with a local restaurant. Canteen Services assisted us in starting up our own kitchen at the jail. They were extremely knowledgeable and helpful in our design and construction process. They were very flexible in working with us and making changes that we needed to make. Once the construction was finished, they provided us with all the proper equipment and staff to start cooking meals.

The service and product that we receive from Canteen Services, both at our facility and at the corporate level are outstanding. I would recommend Canteen Services for inmate meal preparation to any correctional facility.

If you have any questions, please contact me at 810-648-8355.



MONTCALM COUNTY

OFFICE OF THE SHERIFF

SHERIFF WILLIAM J. BARNWELL • UNDERSHERIFF WILLIAM D. BURDELL
639 N. State • Stanton, Michigan 48888 • (989) 831-7590 • O: (989) 831-7420

March 14, 2005

To Whom It May Concern,

Canteen Services has been responsible for food service at the Montcalm County Jail for 5 years and during that time has met the food service needs of the Montcalm County Jail professionally and cost effectively.

Canteen's staff is courteous and interacts with Correctional Staff and medical staff to meet the needs of special diets, special feeding schedules and any other needs we have.

I would recommend Canteen Services to anyone, and am sure that all their needs will be met by this company now and in the future.

Sincerely,

Mark Sabin
Jail Administrator
Montcalm County Jail

**CANTEEN SERVICES, INC.
CANTEEN CONNECT - CORRECTIONS**

Monday, June 23, 2008

CONTACT: Michael Henderson
NAME OF OPERATION: Jackson County Jail
ADDRESS: 212 W. Wesley
ADDRESS:
ADDRESS:
CSZ: Jackson, MI 49203
517-768-7900

District Supervisor: Cindy Burns
Manager: Ron Topping
Population: 344
Services Provided: Correctional-Commissary
OPERATION#: 2032

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score)

	<u>Score</u>
<u>COMMISSARY QUESTIONS:</u>	
1) Are the people friendly and courteous? Yes, very nice to work with	<u>4</u>
2) Does the appearance of commissary packaging/goods meet your objectives? Yes, very pleased	<u>5</u>
3) Do we service you in a timely manner? Yes, very prompt!	<u>5</u>
4) During your communications with the staff do you feel we are meeting your expectations for your variety? Yes, I do think that some items are priced too high i.e. portable radio for \$20.00-he thought was "a piece of junk and I took it off the list of items the inmate could purchase"	<u>4</u>
5) Are you satisfied with the quality of commissary products? Yes	<u>4</u>
6) Suggestions to improve quality or service? Concerned again that some items (i.e. XL T-shirt-price was very expensive-too high)	<u>4</u>
7) How is the quality of service you receive from our commissary operation? Very good	<u>5</u>
8) Are you experiencing attentive and responsive communications with our commissary management and personnel? Rarely speak to them	<u>4</u>
9) If you could change anything about our program, what would you change? Can't think of anything at this time	--
10) What would you rate our overall performance? 5	<u>5</u>
*What have we done for you lately that has really made a difference?"	

COMMENTS

Happy with our service, he says he has a very good relationship with Canteen and overall things are going well.

CANTEEN SERVICES, INC.

CANTEEN CONNECT - CORRECTIONS

May 1, 2007

CONTACT: Lieutenant Tanner
 NAME OF OPERATION: Jackson County Jail
 ADDRESS: 212 W. Wesley
 ADDRESS:
 ADDRESS:
 CSZ: Jackson, MI 49203
 (517) 768-7915

District Supervisor: Patty Beadle
 Manager: Carla Fleming
 Population: 229 county jail; 174 downtown
 Services Provided: Correctional Food Service
 OPERATION#: 4110

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score)

Score

FOOD SERVICE QUESTIONS:

- | | | |
|----|--|----|
| 1) | Does the appearance of our food and kitchen meet your objectives?
Very pleased with both | 5 |
| 2) | Are you satisfied with the quality of food offered by our food service facility?
No complaints other than don't serve meatloaf and peas without notifying me first | 5 |
| 3) | If not, what suggestions do you have to improve our food or service (or both)?
Nothing at this time | -- |
| 4) | Are you experiencing attentive and responsive communications with our food operation management personnel?
Very happy - very good communication | 5 |
| 5) | Do you currently have Office Coffee Service with Canteen? If not, would you be interested in receiving a call and/or information on our program?
If we need this, we would go through the kitchen | |
| 6) | Do you feel you and Canteen have good communications?
Very good | 5 |
| 7) | If you could change any one thing about doing business with us, what would you change?
Nothing, very happy with Canteen | |
| 8) | What would you rate our overall performance?
5 | 5 |

COMMISSARY QUESTIONS:

- | | | |
|-----|---|----|
| 1) | Are the people friendly and courteous?
Very nice to work with | 5 |
| 2) | Does the appearance of commissary packaging/goods meet your objectives?
Yes | 5 |
| 3) | Do we service you in a timely manner?
Service is very good | 5 |
| 4) | During your communications with the staff do you feel we are meeting your expectations for your variety?
Yes | 5 |
| 5) | Are you satisfied with the quality of commissary products?
Yes, no complaints | 5 |
| 6) | Suggestions to improve quality or service?
Nothing right now | -- |
| 7) | How is the quality of service you receive from our commissary operation?
Very good | 5 |
| 8) | Are you experiencing attentive and responsive communications with our commissary management and personnel?
Yes | 5 |
| 9) | If you could change anything about our program, what would you change?
Can't think of anything | 5 |
| 10) | What would you rate our overall performance?
5 | 5 |

COMMENTS

Lt. Tanner is very happy with Canteen and all that we do for them. No problems at all!

April 10, 2007

RESPONSES FROM SGT. HALSEY

To: Sargeant Brett Halsey From: Debbie Dine
 Jackson County Jail Canteen Services, Inc.

CANTEEN CONNECT COMMISSARY QUESTIONS:

Please rate Canteen using a scale of 1 * 5 with 5 being the highest, 1 the lowest.

- 1) Are the people friendly and courteous? 5
- 2) Does the appearance of commissary packaging/goods meet your objectives? 5
- 3) Do we service you in a timely manner? 5
- 4) During your communications with the staff do you feel we are meeting your expectations for your variety? 5
- 5) Are you satisfied with the quality of commissary products? 5
- 6) Suggestions to improve quality or service? You do a great job treating the customer. I have no complaints with the service you provide. 5
- 7) How is the quality of service you receive from our commissary operation? 5
- 8) Are you experiencing attentive and responsive communications with our commissary management and personnel? Any time I have made contact with Canteen they have always been more than attentive.
- 9) If you could change anything about our program, what would you change? The ability for our inmates to order items when their account is already in the negative. I think this has been addressed on numerous occasions. It goes away and then comes back every so often.
- 10) What would you rate our overall performance? 5 - Pleasure doing business with a company that puts the customer 1st.

*What have we done for you lately that has really made a difference?"

COMMENTS You started providing Indigent kits to us at no charge and if we've needed extras sent to us you have always been accommodating. Thanks for the service.

Jackson County Jail Notes on survey from November 30, 2006:

Sargeant Brett Halsey, second shift contact for commissary.

Sorry for the delay!

Attached are the responses to the questions you asked in your survey. I would say the single biggest problem we run into is we don't receive all the items each store day. It seems we have a few inmates each store day that are missing items from their store order. Dealing with an inmate population that seems to think their problems are the most important can make this a headache for the officers involved. With that said, the response by Canteen to send the items the next store date has been acceptable.

If you have any further questions please feel free to contact me!

Sgt. Brett Halsey
Jackson County Jail
Chanter Rd Facility
517-768-1606
bhalsey@co.jackson.mi.us

Canteen Survey

1. Are the people friendly and courteous? 5 – I have never had a negative experience with anyone working for Canteen Services.
2. Does the appearance of commissary packaging/goods meet your objectives? 5
3. Do we service you in a timely manner? 5 – There have been times when we have been delinquent in transmitting the orders to Canteen yet we have always received our orders on time.
4. During your communications with the staff, do you feel we are meeting your expectations for variety? 5
5. Are you satisfied with the quality of the commissary products? 5 – Considering we are dealing with an inmate population I think the quality of items is excellent.
6. Do you have any suggestions to improve quality of service? 4 – We have items missing almost each store date which we have to send information back to Canteen to receive the next store date.
7. How is the quality of service you receive from our commissary operation? 5
8. Are you experiencing attentive and responsive communications with our commissary management and personal? 5 – I have had nothing but excellent communications with the management and personal.

9. If you could change anything about our program, what would it be? I would like to have the ability to place restrictions on Diabetic Inmates so we can limit what they order. This would be the only thing within the program I would like to see changed.

10. What would you rate our overall performance? 5 Dealing with Canteen and it's employees has been a very positive experience. I have always been taken care of when I have a problem or concern.

CANTEEN SERVICES, INC.

CANTEEN CONNECT - CORRECTIONS

October 4, 2006

CONTACT: Captain Luce
NAME OF OPERATION: Jackson County Jail
ADDRESS: 212 W. Wesley
ADDRESS:
ADDRESS:
CSZ: Jackson, MI 49203
(517) 768-7915

District Supervisor: Patty Beadle
Manager: Carla Fleming
Population: 435
Services Provided: Correctional Food Service
OPERATION#:

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score)

Score

FOOD SERVICE QUESTIONS:

- | | |
|--|------------|
| 1) Does the appearance of our food and kitchen meet your objectives?
Yes I would give the food a rating of 4; the kitchen a 5 | <u>4/5</u> |
| 2) Are you satisfied with the quality of food offered by our food service facility?
Yes | <u>4</u> |
| 3) If not, what suggestions do you have to improve our food or service (or both)?
Do not have any suggestions right now | -- |
| 4) Are you experiencing attentive and responsive communications with our
food operation management personnel?
Yes, very good! | <u>5</u> |
| 5) Do you currently have Office Coffee Service with Canteen? If not, would you be
interested in receiving a call and/or information on our program?
Not interested | -- |
| 6) Do you feel you and Canteen have good communications?
Yes, very good | <u>5</u> |
| 7) If you could change any one thing about doing business with us, what would you change?
No, I can't think of anything | -- |
| 8) What would you rate our overall performance?
5 | <u>5</u> |
| *What have we done for you lately that has really made a difference?* | |
| No, I can't think of anything except we are very happy with Canteen! | |

COMMENTS

Captain Luce said things are going fine on the food service side-no problems at all. He did ask that I send by e-mail a set of the questions for the commissary operation side because he is not involved with the commissary part of the program. Sergeant Halsey works third shift and he thought sending it by e-mail would be the easiest way to do it. So I sent the commissary questions in a Word document to Sergeant Halsey today to complete and e-mail back to me. I will let you know what his responses are when I receive them.

SEE BELOW
CANTEEN SERVICES, INC.
CANTEEN CONNECT - CORRECTIONS

June 29, 2006

CONTACT: Howard Tanner
NAME OF OPERATION: Jackson Changer Road Facility
ADDRESS: 1995 Charter Road
ADDRESS:
ADDRESS:
CSZ: Jackson, MI 49201
(517) 768-1605

District Supervisor: Patty Beadle
Manager: Carla Fleming
Population: 224 & 186 Downtown
Services Provided: Correctional Food & Commissary Services
OPERATION#:

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score)

Score

FOOD SERVICE QUESTIONS:

- 1) Does the appearance of our food and kitchen meet your objectives?
- 2) Are you satisfied with the quality of food offered by our food service facility?
- 3) If not, what suggestions do you have to improve our food or service (or both)?
- 4) Are you experiencing attentive and responsive communications with our food operation management personnel?
- 5) Do you currently have Office Coffee Service with Canteen? If not, would you be interested in receiving a call and/or information on our program?
- 6) Do you feel you and Canteen have good communications?
- 7) If you could change any one thing about doing business with us, what would you change?
- 8) What would you rate our overall performance?

COMMISSARY QUESTIONS:

- 1) Are the people friendly and courteous?
- 2) Does the appearance of commissary packaging/goods meet your objectives?
- 3) Do we service you in a timely manner?
- 4) During your communications with the staff do you feel we are meeting your expectations for your variety?
- 5) Are you satisfied with the quality of commissary products?
- 6) Suggestions to improve quality or service?
- 7) How is the quality of service you receive from our commissary operation?
- 8) Are you experiencing attentive and responsive communications with our commissary management and personnel?
- 9) If you could change anything about our program, what would you change?
- 10) What would you rate our overall performance?

What have we done for you lately that has really made a difference?

COMMENTS

Lt. Tanner is very happy with both the food service and commissary operations at Jackson County Jail. He did mention he had to let one of our employees go for getting too friendly with an inmate. He was having problems when I called this morning with one of his employees performing activities against their rules at the jail, so I let him vent for a while. At least he has a sense of humor about it. He said he is very pleased with Carla and all that she does for them; she has hired some new employees and he is hoping they work out. He gave us an overall 4.5 in both areas. No problems to report.

CANTEEN SERVICES, INC.

CANTEEN CONNECT - CORRECTIONS

October 5, 2005

CONTACT: Kevin Stellingworth
 NAME OF OPERATION: Jackson County Jail (All loc.)
 ADDRESS: 212 W. Wesley
 ADDRESS:
 ADDRESS:
 CSZ: Jackson, MI 49203
 517-768-7915

District Supervisor: Patty Beadle
 Manager: Adrienne Gipson/Stacy Root
 Population: 388
 Services Provided: Correctional-Commissary & Food Service
 OPERATION#:

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score) Score

FOOD SERVICE QUESTIONS:

- 1) Does the appearance of our food and kitchen meet your objectives?
 Could use more color, kitchen looks bland; Gravy looks like water 3
- 2) Are you satisfied with the quality of food offered by our food service facility?
 Could use improvement, pretty bland 3
- 3) If not, what suggestions do you have to improve our food or service (or both)?
 Biggest complaint is no tastes- the food needs more spices 3
- 4) Are you experiencing attentive and responsive communications with our food operation management personnel?
 Yes, - wonderful 5
- 5) Do you currently have Office Coffee Service with Canteen? If not, would you be interested in receiving a call and/or information on our program?
 No, not interested
- 6) Do you feel you and Canteen have good communications?
 Yes, very good 5
- 7) If you could change any one thing about doing business with us, what would you change?
 Larger portions (I understand the restrictions, but we have a lot of young men who have large appetites too)
- 8) What would you rate our overall performance?
 4 4

COMMISSARY QUESTIONS:

- 1) Are the people friendly and courteous?
 Yes 4
- 2) Does the appearance of commissary packaging/goods meet your objectives?
 Yes 4
- 3) Do we service you in a timely manner?
 Sometimes there are errors in the inmate orders-may be our internal people need Canteen to come in for additional training-could be errors made on our end, not Canteen's
- 4) During your communications with the staff do you feel we are meeting your expectations for your variety?
 Yes 4
- 5) Are you satisfied with the quality of commissary products?
 Yes, very good, no problems 5
- 6) Suggestions to improve quality or service?
 Nothing at this time --
- 7) How is the quality of service you receive from our commissary operation?
 Yes 4
- 8) Are you experiencing attentive and responsive communications with our commissary management and personnel?
 Yes 4
- 9) If you could change anything about our program, what would you change?
 Nothing
- 10) What would you rate our overall performance?
 4 4

***What have we done for you lately that has really made a difference?"**

Dealing with Cindy Burns- very upbeat and nice to work with

COMMENTS

Happy with our service, would like to see the quality of food improved if possible and more spices used-complained food is pretty bland and would like portions to be larger, but if not, understands. Kitchen needs to be painted differently according to the Captain. Captain implied maybe the internal employees that enter orders for commissary sent to Canteen, need additional training to do it properly as errors are made in the inmate orders.

