



# IRONWOOD

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AGENDA  
REGULAR IRONWOOD CITY COMMISSION MEETING  
JULY 8, 2024

LOCATION: IRONWOOD MEMORIAL BUILDING  
COMMISSION CHAMBERS  
213 S. MARQUETTE ST.  
IRONWOOD, MI 49938

Regular Meeting - 5:30 P.M.

**ZOOM OPTION AVAILABLE FOR THE PUBLIC**

(Please visit the City website at [www.ironwoodmi.gov](http://www.ironwoodmi.gov) or the notice posted at the Memorial Building for Zoom Webinar login instructions.)

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REGULAR MEETING  
5:30 P.M.

- A. Regular Meeting Called to Order.  
Pledge of Allegiance to the United States of America.
- B. Recording of the Roll.
- C. Approval of the Consent Agenda. \*  
*All items with an asterisk (\*) are considered to be routine by the City Commission and will be enacted by one motion. There will be no separate discussion of those items unless a Commission member or citizen so requests, in which event the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.*
  - \*1) Approval of Minutes:
    - a. Regular City Commission Meeting Minutes of June 24, 2024.
  - \*2) Review and Place on File:
    - a. Downtown Ironwood Development Authority Meeting Minutes of March 28, 2024.
    - b. Downtown Ironwood Development Authority Meeting Minutes of May 23, 2024
    - c. Carnegie Library Board of Trustees Meeting Minutes of May 21, 2024.
- D. Approval of the Agenda.
- E. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit).



- F. Citizens wishing to address the Commission on Items not on the Agenda. (Three Minute Limit).

## **UNFINISHED BUSINESS**

- G. Discuss and consider approving a 2-month contract extension with Republic Services for Refuse Collection Services.
- H. Discuss and consider approving the Rural Development Pay Package #12 in the amount of \$976,671.39 for the City of Ironwood – Water Treatment Plant Phase I Project and authorize the Mayor to sign all applicable documents.
- I. Discuss and consider approving Change Order #2, for Jakes Excavating, which is an increase of \$31,974.70 for the 2024 Street Improvements Project and authorize the Mayor to sign all applicable documents.
- J. Discuss and consider approving Payment #2, for Jake's Excavating, in the amount of \$42,878.51 for the 2024 Street Improvements