CANTEEN SERVICES, INC.
CANTEEN CONNECT - CORRECTIONS

March 18, 2003

CONTACT: Michael Henderson
NAME OF OPERATION: Jackson County Jail
ADDRESS: 212 W. Wesley
ADDRESS:
ADDRESS:
CSZ: Jackson, MI 49203
517-788-4213

District Supervisor: Joann Scheerz
Manager: Karen Hernandez
Population: 193
Services Provided: Correctional-Commissary
OPERATION#: 2032

Questions (Score is rated from 1 to 5 with 5 as the highest score and 1 as the lowest score)

COMMISSARY QUESTIONS:

- | | |
|--|------------|
| 1) Are the people friendly and courteous?
Yes, very nice to work with. | 5 |
| 2) Does the appearance of commissary packaging/goods meet your objectives?
Yes | <u>4</u> |
| 3) Do we service you in a timely manner?
Yes, its very good | <u>5</u> |
| 4) During your communications with the staff do you feel we are meeting your expectations for your variety?
Yes | <u>4</u> |
| 5) Are you satisfied with the quality of commissary products?
Yes, no complaints at all | <u>4</u> |
| 6) Suggestions to improve quality or service?
N/A | <u>N/A</u> |
| 7) How is the quality of service you receive from our commissary operation?
Very good | <u>5</u> |
| 8) Are you experiencing attentive and responsive communications with our commissary management and personnel?
Yes, they are great to work with. | <u>5</u> |
| 9) If you could change anything about our program, what would you change?
N/A | N/A |

COMMENTS

Captain Henderson said things are running good with the commissary. He is very happy, nothing to report. He said they are opening a new facility soon with a kitchen and he is working with Cindy Burns on this, he said she is a pleasure to work with.

**Michigan Department of Human Services – Division of Contracts and Rate Setting
Child Support – Prosecuting Attorney Contract (CM-F164) – Actual Cost
Cover Sheet**

Contractor Name: Jackson County Prosecuting Attorney		Contract #: CSPA -09-38002
Total Contract Amount: \$ 221,100.00		Net Budget Amount: \$ 335,000.00
Total Contract Amount – (spelled out) TWO HUNDRED TWENTY ONE THOUSAND ONE HUNDRED		
CS-138#: Non-Jurisdictional	Expires: 9/30/09	Commodity Code: FTR-1002
County Name(s): Jackson		
Fed. I.D. #: 38-6004845		Payment Mail Code: 001
Contractor Address: Address: 1697 Lansing Avenue		City/State/Zip: Jackson, MI 49202
Contractor FY begin date (day/month): 01 day of month 01 month of year		
Org. Type: <input type="checkbox"/> Private, Non-profit <input type="checkbox"/> Private, Proprietary <input checked="" type="checkbox"/> Public <input type="checkbox"/> University		
Audit Status: <input type="checkbox"/> Vendor <input type="checkbox"/> No Federal Funds <input checked="" type="checkbox"/> Sub-recipient If checked, record CFDA numbers(s) below 93.563		Faith Based: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Contractor is a State employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Contractor is a retired State employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Award Status: <input type="checkbox"/> Bid	<input checked="" type="checkbox"/> Sole Source	<input type="checkbox"/> Fair Market Rate
Payment Type: <input checked="" type="checkbox"/> Actual Cost <input type="checkbox"/> Unit Rate <input type="checkbox"/> Fair Market Rate		
Index Code: 50700	PCA: 83202 100%	AOC: 6155
Contract Administrator Name: Crystal Perry		Phone Number: (517) 241-5068

The contract administrator by submission of this document assures no changes have been made to the contract General Provisions as stated in Article III of standard DHS contract format.

Contract No:	CSPA-09-38002
County:	Jackson
Net Budget Amount:	\$335,000.00
Total Contract Amount:	\$221,100.00
Method of Payment:	Actual Cost

AGREEMENT
between

Michigan Department of Human Services
(hereinafter referred to as "DHS"),
235 South Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

The County of Jackson (hereinafter
referred to as the "Contractor")
1697 Lansing Avenue
Jackson, MI 49202

This Agreement, effective October 1, 2008 through September 30, 2009 is by and between the **DHS**, the **County of Jackson**, a public organization and the **Prosecuting Attorney** (together, referred to as the "Contractor").

I. **CONTRACTOR DUTIES AND RESPONSIBILITIES**

The Contractor shall comply with all requirements of Title IV-D of the Social Security Act, and shall implement all applicable Federal regulations and requirements, statutes, court rules, and DHS policies and procedures that relate to obtaining child support court orders and establishing paternity. The Contractor will use the automated Michigan Child Support Enforcement System (hereinafter referred to as MiCSES System), the Prosecuting Attorney Handbook, the Prosecuting Attorney Letters, the Michigan Department of Human Services Office of Child Support (hereinafter referred to as OCS) IV-D Combined Manual and the Michigan IV-D Action Transmittals (hereinafter referred to as "Title IV-D Standards").

A. **Enforcement Services**

The Contractor shall:

1. Make IV-D services available to all eligible persons.
2. Make all reasonable efforts to establish paternity and secure orders as needed for the establishment of court ordered child support for children born in or out of wedlock, as provided by law.
3. Initiate locating action when necessary.

4. Allow DHS, and its identified agents, access to all IV-D case records for the purpose of annual Title IV-D Self-Assessment case readings, including but not limited to:
 - a. Central system case records;
 - b. Paper case records; and
 - c. MiCSES System and PAAM IV-D electronic case records.

B. Report

The Contractor shall prepare, complete and submit the following report (in the cycle indicated) to the unit named. It is expressly understood that the timeline for the report set forth in this document is dependent on the ability of the Contractor to access MiCSES System and extract this information:

1. **Form:** DHS-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including appropriate time and caseload documentation, including the FPRO Report run within thirty (30) days after the month of service.
Cycle: Due by the thirtieth (30th) day after month of service
To: Michigan Department of Human Services
Contract Manager, Office of Child Support
2. **Form:** OCS Tax Data Confidentiality Questionnaire
Cycle: Due by April 30th
To: Michigan Department of Human Services
Contract Manager, Office of Child Support
3. **Form:** Criminal Background Check Plan
Cycle: Due by September 30, 2009
To: Michigan Department of Human Services
Contract Manager, Office of Child Support

C. Client Grievance System

The Contractor shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or DHS upon request.

D. Statewide Automated System

The Contractor agrees to use the automated MiCSES System for processing intra- and inter-state data pursuant to Title IV-D Standards throughout the life of

this Agreement, and agrees to comply with all IV-D, OCS and DHS reporting requirements.

E. Billing Method

The Contractor, as a sub-recipient of Federal Financial Assistance, agrees to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget (OMB) Circular No. A-87. This Circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support activities under Title IV-D of the Social Security Act.

1. The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Contractor certifies that this budget has been prepared in accordance with the Budget Completion Instructions provided by DHS. This document details the amount and object of expenditures for which the contractor shall use funds paid under this Agreement. The Contractor is authorized to expend funds only for those resources indicated in the budget that are allowable, properly allocated and reasonable as defined in the Budget Completion Instructions. Only actual costs may be billed to DHS. The Title IV-D Program Budget Summary is attached and made a part of this Agreement. The Title IV-D Program Budget and Application details the amount and object of expenditures for which the Contractor shall use funds paid under this Agreement. The Contractor shall follow and adhere to the Budget.
 - a. However, expenditures up to a five (5)% increase or \$3,000, whichever is greater, above the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.
2. The Contractor must submit a budget revision request and obtain prior written approval from DHS to increase any line item by more than five (5)% or \$3,000, whichever is less, or decrease line items in the budget.
 - a. The written request for DHS approval must contain sufficient information to allow DHS to identify which budget line items are to be increased, which line items are to be decreased, the reason for change and the programmatic impact of the budget changes. If the budget changes stay within the originally approved budget total, the request shall be submitted as a line item transfer. A request that increases the originally approved budget shall be submitted as an amendment.

- b. A budget revision request will not be accepted earlier than six (6) months after the Agreement effective date. The due-date to submit a line item transfer request and/or amendment to DHS is ninety (90) days prior to the end date of the Agreement.
 - c. The person authorized to approve budget revisions is the DHS Office of Child Support. DHS shall provide an initial response to line item transfer requests within thirty (30) days of receipt.
 - d. If any staff funded in part or whole by IV-D funds do not work full-time on IV-D matters, detailed time-records for such employees are required to document the amount of time spent on reimbursable activities.
3. Actual costs include the cost of fringe benefits provided for contract employees billed under this Agreement. The fringe benefits billed must be proportional to the time the employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.

F. Billing Procedure

The Contractor shall submit a monthly "Title IV-D Cooperative Reimbursement Expenditure Report" (Form DHS-286), to DHS detailing program-related expenditures. The DHS-286 shall indicate actual expenditures incurred broken out costs by category of expense in the performance of this Agreement for the period being billed. The DHS-286 report shall be submitted to DHS within thirty (30) days from the end of the monthly billing period. For the month of September, DHS-286 reports shall be submitted as reasonably directed by DHS to meet fiscal year-end closing deadlines. At its discretion, DHS may not make payment to the Contractor for billings submitted more than 90 (ninety) days after the end of a billing period.

G. Reinvestment of Incentive Payments to the Contractor

All claims for expenditure reimbursement shall be made in accordance with Federal regulations implementing Public Law 105-200, 45 CFR Part 305 and applicable DHS instructions. To remain eligible for State and Federal reimbursement under this Agreement, all Title IV-D Federal incentives received by the Contractor must be reinvested in the Title IV-D program. Reinvestment of incentives must be consistent with 45 CFR Part 305.35; non-IV-D activities must have prior approval by the Director, Office of Child Support, and DHS.

H. Sub-recipient Relationship

This Agreement constitutes a sub-recipient relationship with DHS. The Contractor is required to comply with all Federal regulations that relate to the accounting and auditing of the Federal award(s) used to fund this Agreement. This includes, but is not limited to, compliance with OMB Circular A-133.

Regulations applicable to funding sources are included in the Catalog of Federal Domestic Assistance (CFDA). The CFDA number and Federal Financial Participation (FFP) rate DHS plans to use for this agreement are:

Federal Program Title	CFDA#	FFP%
Title IV-D	93.563	100%

Note: The FFP percentage above refers to the percentage of Federal funding represented in the reimbursement DHS makes to the Contractor.

However, DHS may change the CFDA number and will implement any changes made by the Federal Government to the CFDA# and/or FFP rate during the course of this Agreement. CFDA numbers and FFP rates for this Agreement shall be posted quarterly on the DHS web site. The Contractor is required to check the web site to obtain up to date information regarding the CFDA numbers.

The Contractor shall consult the following website address to obtain CFDA numbers, payments, and other audit information:

http://www.michigan.gov/dhs/0,1607,7-124-5455_7199_8380---,00.html

DHS agrees to participate in audit costs related to the audit as described in other sections of this Agreement.

I. Reporting Requirements

The Contractor must immediately report to the DHS Audit Liaison accounting irregularities including noncompliance with Agreement provisions.

If the Contractor is required per OMB Circular A-133 to have a Single Audit performed, the Contractor must submit the Reporting Package and an Audit Transmittal Letter to the DHS Audit Liaison at the address that follows and in accordance with the time frame established in the Circular.

Reporting Package includes:

1. Financial statements and schedule of expenditures of Federal awards

2. Summary schedule of prior audit findings
3. Auditor's report(s)
4. Corrective Action Plan if applicable

J. Audit Transmittal Letter

The Contractor is responsible to identify in the Audit Transmittal Letter all organizations it operates that administer DHS sub-recipient programs and the different names the Contractor may use to enter into an Agreement with DHS. The Contractor is responsible for proper completion and submission of the Audit Transmittal Letter. This letter, to be accurately processed by DHS, must include the following information:

1. The Contractor's name as reported in the DHS Agreement(s).
2. The Contractor's Federal Identification Number(s) as reported in the DHS Agreements(s).
3. The Contractor's fiscal year end.
4. Identify other name(s) and other Federal Identification Number(s) used by the Contractor.

If a Single Audit is not required per OMB Circular A-133, the Contractor must still submit an Audit Transmittal Letter stating why a Single Audit was not required and the Contractor's fiscal year the letter pertains to. The Audit Transmittal Letter should include items stated in the section, "Audit Transmittal Letter," described above. The letter may be mailed to the address below or faxed to (517) 373-8771.

Mailing address for all information:

Michigan Department of Human Services
Audit Liaison
235 S. Grand Avenue, Suite 1112
Lansing, MI 48909
Attention: William Addison, CPA

If the Contractor is a sub-recipient of DHS, but asserts it is not required to have a Single Audit performed, the Contractor shall submit an Audit Transmittal Letter to the DHS Audit Liaison stating the reason the Single Audit is not required. Failure by the Contractor to submit the Audit Transmittal Letter shall result in invoking the same sanctions on the Contractor as failure to submit the Single Audit Report.

K. Audit Cost

Cost of the Single Audit can only be charged to this Agreement if there is a provision within this Agreement that allows payment for the Single Audit cost. No

audit cost may be charged to this Agreement if the Contractor is not required to have a Single Audit.

No audit costs may be charged to DHS when audits required by this Agreement have not been performed or have not been performed in accordance with OMB Circular A-133 requirements. Late submission (as defined in Circular A-133) of the Single Audit Report and/or Audit Transmittal Letter is considered non-compliance with this section and may be grounds to impose sanctions.

L. Sanctions

DHS may impose sanctions if the Contractor fails to adhere to any of the audit requirements in this Agreement including the Audit Transmittal Letter in this Agreement. In cases of continued inability or unwillingness on the part of the Contractor to comply with audit requirements, DHS may impose sanctions such as:

1. Withholding a percentage of Federal awards until the audit is completed satisfactorily.
2. Withholding or disallowing overhead costs.
3. Suspending Federal awards until the audit is conducted.
4. Terminating the Federal award.
5. Recouping all Federal payments made to the Contractor under this or any other agreements between DHS and the Contractor.

M. Fiscal Requirements

The Contractor shall install and maintain an accounting system to identify and support all expenditures billed to DHS under this Agreement. The accounting system must record all income and expenses for the Contractor's total program of which services provided under this Agreement are a part. The accounting system, as a minimum, shall consist of a chart of accounts, cash receipts journal, cash disbursements journal, and general ledger. All expenditures and income must be supported by vouchers and receipts that detail the reason for the transaction.

The Contractor shall maintain, within the accounting system, salary and fringe benefits accounts that break out positions, hospitalization, retirement, workers' compensation and other fringe benefits. The Contractor shall establish and maintain payroll records for all employees.

II. DHS DUTIES AND RESPONSIBILITIES

A. Program Administration

DHS, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with Federal requirements. DHS shall distribute program regulations, forms and instructions to the Contractor through the IV-D Program Prosecuting Attorney Handbook, the Prosecuting Attorney Letter Series, the OCS IV-D Combined Manual, the Michigan IV-D Action Transmittals, and the Mi-Support Website.

DHS will provide timely processing of all claims for expenditure reimbursement in accordance with State regulations implementing § 2, Public Act 279 of 1984.

B. Payment

1. DHS shall complete its processing of payments to the Contractor within forty-five (45) calendar days after receipt of the Contractor's monthly DHS-286, "Title IV-D Cooperative Reimbursement Expenditure Report," detailing program related expenditures. Payments shall be made in accordance with the budget attached to and made part of this Agreement. For DHS-286 Expenditure Reports submitted after the due date, processing and payment may be delayed to the next available cycle.
2. Further, DHS reserves the right to defer or disallow payment of any claim submitted by the Contractor for failure to document and provide any required paper or electronic records, statistics, or reports, to DHS as required by this Agreement or as are required by applicable State statutes or Federal regulations, provided that such requests are within the capacity of the Contractor to obtain. DHS must provide the Contractor with thirty (30) days notice of such an action as well as the Contractor's right to appeal that decision.

C. Program Compliance Monitoring and Evaluation

1. DHS shall monitor and evaluate Contractor performance for compliance with Title IV-D standards, all Contractor duties and responsibilities, as identified in § I of this Agreement, *Contractor Duties and Responsibilities*, and all other terms set forth in this Agreement. DHS shall provide access to all Federal reporting. DHS agrees to provide the Contractor with quarterly performance data no later than thirty (30) business days after the close of each quarter.

2. DHS shall conduct an annual self-assessment review to evaluate its IV-D program to determine if Federal requirements are being met and to provide an annual report to the Secretary of the Department of Health and Human Services on the findings; and,
3. DHS' agents will comply with the Contractor's information technology acceptable use policies and guidelines for the county computer system and protect the confidentiality of the case records.

D. Administrative Lien and Levy of Financial Assets

For the purpose of Administration Lien and Levy of Financial Assets, the DHS Central Enforcement Unit shall abide by the Central Financial Institution Data Match (FIDM) Business Rules developed by the State Court Administrative Office and DHS.

E. Incentive Payments to the Contractor

DHS shall distribute Federal incentive payments to the Contractor in accordance with Federal regulations implementing Public Law 105-200, 45 CFR Part 305 and applicable Office of Child Support, DHS procedures.

F. Maximum Amount of Agreement

1. The total maximum amount DHS agrees to pay the Contractor for services performed during this fiscal period of October 1, 2008 through September 30, 2009 as defined by the terms of the Agreement is TWO HUNDRED TWENTY ONE THOUSAND ONE HUNDRED AND NO/100 DOLLARS (\$221,100.00).
2. If review of the Contractor's financial records indicates costs are projected to exceed the current budget, the Contractor is required to submit an Amendment request. The due-date or submission of this request is ninety (90) days prior to the end-date of the Agreement. DHS shall provide an initial response to budget amendments within thirty (30) days of receipt.

Obligations incurred prior to or after the period covered by this Agreement shall be excluded from the Contractor's monthly invoices.

G. Additional Funding

DHS shall notify the Contractor of additional funding availability associated with this Agreement through a Notice of Funds Available (NFA), DHS-256. The NFA shall be signed by DHS and incorporated by reference into this Agreement unless the Contractor sends written notice of disagreement with the terms specified in

the NFA within fourteen (14) days of its receipt. DHS hereby agrees to pay the Contractor an amount not to exceed the amount identified in the NFA for activities performed under this Agreement exclusively during the period October 1, 2008 to September 30, 2009.

III. GENERAL PROVISIONS

A. DHS' Source of Funds-Termination

DHS' payment of Federal or State funds for purposes of this Agreement is subject to and conditional upon the availability of those funds for such purposes. No commitment is made by the DHS to continue or expand activities covered by this Agreement. Funding for services to be provided beyond the end of the initial State fiscal year is dependent on legislative appropriation.

DHS may terminate this Agreement immediately upon written notice to the Contractor at any time prior to the completion of this Agreement if, in the sole discretion of the DHS, funding becomes unavailable for this service or such funds are restricted.

B. Civil Service Rules and Regulations

The State of Michigan is obligated to comply with Article XI, Section 5, of the Michigan Constitution and applicable Civil Service rules and regulations. Other provisions to this Agreement notwithstanding, the State personnel director is authorized to disapprove contractual disbursements for personal services if the State personnel director determines that the Agreement violates Article XI, Section 5 of the Michigan Constitution or applicable Civil Service rules and regulations.

C. Fees and Other Sources of Funding

The Contractor may not submit a claim for any service under this Agreement if the same service has been reimbursed in whole or in part with funds under another program. If the Contractor receives fees or reimbursement of costs for a service provided under this Agreement, the amount of fees or costs, whichever is greater, shall be deducted from any amounts billed under this Agreement.

D. Reporting

The Contractor shall comply with all program and fiscal reporting procedures as are or may hereinafter be established by DHS. The Contractor shall also comply with all reporting procedures established by DHS in completion of progress reports at time intervals, on forms, in formats, and by means specified by DHS. In particular, reports or billing documents denoting event dates shall record month,

day and year as specified by DHS. In all electronic filings, four (4) digits shall be used to designate century. Any additional reports deemed necessary by DHS as may be required to comply with Federal and/or State law or regulation shall be made and submitted by the Contractor upon request.

E. Examination and Maintenance of Records

The Contractor shall permit DHS or any of its authorized agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor shall retain all books, records or other documents relevant to this Agreement for six (6) years after final payment, at the Contractor's cost. Federal auditors and any persons duly authorized by DHS shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the six (6) year period and extends past that period, all documents shall be maintained until the audit is completed. DHS shall provide findings and recommendations of audits to the Contractor. DHS shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor in any period prior to the audit. If no payments are due and owing the Contractor, the Contractor shall refund all amounts which may be due DHS within sixty (60) days notice by DHS. The Contractor shall assure, as a condition of any sale or transfer of ownership of the Contractor agency, that the new purchasers or owner maintains the above-described books, records or other documents for any unexpired portion of the six (6) year period after final payment under this Agreement or the Contractor shall otherwise maintain said records as the DHS may direct. If business operations cease, the Contractor shall maintain records as the DHS may direct. The Contractor shall notify DHS when and if the Contractor operations cease during the six (6) year period after final payments and provide for appropriate storage of records at the Contractor's expense.

The Contractor shall, as a provision of the Agreement between the Contractor and the auditor, assure that the DHS may make reasonable inquiries of the auditor relating to audit work papers and, furthermore, that the DHS may review the auditor's work papers in support of the audit.

F. Compliance with Civil Rights, Other Laws

The Contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight or marital status pursuant to 1976 Public Act 453, Section 209. The Contractor shall also comply with the provisions of the Michigan Persons with Disabilities Civil Rights Act, 1976 Public Act 453, No. 220, as amended (M.C.L. Section 37.1101 et. seq.) and Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 355,

which states that no employee or client or otherwise qualified handicapped individual shall, solely by reason of this handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal Financial Assistance. Further, the Contractor shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat. 327, which prohibits discrimination against individuals with disabilities and provides enforcement standards. The Contractor shall comply with all other Federal, State or local laws, regulations and standards, and any amendments thereto, as they may apply to the performance of this Agreement

G. Criminal Background Check

As a condition of this Agreement, the Contractor certifies that, prior to hiring, the Contractor shall conduct or cause to be conducted:

1. For each applicant for employment, who works directly with clients under this Agreement, or who has access to client information, an Internet Criminal History Access Tool (ICHAT) check.
2. For each applicant for employment, who works directly with children under this Agreement, a Central Registry (CR) check.

The Contractor further certifies that the Contractor shall develop and submit a plan to DHS/OCS no later than September 30, 2009 describing a process and timeline for completion of the ICHAT and CR background checks for all existing employees, subcontractors, subcontractor employees, or volunteers. The plan shall include the Contractor's written policy describing the criteria on which its determinations shall be made upon receipt of a positive ICHAT or CR response record. The Contractors may consider the amount of time that has elapsed since the crime and type of crime when making this determination. The plan shall include the Contractor's plan for implementation of this provision for unionized staff if applicable.

Information about ICHAT can be found at <http://apps.michigan.gov/ichat>.

H. Publication - Approval and Copyright

The State of Michigan shall have copyright, property and publication rights in all written or visual material or other work products funded under the terms of this Agreement. The Contractor shall not publish or distribute any printed or visual material relating to the services provided under this Agreement without prior written permission of the State of Michigan.

If the Contractor or an agent of the Contractor creates and/or reproduces under this Agreement materials which are developed for consumption by the general

public or as a general information tool and which are funded in whole or in part with State of Michigan funds, the Contractor or its agent must include one of the statements referenced below, as they apply:

- . This program is funded by the State of Michigan or
- . This program is funded in part by the State of Michigan

I. Confidentiality

The use or disclosure of personally identifying information concerning services, applicants or recipients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement and when not prohibited by law. In all cases, use or disclosure of confidential information shall only be allowed when that use or disclosure is in compliance with Federal and State laws, including HIPAA, Rules and Regulations, Court Orders and Subpoenas, or subpoenas issued by a grand jury. Such disclosures must conform to all State and Federal confidentiality provisions. Confidentiality provisions related to casework activities, family situations and issues, family demographics and any other information that shares case specific details must be strictly observed and may not be disseminated in any way except as specified above.

Unauthorized use or disclosure of confidential information is a violation of this Agreement and may also be subject to criminal penalty pursuant to Federal and State statutes and regulations as they may apply.

J. Fixed Assets

DHS reserves the right to obtain or transfer title to all fixed assets, real or personal, included in the approved budget of this Agreement, billed in full or in part to DHS by the Contractor and not fully utilized at the conclusion of the Agreement. Fixed asset cost billed to DHS shall be limited to straight-line depreciation or use charge pre-approved by DHS and shall be used only for the performance of the Agreement unless another use is authorized in writing by DHS. DHS property shall be used only for the performance of the Agreement unless another use is authorized in writing by DHS, and shall promptly be returned or the DHS portion of the residual value refunded to DHS upon expiration of this Agreement, in its original condition, reasonable wear and tear excepted.

At least sixty (60) days prior to the end of this Agreement (which includes cancellation of the Agreement), the Contractor shall report to DHS the book value of all fixed assets and non-consumables purchased with DHS funds and request written instructions regarding the disposal of these fixed assets and consumable

and/or non-consumable supplies that have been acquired with funds under this Agreement. Any gain on the sale or disposition of fixed assets before completion of the Agreement must be immediately reported and refunded to DHS.

No disposal, sale or transfer of fixed assets obtained under this Agreement in whole or part, may occur without the express written consent of DHS.

K. Subcontracts

The Contractor shall not assign this Agreement or subcontract this Agreement to other parties without obtaining prior written approval of the DHS Division of Contracts and Rate Setting. DHS, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement including Criminal Record and Central Registry background checks, when applicable. The Contractor shall be responsible for the performance of all assignees or subcontractors.

If subcontracting, the Contractor must obligate the Subcontractor(s) to maintain the confidentiality of DHS' client information in conformance with State and Federal requirements. At DHS' request, any employee of the Contractor and of any Subcontractor having access or continued access to the DHS' confidential information may be required to execute an acknowledgement that the employee has been advised of the Contractor's and the Subcontractor's obligations under this section and of the employee's obligation to DHS, the Contractor or Subcontractor, as the case may be, to protect such confidential information from unauthorized use or disclosure.

L. Cancellation of Agreement

DHS may cancel this Agreement upon thirty (30) days written notice if DHS determines that the Contractor, its agent, or its representative has offered or given a gratuity, kickback, money, gift, or anything of value to an officer, official or employee of the State to obtain an Agreement or favorable treatment under an Agreement. By signing this Agreement, the Contractor hereby certifies that no funds have been given to any State officer, official, or State employee for influencing or attempting to influence such officer, official, or employee of the State.

Except as indicated below, DHS may cancel the Agreement without further liability to DHS or its employees by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation. The Contractor may terminate this agreement upon thirty (30) days written notice to DHS at any time prior to the completion of the Agreement period.

In case of default by the Contractor, the DHS may immediately cancel the Agreement without further liability to the DHS or its employees, and procure the services from other sources.

The Contractor, by signing this Agreement, certifies to the best of his/her knowledge that no funds or other items/services of value have been given to any State officer, official, or employee for influencing or attempting to influence such officer, official, or employee to obtain a contract or favorable treatment under this Agreement.

M. Stop Work Orders

DHS may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by the Agreement for a period of up to ninety (90) calendar days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section of the Agreement. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage.

If a stop work order issued under this section of the Agreement is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The parties shall agree upon an equitable adjustment in the services to be delivered, the Agreement price, or both, and the Agreement shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Agreement; and (b) the Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage, provided that, if DHS decides the facts justify the action, DHS may receive and act upon a Contractor billing submitted at any time before final payment under the Agreement.

Where Contractor performance is statutorily required, or where the work may not be suspended because of other reasons of law or regulation, a stop work order means that no payment pursuant to this Agreement shall be made to the Contractor for the work performed while the stop order is in effect, unless funds are specifically appropriated, and become available to DHS specifically for payment of the work performed under this Agreement while the stop work order is in effect.

N. Closeout

When this Agreement is concluded or terminated, the Contractor shall provide the DHS, within thirty (30) days of conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement. DHS shall within the limit of this Agreement reimburse the Contractor for allowable costs not previously reimbursed. The Contractor shall immediately refund to DHS any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

O. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed as terminating the ongoing responsibilities of the Contractor or rights of the DHS contained in Section III, E, "Examination and Maintenance of Records" and Section III, N, "Closeout" of this Agreement.

P. Disputes

The Contractor shall notify the DHS in writing of intent to pursue a claim against the DHS for breach of any terms of this Agreement. No suit may be commenced by the Contractor for breach of this Agreement prior to the expiration of ninety (90) days from the date of such notification. Within this ninety (90) day period, the Contractor, at the request of the DHS, must meet with the Director of the DHS or designee for the purpose of attempting resolution of the dispute.

Q. Agreement Inclusiveness/Amendment

This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. The Contractor shall, upon request by the DHS and receipt of a proposed amendment, amend this Agreement, if and when required in the opinion of the DHS, due to the revision of Federal or State laws or regulations. If the Contractor refuses to sign such amendment within fifteen (15) days after receipt, this Agreement shall terminate upon such refusal. This Agreement may otherwise be amended only by the written consent of all the parties hereto.

R. Monitoring Requirements

DHS reserves the right to perform on-site visits during normal business hours to monitor the Contractor's activities under this Agreement at any time, either during the term, or within three (3) years after termination of the Agreement. The Contractor shall cooperate with DHS during the monitoring process by making available all records, facilities, and other resources necessary to perform the review.

If DHS detects noncompliance with this Agreement, and/or questioned costs during the course of its review, these items shall be identified and conveyed to the Contractor in an exit conference. DHS shall provide the Contractor with a detailed written report of these findings within sixty (60) days of the exit conference. The Contractor is required to address each item in DHS' report by providing a Corrective Action Plan (CAP) to eliminate or correct each issue of noncompliance. The Contractor shall submit the CAP to DHS within sixty (60) days from issuance of DHS' report.

If DHS identifies questioned costs that cannot be substantiated, DHS may, at its discretion, and after consultation with the Contractor, require the Contractor to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" to reflect adjustment for disallowed costs. Submission of revised billings to DHS shall be made within a time schedule established by DHS and the Contractor. If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, and within allotted time frames mutually established, DHS may, at its discretion, invoke sanctions on the Contractor, which may include, but are not limited to, actions to collect disallowed costs and/or cancellation of the Agreement.

S. Certifications Regarding Lobbying

As required by section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 CFR Part 69, the Contractor certifies that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any persons influencing or attempting to influence an officer or employee of any department, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard form – LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including

sub-grants, contracts under grants and cooperative Contracts, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

T. Recoupment of Funding

If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, or fails to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" within allotted time frames established by DHS in consultation with the Contractor, DHS may, at its discretion, recoup or require the Contractor to reimburse payments made under this Agreement that DHS has determined that the Contractor has been overpaid. The Contractor is liable for any cost imposed on DHS by the Federal government in the recoupment of any funding.

Upon notification by DHS that repayment is required, the Contractor shall make payment directly to DHS within thirty (30) days or DHS may withhold current or future payments made under this or any other agreements, current or future, between DHS and the Contractor.

If the Contractor fails to: (1) correct noncompliance activities identified by DHS, (2) submit revised billings as requested as part of a Corrective Action Plan when required; or (3) remit overpayments or make arrangements to have the overpayments deducted from future payments within thirty (30) days, such failure shall constitute grounds to terminate immediately any or all of DHS' Contracts with the Contractor. DHS shall also report noncompliance of Contractor to Michigan's Department of Management and Budget. Such a report may result in the Contractor's debarment from further Agreements with the State of Michigan.

U. Compliance with Federal and State Requirements

The Contractor shall comply with all Federal, State and local statutes, regulations and administrative rules, and any amendments thereto, as they may apply to the performance of this Agreement.

The Contractor shall keep informed of Federal, State, and local laws, ordinances, rules, regulations, orders, and decrees of bodies or tribunals having any jurisdiction/authority that in any manner affects those engaged in or employed on the work done under this Agreement or that in any manner affects the conduct of the work done under this Agreement.

V. Freedom of Information Act

The Contractor and DHS will abide by all of the requirements of the Freedom of Information Act. 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

W. Prohibition against Using Funds to Support Religious Activities

The Contractor shall not use financial funds administered by the State or Federal government to support inherently religious activities, such as worship, religious instruction, or proselytization. If the Contractor engages in such activities, it must offer them separately, in time or location, from the programs or services funded with State or Federal assistance, and participation must be voluntary for the beneficiaries of the State or Federally funded programs or services.

The Contractor shall follow guidelines in 42 USC 604a.

X. Audit Reports that Contain a Going Concern Statement

If an audit firm conducts an audit of the Contractor and issues an audit report with a finding of a Going Concern, the Contractor must submit this audit report to the DHS Audit Liaison within ten (10) days from the date of the audit report. The submission of this audit report to DHS is required regardless of whether an audit is required under this Agreement.

A Contractor receiving a Going Concern must submit a financial plan to the DHS Audit Liaison no later than twenty-five (25) days from the date of the audit report issued by the audit firm. The financial plan must be approved by DHS. Failure of the Contractor to either timely submit the audit report with the Going Concern, or timely submit a financial plan, or DHS' rejection of the Contractor's financial plan, are grounds for immediately terminating the Agreement.

Mailing address for all audit information:

Michigan Department of Human Services
Audit Liaison
235 S. Grand Ave., Suite 1112
Lansing, MI 48909
Attention: William Addison, CPA

Y. Repayment of Debts and Other Amounts Due DHS

By entering into this Agreement, the Contractor agrees to honor all prior repayment agreements established by DHS with the Contractor or Contractor's predecessors. If the Contractor has an outstanding debt due to DHS but does not have a repay agreement, the Contractor agrees to make monthly payments to

DHS at an amount not less than five (5)% of any outstanding balance and to begin on the date this Agreement is executed.

If the Contractor fails to honor prior repayment agreements, or the Contractor fails to begin repayment on an obligation due DHS that is not subject to a repayment agreement, DHS will initiate the administrative process to reduce repayments to the Contractor under this Agreement to recoup the debt. The payment reduction will be made at the amount originally established in the repayment agreement or at an amount not less than five (5)% of any outstanding balance effective on the date this Agreement is executed.

IN WITNESS WHEREOF, the DHS and the Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

The Undersigned has the lawful authority to bind the Contractor to the terms set forth in this Agreement.

Dated at _____, Michigan Jackson County Prosecuting Attorney

This _____ day of _____, 2008 By: H. Zavitsky
Prosecuting Attorney

Witness: _____
(Print Name)

Dated at _____, Michigan The County of Jackson
(Contractor)

This _____ day of _____, 2008 By: _____
Chairperson, County Board of Commissioners

Witness: _____
(Print Name)

Dated at _____, Michigan Department of Human Services

This _____ day of _____, 2008 By: _____
Director or Designee

Witness: _____

Contract #: CSPA-09-38002

TITLE IV-D COOPERATIVE REIMBURSEMENT PROGRAM APPLICATION and WORKSHEETS

BUDGET SUMMARY PAGE

A. CONTRACT DESCRIPTION

COUNTY: JACKSON

CONTRACT NO:CS/ PA-09-38002

PROVIDER: _____ FOC _____ PA X AG _____ COMB _____

FISCAL YEAR: 2009

COLUMN I	COLUMN II	COLUMN III
SECTION B. ALLOCATION FACTORS	PROPOSED 2009 IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. FTE POSITIONS (FOC,PA,COMB) A. Enforcement (FOC &/OR COMB) B. Establishment (PA &/OR COMB)	3.95 3.95	4.00 4.00
2. % OF TOTAL FTE'S (IV-D Allocation Factor) A. Enforcement (FOC &/OR COMB) B. Establishment (PA &/OR COMB)	98.75% 98.75%	
3. CASELOAD % (FOC, Comb)		
SECTION C. BUDGET CATEGORIES	PROPOSED 2009 IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. Personnel	\$ 260,731	\$ 266,082
2. Data Processing	\$ -	\$ -
3. Other Direct	\$ 33,873	\$ 34,229
4. Central Services	\$ 39,896	\$ 40,401
5. Paternity Testing (PA/COMB Only)	\$ 500	\$ 500
6. Total Expense	\$ 335,000	\$ 341,212
7. Service Fees (FOC & COMB Only)	\$ -	\$ -
8. Judgment Fees (FOC & COMB)	\$ -	\$ -
9. Other Income (describe)	\$ -	\$ -
10. Net Expense (Line 6 minus 7-9)	\$ 335,000	\$ 341,212
11. Incentive	\$ -	
12. NET BUDGET (Line 10 minus Line 11)	\$ 335,000	
13. State Share @ 66% if Line 12	\$ 221,100	
14. County Share @ 34% of Line 12	\$ 113,900	
15. State Share same as Line 13	\$ 221,100	
16. DRA Incentive Match		
17. SECT. 905 Supplement		
18. SECT 906 Supplement		
19. TOTAL CONTRACT AMOUNT (Sum Lines 15-18)	\$ 221,100	

FY 2009 CRP AGREEMENT ALLOCATION	\$	335,000	LINE 10 NET EXPENSE
PERFORMANCE INCENTIVES	\$	-	LINE 11
NET BUDGET	\$	335,000	LINE 12 NET BUDGET
STATE SHARE	\$	221,100	
DIFFERENCE	\$	-	

LIVESTOCK LOSS

Complainant Latrill Maguire Township Leoni Zip Code 49201
 Address 4940 E Michigan City Jackson Phone 764-2947
 Owner of Animal unknown Address City
 Township Zip Code Phone
 Breed unknown Color Age Sex
 Collar License Rabies Tag Expiration Date
 Breed Color Age Sex
 Collar License Rabies Tag Expiration Date

Report Date 6/5/2008 Date of Loss 6/5/2008 # Loss 2 # Injured 6

Qty <u>2</u>	Type <u>Southdowns Sheep</u>	Wt <u>150</u>	Sex <u>F</u>	Value <u>\$42.00</u>
Qty <u></u>	Type <u></u>	Wt <u></u>	Sex <u></u>	Value <u>\$0.00</u>
Qty <u></u>	Type <u></u>	Wt <u></u>	Sex <u></u>	Value <u>\$0.00</u>
Qty <u></u>	Type <u></u>	Wt <u></u>	Sex <u></u>	Value <u>\$0.00</u>
Qty <u></u>	Type <u></u>	Wt <u></u>	Sex <u></u>	Value <u>\$0.00</u>

Name of Insurance? unknown - \$1000.00 deductible Township Supervisor Contacted? told
 Did you inform them to contact Township Supervisor yes Pay Claim X
 Denied Claim* Reason*

Report

Reporting Officer arrived and found 8 sheep all very scared. 7 were huddled in the barn area and 1 was in the corner of the pasture laying by the corner fence posts. The single sheep had a very large hole in her back and was not able to get up. One of the other 7 were laying in the barn area had many bites and was breathing very hard, she could not get up. The other 6 would get up and walk around but also had bites the legs, sides and backs. Reporting Officer took pictures of the sheep in question.
 It is obvious to Reporting Officer that the sheep were attacked by dogs. If coyotes had attacked these sheep they would have stopped and ate once one was down and then went on to another.
 Reporting Officer called Napoleon Livestock on scene and was told that these sheep were going for \$0.28 per pound. Both the owner and Reporting Officer agree that the sheep weigh about 150 lbs each. \$42.00 per sheep or \$84.00 for the 2 sheep.
 Mr. Maguire stated that he did have insurance but that he has a \$1000.00 deductible so it does him no good.
 Reporting Officer recommends that the claim be paid.

JSO # 8224-08

RECEIVED

AUG 14 2008

JACKSON COUNTY
ADMINISTRATOR'S OFFICE

JACKSON COUNTY ANIMAL CONTROL COMPLAINT 2008

Date 6/5/2008 Date Called Out 6/5/2008 Called By 911 Complaint Taken By kat
Time 0900 Time Called Out 0900 Called To kat
Complainant 911/Mickey McGuire Address 4940 E Michigan Ave
Area 517 TX 764-2947 Area _____ TX _____ XRd Donnley
XRd _____ Township Leoni Complaint Type LS LOSS

WHAT IS THE ANIMAL DOING TO BE AGGRESSIVE?

Growling ☐ Barking ☐ Chase ☐ Bite Person ☐ Bite Animal ☐ Scratch ☐ Charging ☐

Baring Teeth ☐ Jumping ☐ Hair Raised ☐ Attack Person ☐ Attack Animal ☐ Other ☐

CHECK IF NOT OUT AT THIS TIME? ☐

Complaint Description Dog attack sheep

DESCRIPTION OF ANIMAL

Breed Southdown Sheep
Color Wht
Breed _____
Color _____

Breed _____
Color _____
Breed _____
Color _____

SUSPECT

Suspect _____ Address _____ TX _____
Comments No Suspect Dog

DISPOSITION

ACO Kat JSO No 8224-08 Tag No none Summons No none
Report No na ☐ CXL ☒ Report Taken ☐ VW ☐ WW ☐ SI ☐ PU ☐ Seized
☐ Checked Area ☐ GOA ☐ VA Compl ☐ WA Compl ☐ Closed

Disposition
Date 6/5/2008 LS Loss Report taken
Time 0915

Disposition
Date _____
Time _____

Disposition
Date _____
Time _____

Disposition
Date _____
Time _____



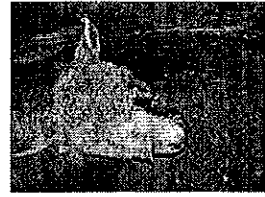
4940 E Michigan 5June08
LSLOSS 001.jpg



4940 E Michigan 5June08
LSLOSS 002.jpg



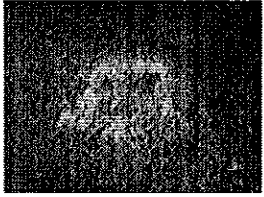
4940 E Michigan 5June08
LSLOSS 003.jpg



4940 E Michigan 5June08
LSLOSS 004.jpg



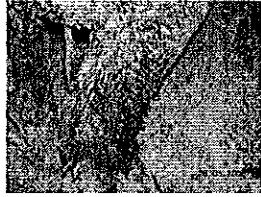
4940 E Michigan 5June08
LSLOSS 005.jpg



4940 E Michigan 5June08
LSLOSS 006.jpg



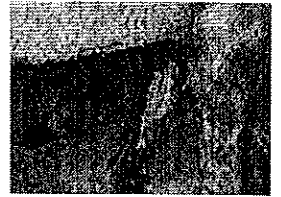
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LSLOSS 007.jpg



4940 E Michigan 5June08
LSLOSS 008.jpg



4940 E Michigan 5June08
LSLOSS 009.jpg



4940 E Michigan 5June08
LSLOSS 010.jpg

Leoni Township Office

913 Fifth Street P.O. Box 375
Michigan Center, Michigan 49254
PHONE: (517) 764-4694 FAX: (517) 764-1106
email: leonitwp@modempool.com

July 28, 2008

Latrill Maguire
4940 E. Michigan Ave.
Jackson, MI 49201

COPY

Dear Latrill Maguire:

I made a home visit to 4940 E. Michigan Ave., after a police report was issued concerning injured sheep by stray dogs. Office Tom Bertram did a police report on 7/2/08 and the area was canvassed for possible leads to the stray dogs with a negative result.

I was able to confirm the injuries of 8 adult "south down" sheep during my visit to your home. Six of the eight were injured with two being mortally wounded. If you have any future concerns, questions or need additional information regarding the injuries to your animals please contact the Police Department or Animal Control for assistance.

Sincerely,



Jerry Roe, Zoning & Building Inspector

Leoni Township Police Department -- (517) 764-7034
913 Fifth Street, Michigan Center, MI 49254

Incident No: 08-002640

Status Closed

Date Reported: 06/05/2008 Time Reported: 08:45

Officer: Bertram, T.

Classification: General Assist -- (9900-9)

Location: 4940 E. MICHIGAN AVE.

Section / Noh:

Description: Animal compl.

Clerk: TB

Complainant:

MAGUIRE, LATRILL
4940 E. MICHIGAN AVE.
JACKSON, MI 49201

DOB: 07/02/1932

Phone: (517) 764-2947 (Home)

Ops. M260488020532 / MI

Race: White Sex: Male

Original Narrative:

Injured animal information: 8 adult "south down" sheep.

INCIDENT SUMMARY:

On 06/05/08 R/O (Sgt. Bertram) was dispatched to 4940 E. Michigan Ave reference to dog(s) that got into the sheep pen. Upon arrival R/O met with the complainant, Mr. Maguire.

INTERVIEW VICTIM:

Mr. Maguire said it appears that sometime in the night an unknown dog(s) had gotten into the sheep pen injuring 6 sheep and mortally wounding 2 of the sheep.

INVESTIGATION:

R/O searched for the unknown dog(s) and canvass the area for possible leads, with negative results.

ACTION TAKEN:

R/O made contact with a Jackson County Animal Control officer and turned over the complaint to that officer.

R/O informed Mr. Maguire that there will be a report on file. R/O requested that he contact R/O or Animal Control if he had any questions or additional information.

DISPOSITION: Closed.

Signed:

Reviewed By:

Date Printed: 06/13/2008

Resolution (09-08.34) Opt-Out Tax Exempt Resolution
Grass Lake Charter Township LDFA (2nd time)

WHEREAS, Charter Township of Grass Lake desires to establish an LDFA (Local Development Finance Authority) of the Charter Township of Grass Lake; and,

WHEREAS, It is necessary for the Jackson County Board of Commissioners to readopt this resolution as the Charter Township of Grass Lake has re-designated the boundaries of the proposed LDFA; and,

WHEREAS, Jackson County has reviewed the proposed establishment of the LDFA of the Charter Township of Grass Lake; and

WHEREAS, the proposed establishment of the LDFA of the Charter Township of Grass Lake may or will prevent the County from levying and collecting ad valorem property taxes or that said taxes will be subject to capture by the Grass Lake Charter Township LDFA; and

WHEREAS, the County of Jackson desires to be exempt from capture of said taxes otherwise subject to levy; and

WHEREAS, Jackson County further does not desire to surrender to or to allow the LDFA of the Charter Township of Grass Lake to capture the ad valorem tax revenues otherwise payable to the County of Jackson and that said loss could amount to a substantial loss to the County.

NOW, THEREFORE, BE IT RESOLVED that Jackson County does and hereby exempts its current and any future levy of ad valorem property taxes on the land - in the proposed establishment of an LDFA of the Charter Township of Grass Lake.

BE IT FURTHER RESOLVED that Jackson County declines and otherwise opts out of the proposed establishment of an LDFA of the Charter Township of Grass Lake but encourages discussions concerning the formulation and execution of an inter-local agreement with Grass Lake Charter Township with respect to the proposed establishment of an LDFA.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be served upon the Clerk of Grass Lake Charter Township effective September 23, 2008.

Said Resolution was offered at a special meeting of the Jackson County Board of Commissioners held at the Jackson County Tower Building on the 23rd day of September 2008.

James E. Shotwell, Jr., Chairman
Jackson County Board of Commissioners
September 23, 2008



Jackson County Health Department

1715 Lansing Avenue • Ste. 221 • Jackson, Michigan 49202

Phone (517) 788-4477

Fax (517) 788-4256

To: Board of Commissioners
Human Services Committee

From: Ted Westmeier, RS, MPH
Director/Health Officer

Re: Budget Request for FY 08/09

Date: September 9, 2008

Attached is a program summary of the Health Department's FY 08/09 budget request. This budget follows the budgetary guidelines as directed by County Administration and is being submitted for your review and approval. The budget is very similar to the previous year's budget with the following exceptions:

1. The full time positions dedicated to public health programming are reduced by 1.5. The soil erosion and sedimentation control program is the main factor; however there have been slight personnel shifts due to other program demands.
2. We plan to eliminate a staff clerical position through attrition.
3. We plan to hire a full-time nutritionist to work in the Maternal and Infant Health Program (MIHP) and the Women, Infants and Children (WIC) Program. There is a need for additional professional staffing in the WIC program, to provide for nutrition education and assistance in the role of Certified Professional Authority (CPA).
4. The Medicaid Outreach and Advocacy Orgkey funding is being significantly increased. The documentation of these activities by personnel in other program areas results in an additional revenue source that was not fully captured prior to 2008.
5. Our overall budget is reduced from last year. We are requesting \$651,568 from the general fund, which is over \$91,000 less than last year or a 12% decrease in county general fund support. We are also requesting \$43,750 from our fund balance for capital purchases.

If you have any additional questions or concerns regarding our proposed budget do not hesitate to contact me.

An Equal Opportunity Employer

Accounting
788-4487

Environmental Health Division
788-4433

Health Education
788-4655

Personal & Preventative
Health
788-4420

JACKSON COUNTY
Jackson County Health Department
Summary of Orgkeys for Budget 2008-2009

Updated 9/8/08- RRP

Orgkey	Description	Revenues	Expenditures	Full Time FTE's	Part Time FTE's
221100	Adminstration	\$715,358	\$495,803	3.500	0.000
221160	Health Education	\$119,741	\$219,694	3.000	0.000
221175	Emergency Preparedness (Bioterror)	\$158,441	\$147,986	1.400	0.500
221200	Environmental Health	\$754,625	\$619,935	8.250	0.000
221300	General Nursing	\$54,735	\$180,733	1.350	0.600
221301	MSS/ISS (MIHP)	\$335,500	\$384,388	2.900	1.500
221310	Immunizations	\$334,716	\$303,804	1.300	2.000
221312	Early On	\$143,000	\$147,388	1.000	0.200
221313	Sexually Transmitted Diseases (STD)	\$82,963	\$117,085	1.200	0.750
221320	Infant Mortality Review & Prevention	\$61,660	\$82,216	0.400	1.000
221341	Childrens Special Health Care Services	\$74,207	\$84,594	1.050	0.300
221417	Hearing & Vision	\$54,735	\$97,890	0.100	2.000
221451	Medicaid Outreach & Advocacy	\$133,012	\$188,106	1.775	1.060
221460	Women, Infants & Children (WIC)	\$587,316	\$517,362	5.875	1.460
221616	AIDS Counseling & Testing	\$18,518	\$19,297	0.050	0.250
221630	Tobacco Reduction Coalition	\$20,000	\$18,772	0.250	0.000
221634	Immunization Action Plan	\$67,380	\$84,897	1.100	0.000
221635	Car Seat Program	\$61,366	\$67,324	0.000	0.500
221655	Teen Pregnancy Prevention	\$49,769	\$49,769	0.750	0.000
	Misc rounding		\$1		
GRAND TOTAL OF ALL PROGRAMS		<u>\$3,827,042</u>	<u>\$3,827,042</u>	35.250	12.120

**FTE
REDUCTION
TARGET**

***Administrative Services**
Airport
Animal Shelter
Circuit Court
District Court
Clerk
Department of Aging
Drain Commissioner
Equalization
GIS
Facilities
Fair
Friend of Court
Health Department
***Human Resources**
IT Department
MSU
Parks & Golf Courses
Prosecuting Attorney
Register of Deeds
Sheriff Department
Treasurer's Office
Veterans
Youth Home
Administrator/Controller
***AS/HR/FACILITIES ADMIN**
CONTROLLER-REORG

0.0
-0.5
-1.0
-2.0
-4.0
-0.5
-1.0
0.0
-1.0
-1.0
-4.0
0.0
-1.0
-1.0
0.0
-1.0
-0.5
-3.0
-2.0
-1.0
-5.0
-0.5
0.0
-2.5
1.0
-2.0

TOTAL

-33.5

**Michigan Department of Human Services – Division of Contracts and Rate Setting
Child Support – Friend of the Court - FOC Contract (CM-F162) - Actual Cost
Cover Sheet**

Contractor Name: Jackson County Friend of the Court		Contract #: CSFOC-09-38001
Total Contract Amount: \$ 2,044,467.00		Net Budget Amount: \$ 3,097,677.00
Total Contract Amount – (spelled out) TWO MILLION FORTY FOUR THOUSAND FOUR HUNDRED SIXTY SEVEN		
CS-138#: Non-Jurisdictional	Expires: 9/30/09	Commodity Code: FTR-1002
County Name(s): Jackson		Circuit Court Name: 4th
Fed. I.D. #: 38-6004845		Payment Mail Code: 062
Contractor Address: Address: 1697 Lansing Avenue		City/State/Zip: Jackson, MI 49202
Contractor FY begin date (day/month): 01 day of month 01 month of year		
Org. Type: <input type="checkbox"/> Private, Non-profit <input type="checkbox"/> Private, Proprietary <input checked="" type="checkbox"/> Public <input type="checkbox"/> University		
Audit Status: <input type="checkbox"/> Vendor <input type="checkbox"/> No Federal Funds <input checked="" type="checkbox"/> Sub-recipient If checked, record CFDA numbers(s) below 93.563		Faith Based: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Contractor is a State employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Contractor is a State retired employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Award Status: <input type="checkbox"/> Bid	<input checked="" type="checkbox"/> Sole Source	<input type="checkbox"/> Fair Market Rate
Payment Type: <input checked="" type="checkbox"/> Actual Cost <input type="checkbox"/> Unit Rate <input type="checkbox"/> Fair Market Rate		
Index Code: 50700	PCA: 83202 100%	AQC: 6155
Contract Administrator: Crystal Perry		Phone Number: (517) 241-5068

The contract administrator by submission of this document assures no changes have been made to the contract General Provisions as stated in Article III of standard DHS contract format.

Contract No: CSFOC-09-38001
County: Jackson
Net Budget Amount: \$3,097,677.00
Total Contract Amount: \$2,044,467.00
Method of Payment: Actual Cost

AGREEMENT
between

Michigan Department of Human Services
(hereinafter referred to as DHS) &
235 South Grand Avenue
P.O. Box 30037
Lansing, Michigan 48909

The County of Jackson (hereinafter
referred to as the "Contractor")
1697 Lansing Avenue
Jackson, MI 49202

This Agreement, effective October 1, 2008 through September 30, 2009, is by and between **DHS**, the **County of Jackson**, a public organization and the **4th Circuit Court** (together referred to as the "Contractor").

I. CONTRACTOR DUTIES AND RESPONSIBILITIES

The Contractor shall enforce and seek modification of support orders, over which it has jurisdiction. The Contractor shall comply with all requirements of Title IV-D of the Social Security Act, and shall implement all applicable Federal regulations and requirements, statutes, court rules, and DHS policies and procedures that relate to establishing and enforcing support orders. The Contractor will use the automated Michigan Child Support Enforcement System (hereinafter referred to as "MICSES System"), as supported by the Michigan Friend of the Court (hereinafter referred to as MFOC) Manual Section 4000, the Friend of the Court Letters, the Michigan Department of Human Services Office of Child Support (hereinafter referred to as "OCS") IV-D Combined Manual and the Michigan IV-D Action Transmittals (hereinafter referred to as "Title IV-D Standards").

A. Enforcement Services

The Contractor shall:

1. Make IV-D services available to all eligible persons.
2. Maintain records and provide collection services.
3. Enforce support obligations as defined in MCLA 552.501. Use all appropriate procedures including but not limited to:

- a. Wage or Income Withholding
 - b. State Tax Offset
 - c. Federal Tax Offset
 - d. Withholding of Unemployment Compensation Benefits
 - e. Imposing Liens
 - f. Posting Security, Bond or Guarantee for Overdue Support
 - g. Informing the Consumer Reporting Agency
 - h. License Suspension
 - i. Medical Support
 - j. Contempt Proceedings
 - k. Interstate Enforcement Action
 - l. Financial Institution Data Match
 - m. Denying or Revoking Passports
4. Review and modify support orders using the "Michigan Child Support Formula Manual".
5. Initiate locating action when necessary.
6. Cooperate with other States for enforcement of child support orders.
7. Maintain the following administrative processes:
 - a. Fiscal Policies and Accountability
 - b. Bonding of Employees
 - c. Separation of Cash Handling and Accounting Functions
 - d. Safeguarding of Information
 - e. Records Maintenance
8. Receive, account for, and process voluntary support payments.
9. For the purpose of annual Title IV-D Self-Assessment case readings, allow DHS and its identified agents access to:
 - a. Central system case records
 - b. Paper case records
 - c. MICSES System case records.
10. For the purpose of Administrative Lien and Levy of financial assets, the Contractor shall abide by the Delegation Agreement in accordance with Central Financial Institution Data Match (FIDM) Business Rules.

B. Reports

The Contractor shall prepare, complete and submit the following reports in the cycles indicated, to the units named. It is expressly understood that the timelines for reports set forth in this document are dependent on the ability of the Contractor to access MiCSES System and extract this information:

1. **Form:** DHS-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including appropriate time and caseload documentation, including the FPRO Report run within thirty (30) days after the month of service.
 Cycle: Due by the thirtieth (30th) day after month of service
 To: Michigan Department of Human Services
 Contract Manager, Office of Child Support
2. **Form:** DHS-820 - Support Collection Refund/Reimbursement Request for incorrect foster care disbursements.
 Cycle: As needed in accordance with MFOC Section 4000, Chapter 650.
 To: Michigan Department of Human Services
 Reconciliation and Recoupment Section
 P.O. Box 30025, Lansing, MI 48909
3. **Form:** DHS-820 - Support Collection Refund/Reimbursement Request for incorrect Medicaid disbursements.
 Cycle: As needed in accordance with MFOC Section 4000, Chapter 650.
 To: Michigan Department of Community Health
 Revenue and Reimbursement/Third Party Liability
 P.O. Box 30479, Lansing, MI 48909
4. **Form:** DHS-316 or collection report requesting correction of distributed support collections.
 Cycle: No regular cycle: process as received
 To: Michigan Department of Human Services
 Office of Child Support
5. **Form:** OCS Tax Data Confidentiality Questionnaire
 Cycle: Due by April 30
 To: Michigan Department of Human Services
 Contract Manager, Office of Child Support

6. **Form:** Criminal Background Check Plan
 Cycle: Due by September 30, 2009
 To: Michigan Department of Human Services
 Contract Manager, Office of Child Support

C. Client Grievance System

The Contractor shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or DHS upon request.

D. Statewide Automated System

The Contractor agrees to use the automated MiCSES System for processing intra- and inter-state data pursuant to Title IV-D Standards throughout the life of this Agreement, and agrees to comply with all IV-D, OCS and DHS reporting requirements.

E. Billing Method

The Contractor, as a sub-recipient of Federal Financial Assistance, agrees to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget (OMB) Circular No. A-87. This Circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support activities under Title IV-D of the Social Security Act.

1. The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Contractor certifies that this budget has been prepared in accordance with the Budget Completion Instructions provided by DHS. This document details the amount and object of expenditures for which the Contractor shall use funds paid under this Agreement. The Contractor is authorized to expend funds only for those resources indicated in the budget that are allowable, properly allocated and reasonable as defined in the Budget Completion Instructions. Only actual costs may be billed to DHS. The Title IV-D Program Budget Summary is attached and made a part of this Agreement. The Title IV-D Budget and Application details the amount and object of expenditures for which the Contractor shall use funds paid under this Agreement. The Contractor shall follow and adhere to the Budget.

- a. However, expenditures up to a five (5)% increase or \$3,000, whichever is greater, above the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.
2. The Contractor must submit a budget revision request and obtain prior written approval from DHS to increase any line item by more than five (5)% or \$3,000, whichever is less, or decrease line items in the budget.
 - a. The written request for DHS' approval must contain sufficient information to allow DHS to identify which budget line items are to be increased, which line items are to be decreased; the reason for the change and the programmatic impact of the budget changes. If the budget changes stay within the originally approved budget total, the request shall be submitted as a line item transfer. A request that increases the originally approved budget shall be submitted as an amendment.
 - b. A budget revision request will not be accepted earlier than six (6) months after the Agreement effective date. The due-date to submit a line item transfer request and/or amendment to DHS is ninety (90) days prior to the end date of the Agreement.
 - c. The person authorized to approve budget revisions is the DHS Office of Child Support. DHS shall provide an initial response to line item transfer requests within thirty (30) days of receipt.
 - d. If any staff funded in part or whole by IV-D funds do not work full-time on IV-D matters, detailed time records for such employees are required to document the amount of time spent on reimbursable activities.
3. Actual costs include the cost of fringe benefits provided for contract employees billed under this Agreement. The fringe benefits billed must be proportional to the time the employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar Non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.

F. Billing Procedure

The Contractor shall submit a monthly "Title IV-D Cooperative Reimbursement Expenditure Report" (Form DHS-286), to DHS detailing program-related

expenditures. The DHS-286 shall indicate actual expenditures incurred broken out by category of expense in the performance of this Agreement for the period being billed. The DHS-286 shall be submitted to DHS within thirty (30) days from the end of the monthly billing period. For the month of September, DHS-286 reports shall be submitted as reasonably directed by DHS to meet fiscal year-end closing deadlines. At its discretion, DHS may not make payment to the Contractor for billings submitted more than 90 days after the end of a billing period.

G. Reinvestment of Incentive Payments to the Contractor

All claims for expenditure reimbursement shall be made in accordance with Federal regulations implementing Public Law 105-200, 45 CFR Part 305 and applicable DHS instructions. To remain eligible for State and Federal reimbursement under this Agreement, all Title IV-D Federal incentives received by the Contractor must be reinvested in the Title IV-D program. Reinvestment of incentives must be consistent with 45 CFR Part 305.35; non-IV-D activities must have prior approval by the Director, Office of Child Support, and DHS.

H. Sub-recipient Relationship

This Agreement constitutes a sub-recipient relationship with DHS. The Contractor is required to comply with all Federal regulations that relate to the accounting and auditing of the Federal award used to fund this Agreement. This includes, but is not limited to, compliance with OMB Circular A-133.

Regulations applicable to funding sources are included in the Catalog of Federal Domestic Assistance (CFDA). The Federal Program Title, CFDA number and Federal Financial Participation (FFP) rate DHS will use for this agreement are:

Federal Program Title	CFDA#	FFP%
Title IV-D	93.563	100%

Note: The FFP percentage above refers to the percentage of Federal funding represented in the reimbursement DHS makes to the Contractor.

However, DHS may change the CFDA number and will implement any changes made by the Federal Government to the CFDA number and/or FFP rate during the course of this Agreement. CFDA numbers and FFP rates for this Agreement shall be posted quarterly on the DHS website. The Contractor is required to check the website to obtain up to date information regarding the CFDA numbers.

The Contractor shall consult the following website address to obtain CFDA numbers, payments, and other audit information:

http://www.michigan.gov/dhs/0,1607,7-124-5455_7199_8380---,00.html

DHS agrees to participate in audit costs related to the audit as described in other sections of this Agreement.

I. Reporting Requirements

The Contractor must immediately report to the DHS Audit Liaison accounting irregularities including noncompliance with Agreement provisions.

If the Contractor is required per OMB Circular A-133 to have a Single Audit performed, the Contractor must submit the Reporting Package and an Audit Transmittal Letter to the DHS Audit Liaison at the address that follows and in accordance with the time frame established in the Circular.

Reporting Package includes:

1. Financial statements and schedule of expenditures of Federal awards
2. Summary schedule of prior audit findings
3. Auditor's report(s)
4. Corrective Action Plan if applicable

J. Audit Transmittal Letter

The Contractor is responsible to identify in the Audit Transmittal Letter all organizations it operates that administer DHS sub-recipient programs and the different names the Contractor may use to enter into an Agreement with DHS. The Contractor is responsible for proper completion and submission of the Audit Transmittal Letter. This letter, to be accurately processed by DHS, must include the following information:

1. The Contractor's name as reported in the DHS Agreement(s).
2. The Contractor's Federal Identification Number(s) as reported in the DHS Agreement(s).
3. The Contractor's fiscal year end.
4. Identify other name(s) and other Federal Identification Number(s) used by the Contractor.

If a Single Audit is not required per OMB Circular A-133, the Contractor must still submit an Audit Transmittal Letter stating why a Single Audit was not required and the Contractor's fiscal year the letter pertains to. The Audit Transmittal Letter should include items stated in the section, "Audit Transmittal Letter," described above. The letter may be mailed to the address below or faxed to (517) 373-8771.

Mailing address for all information:

Michigan Department of Human Services
Audit Liaison
235 S. Grand Avenue, Suite 1112
Lansing, MI 48909
Attention: William Addison, CPA

If the Contractor is a sub-recipient of DHS, but asserts it is not required to have a Single Audit performed, the Contractor shall submit an Audit Transmittal Letter to the DHS Audit Liaison stating the reason the Single Audit is not required. Failure by the Contractor to submit the Audit Transmittal Letter shall result in invoking the same sanctions on the Contractor as failure to submit the Single Audit Report.

K. Audit Cost

Cost of the Single Audit can only be charged to this Agreement if there is a provision within this Agreement that allows payment for the Single Audit cost. No audit cost may be charged to this Agreement if the Contractor is not required to have a Single Audit.

No audit costs may be charged to DHS when audits required by this Agreement have not been performed or have not been performed in accordance with OMB Circular A-133 requirements. Late submission (as defined in Circular A-133) of the Single Audit Report and/or Audit Transmittal Letter is considered noncompliance with this section and may be grounds to impose sanctions.

L. Sanctions

DHS may impose sanctions if the Contractor fails to adhere to any of the audit requirements in this Agreement including the Audit Transmittal Letter in this Agreement. In cases of continued inability or unwillingness on the part of the Contractor to comply with audit requirements, DHS may impose sanctions such as:

1. Withholding a percentage of Federal awards until the audit is completed satisfactorily.
2. Withholding or disallowing overhead costs.
3. Suspending Federal awards until the audit is conducted.
4. Terminating the Federal award.
5. Recouping all Federal payments made to the Contractor under this or any other agreements between DHS and The Contractor.

M. Fiscal Requirements

The Contractor shall install and maintain an accounting system to identify and support all expenditures billed to DHS under this Agreement. The accounting system must record all income and expenses for the Contractor's total program of which services provided under this Agreement are a part. The accounting system, as a minimum, shall consist of a chart of accounts, cash receipts journal, cash disbursements journal, and general ledger. All expenditures and income must be supported by vouchers and receipts that detail the reason for the transaction.

The Contractor shall maintain, within the accounting system, salary and fringe benefits accounts that break out positions, hospitalization, retirement, workers' compensation and other fringe benefits. The Contractor shall establish and maintain payroll records for all employees.

II. DHS DUTIES AND RESPONSIBILITIES

A. Program Administration

DHS, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with Federal requirements. DHS shall also distribute program regulations, forms and instructions to the Contractor through the Friend of the Court Manual Section 4000, the Friend of the Court Letters, the OCS IV-D Combined Manual, the Michigan IV-D Action Transmittals, and the Mi-Support Website.

DHS will provide timely processing of all claims for expenditure reimbursement in accordance with State regulations implementing § 2, Public Act 279 of 1984.

B. Payment

1. DHS shall complete its processing of payments to the Contractor within forty-five (45) calendar days after receipt of the Contractor's monthly DHS-286, "Title IV-D Cooperative Reimbursement Expenditure Report," detailing program related expenditures. Payments shall be made in accordance with the budget attached to and made part of this Agreement. For DHS-286 Expenditure Reports submitted after the due-date, processing and payment may be delayed to the next available cycle.
2. Further, DHS reserves the right to defer or disallow payment of any claim submitted by the Contractor for failure to document and provide any required paper or electronic records, statistics, or reports to DHS as required by this Agreement or as are required by applicable State statutes or Federal regulations, provided that such requests are within the capacity

of the Contractor to obtain. DHS must provide the Contractor with thirty (30) days notice of such an action as well as the Contractors right to appeal that decision.

3. Payment of Bench Warrant Funds: DHS shall pay Bench Warrant Funds to the Contractor in accordance with Action Transmittal (AT) 2007-036, or its successor, and if applicable, the DHS Memorandum of Understanding (MOU) with the Contractor. In accepting the Bench Warrant Enforcement Funds (BWEF), the Contractor shall use and account for the funds in accordance with AT 2007-036, or its successors, and its MOU with the DHS.

C. Program Compliance Monitoring and Evaluation

1. DHS shall monitor and evaluate Contractor performance for compliance with Title IV-D Standards, all Contractor duties and responsibilities, as identified in § I of this Agreement, *Contractor Duties and Responsibilities*, and all other terms set forth in this Agreement. DHS shall provide access to all Federal reporting. DHS agrees to provide the Contractor with quarterly performance data no later than thirty (30) business days after the close of each quarter.
2. DHS shall conduct an annual self-assessment review to evaluate its IV-D program to determine if Federal requirements are being met and to provide an annual report to the Secretary of the Department of Health and Human Services on the findings: and,
3. DHS' agents will comply with the Contractor's information technology acceptable use policies and guidelines for the county computer system and protect the confidentiality of the case records.

D. Administrative Lien and Levy of Financial Assets

For the purpose of Administration Lien and Levy of Financial Assets, the DHS Central Enforcement Unit shall abide by the Central Financial Institution Data Match (FIDM) Business Rules developed by the State Court Administrative Office and DHS.

E. Incentive Payments to the Contractor

DHS shall distribute Federal incentive payments to the Contractor in accordance with Federal regulations implementing Public Law 105-200, 45 CFR Part 305 and applicable Office of Child Support, DHS procedures.

F. Maximum Amount of Agreement

1. The total maximum amount DHS agrees to pay the Contractor for services performed during this fiscal period of October 1, 2008 through September 30, 2009 as defined by the terms of the Agreement is TWO MILLION FORTY FOUR THOUSAND FOUR HUNDRED SIXTY SEVEN AND NO/100 DOLLARS (\$2,044,467.00).
2. If review of the Contractor's financial records indicates costs are projected to exceed the current budget, the Contractor is required to submit an Amendment request. The due-date for submission of this request is ninety (90) days prior to the end-date of the Agreement period. DHS shall provide an initial response to budget amendments within thirty (30) days of receipt.

Obligations incurred prior to or after the period covered by this Agreement shall be excluded from the Contractor's monthly invoices.

G. Additional Funding

DHS shall notify the Contractor of additional funding availability associated with this Agreement through a Notice of Funds Available (NFA), DHS-256. The NFA shall be signed by DHS and incorporated by reference into this Agreement unless the Contractor sends written notice of disagreement with the terms specified in the NFA within fourteen (14) days of its receipt. DHS hereby agrees to pay the Contractor an amount not to exceed the amount identified in the NFA for activities performed under this Agreement exclusively during the period October 1, 2008 to September 30, 2009.

III. GENERAL PROVISIONS

A. DHS' Source of Funds-Termination

DHS' payment of Federal or State funds for purposes of this Agreement is subject to and conditional upon the availability of those funds for such purposes. No commitment is made by DHS to continue or expand activities covered by this Agreement. Funding for services to be provided beyond the end of the initial State fiscal year is dependent on legislative appropriation.

DHS may terminate this Agreement immediately upon written notice to the Contractor at any time prior to the completion of this Agreement if, in the sole discretion of DHS, funding becomes unavailable for this service or such funds are restricted.

B. Civil Service Rules and Regulations

The State of Michigan is obligated to comply with Article XI, Section 5, of the Michigan Constitution and applicable Civil Service rules and regulations. Other provisions to this Agreement notwithstanding, the State personnel director is authorized to disapprove contractual disbursements for personal services if the State personnel director determines that the Agreement violates Article XI, Section 5 of the Michigan Constitution or applicable Civil Service rules and regulations.

C. Fees and Other Sources of Funding

The Contractor may not submit a claim for any service under this Agreement if the same service has been reimbursed in whole or in part with funds under another program. If the Contractor receives fees or reimbursement of costs for a service provided under this Agreement, the amount of fees or costs, whichever is greater, shall be deducted from any amounts billed under this Agreement.

D. Reporting

The Contractor shall comply with all program and fiscal reporting procedures as are or may hereinafter be established by DHS. The Contractor shall also comply with all reporting procedures established by DHS in completion of progress reports at time intervals, on forms, in formats, and by means specified by DHS. In particular, reports or billing documents denoting event dates shall record month, day and year as specified by DHS. In all electronic filings, four (4) digits shall be used to designate century. Any additional reports deemed necessary by DHS as may be required to comply with Federal and/or State law or regulation shall be made and submitted by the Contractor upon request.

E. Examination and Maintenance of Records

The Contractor shall permit DHS or any of its authorized agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor shall retain all books, records or other documents relevant to this Agreement for six (6) years after final payment, at the Contractor's cost. Federal auditors and any persons duly authorized by the DHS shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the six (6) year period and extends past that period, all documents shall be maintained until the audit is completed. DHS shall provide findings and recommendations of audits to the Contractor. DHS shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor in any period prior to the audit. If no payments are due and owing the Contractor, the Contractor shall refund all amounts which may be due DHS within sixty (60) days notice by DHS.

2. For each applicant for employment, who works directly with children under this Agreement, a Central Registry (CR) check.

The Contractor further certifies that the Contractor shall develop and submit a plan to DHS/OCS no later than September 30, 2009 describing a process and timeline for completion of the ICHAT and CR background checks for all existing employees, subcontractors, subcontractor employees, or volunteers. The plan shall include the Contractor's written policy describing the criteria on which its determinations shall be made upon receipt of a positive ICHAT or CR response record. The Contractors may consider the amount of time that has elapsed since the crime and type of crime when making this determination. The plan shall include the Contractor's plan for implementation of this provision for unionized staff if applicable.

Information about ICHAT can be found at <http://apps.michigan.gov/ichat>.

H. Publication - Approval and Copyright

The State of Michigan shall have copyright, property and publication rights in all written or visual material or other work products funded under this Agreement. The Contractor shall not publish or distribute any printed or visual material relating to the services provided under this Agreement without prior written permission of the State of Michigan.

If the Contractor or an agent of the Contractor creates and/or reproduces under this Agreement materials which are developed for consumption by the general public or as a general information tool and which are funded in whole or in part with State of Michigan funds, the Contractor or its agent must include one of the statements referenced below, as they apply:

- . This program is funded by the State of Michigan or
- . This program is funded in part by the State of Michigan

I. Confidentiality

The use or disclosure of personally identifying information concerning services, applicants or recipients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement and when not prohibited by law. In all cases, use or disclosure of confidential information shall only be allowed when that use or disclosure is in compliance with Federal and State laws, including HIPAA, Rules and Regulations, Court Orders and Subpoenas, or subpoenas issued by a grand jury. Such disclosures must conform to all State and Federal confidentiality provisions. Confidentiality provisions related to casework activities, family situations and issues, family

demographics and any other information that shares case specific details must be strictly observed and may not be disseminated in any way except as specified above.

Unauthorized use or disclosure of confidential information is a violation of this Agreement and may also be subject to criminal penalty pursuant to Federal and State statutes and regulations as they may apply.

J. Fixed Assets

DHS reserves the right to obtain or transfer title to all fixed assets, real or personal, included in the approved budget of this Agreement and billed in full or in part to DHS by the Contractor and not fully utilized at the conclusion of the Agreement. Fixed asset costs billed to DHS shall be limited to straight-line depreciation or use charge pre-approved by DHS and shall be used only for the performance of this Agreement unless another use is authorized in writing by DHS. DHS property shall be used only for the performance of this Agreement unless another use is authorized in writing by DHS, and shall promptly be returned or the DHS portion of the residual value refunded to DHS upon expiration of this Agreement, in its original condition, reasonable wear and tear excepted.

At least sixty (60) days prior to the end of this Agreement (which includes cancellation of the Agreement), the Contractor shall report to DHS the book value of all fixed assets and non-consumables purchased with DHS funds and request written instructions regarding the disposal of these fixed assets and consumable and/or non-consumable supplies that have been acquired with funds under this Agreement. Any gain on the sale or disposition of fixed assets before completion of the Agreement must be immediately reported and refunded to DHS.

No disposal, sale or transfer of fixed assets obtained under this Agreement in whole or part, may occur without the express written consent of DHS.

K. Subcontracts

The Contractor shall not assign this Agreement or subcontract this Agreement to other parties without obtaining prior written approval of the DHS Division of Contracts and Rate Setting. DHS, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement including Criminal Record and Central Registry background checks, when applicable. The Contractor shall be responsible for the performance of all assignees or subcontractors.

If subcontracting, the Contractor must obligate the Subcontractor(s) to maintain the confidentiality of DHS' client information in conformance with State and

Federal requirements. At DHS' request, any employee of the Contractor and of any Subcontractor having access or continued access to the DHS' confidential information may be required to execute an acknowledgement that the employee has been advised of the Contractor's and the Subcontractor's obligations under this section and of the employee's obligation to DHS, the Contractor or Subcontractor, as the case may be, to protect such confidential information from unauthorized use or disclosure.

L. Cancellation of Agreement

DHS may cancel this Agreement upon thirty (30) days written notice if DHS determines that the Contractor, its agent, or its representative has offered or given a gratuity, kickback, money, gift, or anything of value to an officer, official or employee of the State to obtain an Agreement or favorable treatment under an Agreement. By signing this Agreement, the Contractor hereby certifies that no funds have been given to any State officer, official, or State employee for influencing or attempting to influence such officer, official, or employee of the State.

Except as indicated below, DHS may cancel the Agreement without further liability to DHS or its employees by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation. The Contractor may terminate this agreement upon thirty (30) days written notice to DHS at any time prior to the completion of the Agreement period.

In case of default by the Contractor, the DHS may immediately cancel the Agreement without further liability to DHS or its employees, and procure the services from other sources.

The Contractor, by signing this Agreement, certifies to the best of his/her knowledge that no funds or other items/services of value have been given to any State officer, official, or employee for influencing or attempting to influence such officer, official, or employee to obtain a Agreement or favorable treatment under this Agreement.

M. Stop Work Orders

DHS may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by the Agreement for a period of up to ninety (90) calendar days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section of the Agreement. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable

steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage.

If a stop work order issued under this section of the Agreement is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The parties shall agree upon an equitable adjustment in the services to be delivered, the Agreement price, or both, and the Agreement shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Agreement; and (b) the Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage, provided that, if DHS decides the facts justify the action, DHS may receive and act upon a Contractor billing submitted at any time before final payment under the Agreement.

Where Contractor performance is statutorily required, or where the work may not be suspended because of other reasons of law or regulation, a stop work order means that no payment pursuant to this Agreement shall be made to the Contractor for the work performed while the stop order is in effect, unless funds are specifically appropriated, and become available to DHS specifically for payment of the work performed under this Agreement while the stop work order is in effect.

N. Closeout

When this Agreement is concluded or terminated, the Contractor shall provide the DHS, within thirty (30) days of conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement. The DHS shall within the limit of this Agreement reimburse the Contractor for allowable costs not previously reimbursed. The Contractor shall immediately refund to DHS any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

O. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed as terminating the ongoing responsibilities of the Contractor or rights of the DHS contained in Section III, E, "Examination and Maintenance of Records" and Section III, N, "Closeout" of this Agreement.

P. Disputes

The Contractor shall notify the DHS in writing of intent to pursue a claim against the DHS for breach of any terms of this Agreement. No suit may be commenced by the Contractor for breach of this Agreement prior to the expiration of ninety

(90) days from the date of such notification. Within this ninety (90) day period, the Contractor, at the request of the DHS, must meet with the Director of the DHS or designee for the purpose of attempting resolution of the dispute.

Q. Agreement Inclusiveness/Amendment

This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. The Contractor shall, upon request by the DHS and receipt of a proposed amendment, amend this Agreement, if and when required in the opinion of the DHS, due to the revision of Federal or State laws or regulations. If the Contractor refuses to sign such amendment within fifteen (15) days after receipt, this Agreement shall terminate upon such refusal. This Agreement may otherwise be amended only by the written consent of all the parties hereto.

R. Monitoring Requirements

DHS reserves the right to perform on-site visits during normal business hours to monitor the Contractor's activities under this Agreement at any time, either during the term, or within three (3) years after termination of the Agreement. The Contractor shall cooperate with the DHS during the monitoring process by making available all records, facilities, and other resources necessary to perform the review.

If DHS detects noncompliance with this Agreement, and/or questioned costs during the course of its review, these items shall be identified and conveyed to the Contractor in an exit conference. DHS shall provide the Contractor with a detailed written report of these findings within sixty (60) days of the exit conference. The Contractor is required to address each item in DHS' report by providing a Corrective Action Plan (CAP) to eliminate or correct each issue of noncompliance. The Contractor shall submit the CAP to DHS within sixty (60) days from issuance of DHS' report.

If DHS identifies questioned costs that cannot be substantiated, DHS may, at its discretion, and after consultation with the Contractor, require the Contractor to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" to reflect adjustment for disallowed costs. Submission of revised billings to DHS shall be made within a time schedule established by DHS and the Contractor. If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, and within allotted time frames mutually established, DHS may, at its discretion, invoke sanctions on the Contractor, which may include, but are not limited to, actions to collect disallowed costs and/or cancellation of the Agreements.

S. Certifications Regarding Lobbying

As required by section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 CFR Part 69, the Contractor certifies that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any persons influencing or attempting to influence an officer or employee of any department, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard form – LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, agreements under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

T. Recoupment of Funding

If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, or fails to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" within allotted time frames established by DHS in consultation with the Contractor, DHS may, at its discretion, recoup or require the Contractor to reimburse payments made under this Agreement that DHS has determined that the Contractor has been overpaid. The Contractor is liable for any cost imposed on DHS by the Federal government in the recoupment of any funding.

Upon notification by DHS that repayment is required, the Contractor shall make payment directly to DHS within thirty (30) days or DHS may withhold current or future payments made under this or any other agreements, current or future, between DHS and the Contractor.

If the Contractor fails to: (1) correct noncompliance activities identified by DHS, (2) submit revised billings as requested as part of a Corrective Action Plan when required; or (3) remit overpayments or make arrangements to have the overpayments deducted from future payments within thirty (30) days, such failure shall constitute grounds to terminate immediately any or all of DHS' Agreements with the Contractor. DHS shall also report noncompliance of the Contractor to Michigan's Department of Management and Budget. Such a report may result in the Contractor's debarment from further Agreements with the State of Michigan.

U. Compliance with Federal and State Requirements

The Contractor shall comply with all Federal, State and local statutes, regulations and administrative rules, and any amendments thereto, as they may apply to the performance of this Agreement.

The Contractor shall keep informed of Federal, State, and local laws, ordinances, rules, regulations, orders, and decrees of bodies or tribunals having any jurisdiction/authority that in any manner affects those engaged in or employed on the work done under this Agreement or that in any manner affects the conduct of the work done under this Agreement.

V. Freedom of Information Act

The Contractor and DHS will abide by all of the requirements of the Freedom of Information Act. 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

W. Prohibition against Using Funds to Support Religious Activities

The Contractor shall not use financial funds administered by the State or Federal government to support inherently religious activities, such as worship, religious instruction, or proselytization. If the Contractor engages in such activities, it must offer them separately, in time or location, from the programs or services funded with State or Federal assistance, and participation must be voluntary for the beneficiaries of the State or Federally funded programs or services.

The Contractor shall follow guidelines in 42 USC 604a.

X. Audit Reports that Contain a Going Concern Statement

If an audit firm conducts an audit of the Contractor and issues an audit report with a finding of a Going Concern, the Contractor must submit this audit report to the DHS Audit Liaison within ten (10) days from the date of the audit report. The submission of this audit report to DHS is required regardless of whether an audit is required under this Agreement.

A Contractor receiving a Going Concern must submit a financial plan to the DHS Audit Liaison no later than twenty-five (25) days from the date of the audit report issued by the audit firm. The financial plan must be approved by DHS. Failure of the Contractor to either timely submit the audit report with the Going Concern, or timely submit a financial plan, or DHS' rejection of the Contractor's financial plan, are grounds for immediately terminating the Agreement.

Mailing address for all audit information:

Michigan Department of Human Services
Audit Liaison
235 S. Grand Ave., Suite 1112
Lansing, MI 48909
Attention: William Addison, CPA

Y. Repayment of Debts and Other Amounts Due DHS

By entering into this Agreement, the Contractor agrees to honor all prior repayment agreements established by DHS with the Contractor or Contractor's predecessors. If the Contractor has an outstanding debt due to DHS but does not have a repayment agreement, the Contractor agrees to make monthly payments to DHS at an amount not less than five (5)% of any outstanding balance and to begin on the date this Agreement is executed.

If the Contractor fails to honor prior repayment agreements, or the Contractor fails to begin repayment on an obligation due DHS that is not subject to a repayment agreement, DHS will initiate the administrative process to reduce repayments to the Contractor under this Agreement to recoup the debt. The payment reduction will be made at the amount originally established in the repayment agreement or at an amount not less than five (5)% of any outstanding balance effective on the date this Agreement is executed.

IN WITNESS WHEREOF, the DHS and the Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

The Undersigned has the lawful authority to bind the Contractor to the terms set forth in this Agreement.

Dated at _____, Michigan 4th Circuit Court
(Enter Court Identification)

This ____ day of _____, 2008 By: _____
Chief Circuit Judge

Witness: _____
(Print Name)

Dated at _____, Michigan The County of Jackson
(Contractor)

This ____ day of _____, 2008 By: _____
Chairperson, County Board of Commissioners

Witness: _____
(Print Name)

Dated at _____, Michigan Department of Human Services

this ____ day of _____, 2008 By: _____
Director or Designee

Witness: _____

Contract #: CSFOC-09-38001

Michigan Department of Human Services
FISCAL YEAR (FY) 2009

ATTACHMENT C

TITLE IV-D COOPERATIVE REIMBURSEMENT PROGRAM APPLICATION and WORKSHEETS

BUDGET SUMMARY PAGE

A. CONTRACT DESCRIPTION

COUNTY: Jackson CONTRACT NO. CS/FOC 09-38001

PROVIDER: FOC X PA _____ AG _____ COMB _____

FISCAL YEAR: 2009

COLUMN I	COLUMN II	COLUMN III
SECTION B. ALLOCATION FACTORS	PROPOSED 2009 IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. FTE POSITIONS (FOC,PA,COMB)	41.55	44.50
A. Enforcement (FOC &/OR COMB)	41.55	44.50
B. Establishment (PA &/OR COMB)		
2. % OF TOTAL FTE'S (IV-D Allocation Factor)	93.37%	
A. Enforcement (FOC &/OR COMB)	93.37%	
B. Establishment (PA &/OR COMB)		
3. CASELOAD % (FOC, Comb)	98.54%	100%
SECTION C. BUDGET CATEGORIES	PROPOSED 2009 IV-D BUDGET	PROVIDER'S TOTAL ELIGIBLE BUDGET
1. Personnel	\$ 2,456,998	\$ 2,684,639
2. Data Processing	\$ 46,315	\$ 49,603
3. Other Direct	\$ 166,178	\$ 177,979
4. Central Services	\$ 751,771	\$ 805,153
5. Paternity Testing (PA/COMB Only)	\$ -	\$ -
6. Total Expense	\$ 3,421,262	\$ 3,717,374
7. Service Fees (FOC & COMB Only)	\$ -	\$ -
8. Judgment Fees (FOC & COMB)	\$ 7,024	\$ 7,128
9. Other Income (describe)	\$ 54,238	\$ 55,571
10. Net Expense (Line 6 minus 7-9)	\$ 3,360,000	\$ 3,654,675
11. Incentive	\$ 262,323	
12. NET BUDGET (Line 10 minus Line 11)	\$ 3,097,677	
13. State Share @ 66% if Line 12	\$ 2,044,467	
14. County Share @ 34% of Line 12	\$ 1,053,210	
15. State Share same as Line 13	\$ 2,044,467	
16. DRA Incentive Match		
17. SECT. 905 Supplement		
18. SECT 906 Supplement		
19. TOTAL CONTRACT AMOUNT (Sum Lines 15-18)	\$ 2,044,467	

FY 2009 CRP Agreement Allocation	\$ 3,360,000	Line 10 Net Expense
Performance Incentives	\$ 262,323	Line 11
Net Budget	\$ 3,097,677	Line 12 Net Budget
State Share 66%	\$ 2,044,467	
Difference	\$ -	

**COUNTY OF JACKSON
FRIEND OF THE COURT - FUND 215
BUDGET FOR 2009**

		WORKING BUDGET	PROPOSED BUDGET	ADMINISTRATOR RECOMMENDED BUDGET
		FY 2008 AMOUNT	FY 2009 AMOUNT	FY 2009 AMOUNT
REVENUE				
Child Support Enforcement Fee	215141	\$ 62,856	\$ 48,948	\$ 48,948
FOC Duties	215143	2,535,332	2,578,397	2,726,492
FOC Access & Visitation	215145	9,000	0	0
		<u>2,607,188</u>	<u>2,627,345</u>	<u>2,775,440</u>
TRANSFER IN				
TRANSFER IN - FUND BALANCE	215143	144,709	0	0
TRANSFER IN - GENERAL FUND	215143	155,500	277,606	129,515
		<u>300,209</u>	<u>277,606</u>	<u>129,515</u>
		<u>\$ 2,907,397</u>	<u>\$ 2,904,951</u>	<u>\$ 2,904,955</u>
EXPENSES				
FOC Duties	215143	2,896,397	2,904,951	2,904,955
FOC Access & Visitation	215145	9,000	0	0
Michigan Works Grant	215146	2,000	0	0
		<u>\$ 2,907,397</u>	<u>\$ 2,904,951</u>	<u>\$ 2,904,955</u>

**RESOLUTION (09-08.33) FOR THE ADOPTION OF AMENDMENT NO. 1 TO
THE GROUP HEALTH PLAN OF JACKSON COUNTY**

RESOLVED, that Amendment No. 1 to the Group Health Plan of Jackson County is adopted in the attached form, effective as of the dates contained therein.

Amendment No. 1 amends the Plan to revise the eligibility requirements for BCBSM group coverage for dependents ages 19-25 for all non-union employees and elected officials.

RESOLVED FURTHER, that Randall W. Treacher, County Administrator/Controller, is authorized and directed on behalf of the County of Jackson to execute all documents that are necessary for the formal adoption of the Amendment.

James E. Shotwell, Jr., Chairman
Jackson County Board of Commissioners
September 23, 2008

AMENDMENT NO. 1 TO THE GROUP HEALTH PLAN OF JACKSON COUNTY

Amendment No. 1 to the Group Health Plan of Jackson County is made this 23rd day of September, 2008.

The current plan eligibility requirements for dependents ages 19 – 25 years of age, for all non-union employees and elected officials shall be changed as below, effective January 1, 2009.

As a participant in or beneficiary receiving benefits under the Group Health Plan of Jackson County, you are hereby advised that the Plan has been amended for all non-union employees and elected officials, effective January 1, 2009, in the following respects:

To remain on your BCBSM group coverage (as a dependent on your contract) your dependent must meet all of the following requirements.

He or she must be:

- Unmarried and between 19 and 25 years of age
 - Any child over the age of 23 cannot be claimed as a dependent of any other taxpayer
- Dependent on you for more than half their support
- Shares the same principal place of abode with you for more than half the calendar year, notwithstanding temporary absences from the household due to special circumstances, such as college students
- Related to you by blood, marriage or legal adoption
- A full-time student for at least five months of the year.

This Summary of Material Modifications effectively amends the coverage requirements previously in place for the affected employees listed above in the Group Health Plan of Jackson County.

8/25/08

To: Ted Westmeier
Health Officer, JCHD

Budget Adjustment Request (SEPTEMBER, 2008)

It is my recommendation that the Health Department request budget adjustments in September, 2008 in order to reflect changes in revenues and expenses with state and grant funded programs. No additional county allocation funding is being requested.

For most of the orgkeys, we are just asking to move some expense authorizations from one line item to a different line item.

We did have a net decrease in projected revenues of \$11,258 which we have also included as a reduction to our planned expenditures. Most of the revenue shortfalls are attributable to reductions in several state grants from the amounts originally budgeted.

Attached is the summary of the proposed adjustments to revenues & expenditures. Upon your approval, I will forward to Randy & Gerard the paper copies of complete detail schedules for all of the requested changes in the various orgkey revenues & expenses.

Please let me know if you would like any further information to submit to the Personnel & Finance Committee or to the Administrator's Office.

Rex R. Pierce
JCHD Financial Services Manager

**Jackson County Department on Aging
September 2008 Budget Adjustment Summary**

	Revenue Change	Expense Change	Net
101670 In-Home Services	25,400	-970	26,370
101671 Senior Centers	1,300	2,700	-1,400
Case Management,			
101672 MMAP, Chore, Adm.	395	-5,705	6,100
101673 Meals on Wheels	27,000	42,170	-15,170
101674 Congregate Meals	4,300	12,300	-8,000
101677 Grandparent Program	-1,200	3,900	-5,100
101678 Geriatric Mental Health	-3,700	-900	-2,800
	53,495	53,495	0

Home Care revenue higher than expect. Will free up County Funds to be used to cover energy-related expense increases in other Org Keys.

Commissioner Board Appointments – September 2008

<u>BOARD</u>	<u>NEW TERM EXPIRES</u>	<u>CURRENT MEMBER</u>	<u>APPLICANTS</u>	<u>COMMITTEE RECOMMENDED APPOINTMENTS</u>
<u>Agricultural Preservation Board</u>				
1) One public member	6/30/2011	Greg Sanford	Robert Sutherby Roger Gaede	Roger Gaede
<u>Jackson LDFA/LBRA</u>				
1) One Commissioner member	2012		Mike Way	Mike Way
<u>Upper Grand River Watershed Council</u>				
1) One public member	5/31/2010	Dorothy Baugh	Jeffrey Heston	Jeffrey Heston



Jackson County

ADMINISTRATOR/CONTROLLER

Randall W. Treacher, Administrator/Controller
Adam Brown, Deputy Administrator

September 18, 2008

TO: Jackson County Board of Commissioners

FROM: Randy Treacher

RE: Additional EG Contribution

As requested by the Board, I have outlined below the request and conditions of providing an additional contribution to the EG. It is not my intent here to discuss the current activities of the EG staff as I believe, they speak for themselves. My goal is to formalize the consensus of the Board of Commissioners.

Conditions:

Jackson County would provide an additional \$100,000 to the Enterprise Group of Jackson under the condition that the Administrator/Controller, who is already a member of the EG Board of Directors, be assigned to the Executive Committee of the EG. Additionally, the County of Jackson would require that the Chairman of the Board of Commissioners or his/her designee be appointed permanently to the EG Board of Directors.

The County of Jackson would provide \$50,000 on approval by the Board of Commissioners and an additional \$50,000 when the EG Capital Campaign raises at least \$1,950,000.

It is also the intent of the County of Jackson to increase the amount of the current contract with the EG from \$80,000 to \$100,000 as long as the County is fiscally able to provide that level of funding.

Phone: (517) 788-4335

FAX: (517) 780-4755

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 900

Applicability

The County of Jackson's Fiscal Policies, compiled within, set forth the framework for the overall fiscal management of the County. These policies will assist the decision making process of the Board of Commissioners and Administrators.

All policies refer to all funds unless otherwise specified.

Adopted: 05/15/07
Revised: 00/00/00

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy 1000

BUDGET RESOLUTION

A resolution to establish a budget system for the County of Jackson; to define the powers and duties of the County of Jackson officers in relation to that system; to provide that the Fiscal Officer shall be furnished with information by the departments, boards, commissions, and agencies (hereafter known as “entities”) relating to their financial needs, receipts and expenditures, and general affairs; to provide for an annual appropriation measure; to prescribe a disbursement procedure; to provide for an allotment system; and to provide remedies for refusal or neglect to comply with the requirements of this resolution. **The annual budget will be prepared as prescribed by the Uniform Budget and Accounting Act of 1978 as amended.**

Section 1. County of Jackson Budget Resolution.

Section 2. The fiscal year of the County of Jackson shall begin on January 1, in each year and close on the following December 31st.

Section 3. The Administrator/Controller shall be the County of Jackson Fiscal Officer, and shall perform the duties of the Fiscal Officer enumerated in this resolution. **The Jackson County Board of Commissioners shall be the Board of Commissioners.**

Section 4. No later than July 1st of each year, the Fiscal Officer shall send to each entity of the County of Jackson, a budget ~~manual~~ **message** for the use of

those entities in preparing their estimates of budgetary requirements for the ensuing fiscal year. This ~~manual~~ **message** shall include information that the Fiscal Officer determines to be useful and necessary to assure that the budgetary estimates of the agencies are prepared in a consistent manner. It may also indicate limits on budgetary estimates, items that are to receive emphasis, and other policy direction deemed necessary. The budget ~~manual~~ **message** shall, at a minimum, require:

- A. The actual revenues and expenditures for the last completed fiscal year.
- B. Projected revenues and expenditures for the current fiscal year.
- C. Estimates of revenues and expenditures for **at least** the ensuing fiscal year. (The Fiscal Officer may require that the estimates for the ensuing fiscal year be calculated on the basis of various assumptions regarding level of service.)

Section 5. Any entity of the County of Jackson, financed in whole or in part by the County of Jackson shall, according to the Budget Calendar, transmit to the Fiscal Officer its estimates of the amounts of money required for each of its activities for the ensuing fiscal year. Each entity shall also submit any other information deemed relevant by the Fiscal Officer on such forms and at such times as he/she may direct.

Section 6. Any request for the proposed purchase of land, buildings or capital equipment, shall be accompanied by a statement for the ensuing fiscal year and for the following four (4) years which:

- A. Describes the intended use of the land, buildings, or equipment.
- B. States the order of priority of the purchase.
- C. Provides an estimate of any capital and related operating costs associated with the purchase.

Section 7. The Fiscal Officer may review the estimates with a representative from each entity of the County of Jackson that has submitted such estimates. The purpose of the review shall be to clarify the estimates, ensure their accuracy, and to determine adherence to the budget guidelines provided by the Fiscal Officer pursuant to Section 4.

Section 8. The Fiscal Officer shall consolidate the estimated expenditures received from the various entities together with the amounts of expected revenues and shall make recommendations relating to those estimates which shall assure consistence with the budget ~~manual~~ **message**. The total of estimated expenditures including any accrued deficit in any fund shall not exceed the total of expected revenues including any unappropriated surplus. The budget shall consist of the following parts:

- A. The amounts needed to pay and discharge the principal and interest of debt of the local unit due in the ensuing fiscal year.
- B. Revenues shall contain detailed estimates of all anticipated revenues and any additional information required by the Fiscal Officer.

- C. Expenditures shall contain detailed estimates of all operating and capital outlay expenditures and any additional information required by the Fiscal Officer.
- D. An informational summary of projected revenues and expenditures of any special revenue funds, capital project funds, internal service funds, enterprise funds, or debt service funds, including the estimated total cost and proposed method of financing each capital construction project, and the projected additional annual operating cost and the method of financing the operating costs of each project for four (4) years beyond the fiscal year covered by the budget.

Section 9. The Fiscal Officer shall transmit the budget to the ~~appropriate Standing Committee~~ **Board of Commissioners** who may review or alter it pursuant to Section 8.

Section 10. According to the Budget Calendar, the Fiscal Officer shall transmit to the ~~County~~ Board of Commissioners:

- A. A proposed general appropriations act, which shall set forth the anticipated revenues and requested expenditures. No general appropriation act shall be submitted to the ~~County~~ Board of Commissioners in which estimated total expenditures, including an accrued deficit, exceed estimated revenues and available surplus.
- B. A budget message which shall explain the reasons for increases or

decreases in budgeted items compared with the current fiscal year, the policy of the Fiscal Officer as it relates to important budgetary items, any other information that the Fiscal Officer determines to be useful to the ~~County~~ Board of Commissioners in its consideration of proposed appropriations.

Section 11. The ~~County~~ Board of Commissioners may direct the Fiscal Officer to submit any additional information it deems relevant in its consideration of the proposed general appropriation act. The ~~County~~ Board of Commissioners may conduct budgetary reviews with the Fiscal Officer for the purpose of clarification or justifications of proposed budgetary items. The ~~County~~ Board of Commissioners may revise, alter or substitute for the proposed general appropriations act in any way, except that it may not change it in a way that would cause total appropriations including an accrued deficit to exceed total estimated revenues, including an unappropriated surplus. An accrued deficit shall be the first item of expenditures in the general appropriations act.

Section 12. The ~~County~~ Board of Commissioners shall fix the time and place of a public hearing to be held on the proposed general appropriations act. The County Clerk shall then have published in a newspaper of general circulation within the County of Jackson a notice of the hearing and an indication of the place at which the proposed general appropriations act may be inspected by the public. The notice must be published at least seven (7) days before the date of the hearing.

- A. No later than November, the ~~County~~ Board of Commissioners shall pass a general appropriations act providing the authority to make expenditures and incur obligations and cause to be levied and collected the general property tax in an amount set forth in the County's fixed portion as voted on by the electorate.

Section 13. In the event that the ~~County~~ Board of Commissioners fails to pass a general appropriations act by January 1st of each fiscal year, the Fiscal Officer shall notify all entities that they may, in the new fiscal year, make expenditures and incur obligations under the provisions of the general appropriations act effective for the fiscal year just completed; except that the authority for any items of appropriation in any month shall be limited to an amount not to exceed one twelfth (1/12) of the annual appropriations amount for that item. Expenditures shall continue in this manner each month until the effective date of a general appropriations act for the new fiscal year.

Section 14. A deviation that would cause total expected expenditures to exceed total estimated revenues shall not be made until first approved by the Board of Commissioners.

Section 15. Appropriations will be deemed maximum authorization to incur expenditures. The Fiscal Officer shall exercise supervision and control in order to ensure that programs or work objectives are realized within these limits and shall not approve any expenditures beyond that necessary to accomplish those objectives.

Section 16. The Fiscal Officer shall maintain an accounting system in accordance with the State of Michigan Uniform Chart of Accounts.

Section 17. No money shall be drawn from the County Treasurer except in pursuance of an appropriation of the ~~County~~ Board of Commissioners. Each warrant or draft of the County of Jackson shall specify the fund and account (as designated by the State of Michigan Uniform Chart of Accounts) from which it is payable and shall be paid from no other fund or appropriation. Expenditures shall not be charged directly to any contingent account; instead, the necessary amount of the appropriation from such account shall be transferred to the appropriate account and the expenditure then charged thereto.

Section 18. No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligations. Any obligation incurred or payment authorized in violation of this resolution, shall be void and any payment so made illegal.

Section 19. The Fiscal Officer within ~~fifteen (15)~~ **thirty (30)** days after the end of each month, shall transmit to the Board of Commissioners a summary statement showing the revenues and expenditures for the month, including year to date.

Section 20. The ~~Jackson County~~ Board of Commissioners may make supplemental appropriations by amending the original general appropriations act provided that:

- A. An unobligated surplus from prior years becomes available,
- B. Current year's revenue exceeds original estimates,
- C. Current year's expenditures are less than original estimates.
- D. In no case may such supplemental appropriations cause total estimated expenditures, including an accrued deficit, to exceed total estimated revenues, including an unappropriated surplus.

Section 21. Whenever it appears to the Fiscal Officer that actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such funds were based, the Fiscal Officer shall present to the Board of Commissioners recommendations which, if adopted, will prevent expenditures from exceeding available revenues for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues or both. Within thirty (30) days of receiving the recommendations of the Fiscal Officer, the ~~County~~ Board of Commissioners shall amend the general appropriations act to reduce appropriations or shall approve such measures necessary to provide revenues sufficient to equal appropriations or both. If the ~~County~~ Board of Commissioners does not make effective such appropriations, reductions or measures to increase revenues within this time, the Fiscal Officer shall within the next five (5) days, make adjustments in appropriations in order to equalize appropriations and estimated revenues.

Section 22. Any violation of Sections 14, 16, 18, or 21 may be cause for removal of any officer or employee in the manner prescribed by law.

Adopted: 05/16/00
Revised: 05/15/07

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1020

ADDITIONAL OPERATING APPROPRIATION POLICY

Unless extenuating circumstances exist, all requests for additional employees or operating appropriations shall be made during the budget process as outlined in the revised Budget Resolution Policy 1000.

Adopted: 05/16/00
Revised: 05/15/07

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1010

BALANCED BUDGET POLICY

A balanced budget shall be adopted by the appropriate board at the department level for the General, Special Revenue, Debt Service, Capital Projects, Enterprise Funds, and Internal Service Funds.

Total anticipated revenues plus that portion, if necessary, of beginning Fund Balance or Budget Stabilization Fund must equal estimated expenditures of that Fund.

The budgetary process shall be conducted according to the revised Budget Resolution Policy 1000.

Adopted: 05/16/00

Revised: 05/15/07

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1030

CAPITAL BUDGET POLICY

The County shall develop a five-year Capital Budget plan in accordance with Public Act 621 of 1978, Sec. 15, Para. G **as may be amended**, to be updated and adopted annually in conjunction with the regular budget process, for all capital outlay expenditures.

Projects to be included are new buildings, additions to existing buildings, building repairs, land acquisitions, major equipment purchases or replacement.

The proposed plan shall include an estimate of total costs, projected annual operating costs, and a proposed means of financing the project.

The Board of Commissioners shall review and prioritize all requests based on the financial condition of the County.

Adopted: 05/16/00
Revised: 04/15/08

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1040

DEPARTMENTAL FLOAT POLICY

A wage float reflecting employee turnover will be established in departments with over \$500,000 budgeted in full-time **and part-time** wages. The actual amount of the float will be determined by the Administrator/Controller based on prior year's experience and may result in a reduction in the requested wage and associated fringe line items.

At year end, if a department is in a deficit position and has had a reduction in its full-time **and part-time** wages as a result of the float, a budget adjustment will be made up to the float amount for that department.

Adopted: 05/16/00
Revised: 05/15/07

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1050

BUDGETARY ADJUSTMENT POLICY

Revenues

If an ~~fund~~ **entity (as defined in Policy 1000)** receives additional revenues during the budget year either from increases in revenue generating line items, such as user fees, service charges, state shared revenues, etc., or from a source that was not anticipated or projected in the original budget measure, the Board of Commissioners reserves the right to appropriate such revenues with consideration that one-time revenues should not be used for operating expenses but retained in the Fund Balance or Budget Stabilization Fund.

Expenses

Expenditure budgets will be available only for the fiscal period for which they are projected. Deferral of any capital expenditure budget to a succeeding year may be considered by the Board of Commissioners upon the recommendation of the Administrator/Controller.

The Contingency account is available for general purpose allocations for unforeseen expenditures and ~~should~~ **must** be transferred by a budget adjustment authorized by the Board of Commissioners **or this policy**.

Budget Adjustments by the Administrator/Controller

Budget adjustments shall be submitted to the Administrator/Controller in writing. Budget adjustments up to \$10,000 may be authorized by the Administrator/Controller. Budget adjustments ~~over \$10,000 will be referred to~~ **between \$10,001 and \$25,000 will be approved by** the Personnel and Finance Committee, **Budget adjustments of \$25,001 and over will be referred to the Personnel and Finance Committee** and then to the Board of Commissioners for final action. This authority extends to new revenues, expenses, grants, and interdepartmental transfers.

Adopted: 05/16/00

Revised: 04/15/08

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1060

TRANSFERS OUT / APPROPRIATIONS POLICY

Transfers out of Department 101-982 (Operating Transfer Out) and Department 101-998 (Appropriations) shall be expended at a maximum of 25% per quarter, unless state law specifies otherwise. An exception is to be made for the “Drains-at-Large” transfer out, which will be expensed during the year as the Drain Commissioner presents supporting documents.

Policy waivers may be authorized by the Board of Commissioners.

Adopted: 05/16/00
Revised: 04/20/04

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1070

UNRESERVED FUND BALANCE POLICY

The County's optimum unreserved fund balance should represent 18% - 24% of the annual audited expenditures and transfers out of the previous fiscal year. Any amount in excess of 24% will be transferred to the Budget Stabilization Fund, Public Improvement Building Fund, etc. **as approved by the Board of Commissioners.**

The unreserved fund balance may be used to pay expenditures caused by unforeseen emergencies, for shortfalls caused by declining revenues or to eliminate any short-term borrowing.

Adopted: 05/16/00
Revised: 05/15/07

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1080

BUDGET STABILIZATION FUND POLICY

In accordance with Jackson County Ordinance No. 3, the County will maintain a Budget Stabilization Fund not to exceed 15% of the previous year's budget. Any excess money above the established limits shall be appropriated in the County's next budget.

Restrictions on expenditures **from the Budget Stabilization Fund**:

To cover a General Fund deficit when the County's annual audit reveals such a deficit.

To prevent a reduction in the level of public services or in the number of employees at any time during a fiscal year when the County's budgeted revenue is not being collected in an amount sufficient to cover budgetary expenses.

To prevent a reduction in the level of public services or in the number of employees when in preparing the budget for the next fiscal year the County's estimated budgeted revenue does not appear sufficient to cover estimated expenses.

To cover expenses created by natural disaster, including flood, fire, or tornado; provided that if federal or state funds are received to offset appropriations for such purposes, such monies shall be returned to the Stabilization Fund.

A 2/3rds majority vote **of the Board of Commissioners** is required to transfer money from this fund.

COUNTY OF JACKSON POLICY MANUAL

FISCAL

Policy No. 1090

PUBLIC IMPROVEMENT FUND POLICY

The County shall maintain a Public Improvement Fund as authorized by Public Act 177 of 1943, as amended by Public Act 136 of 1956 **as may be amended**, and established by resolution of the ~~Jackson County~~ Board of Commissioners.

Money placed into this fund is limited by statute to "non-tax" revenues, and the specific purpose for which the non-tax revenues are being accumulated must be stated.

Money placed into this fund becomes restricted and cannot be used for purposes other than the Public Improvements specified in the Act.

Adopted: 05/16/00
Revised: 00/00/00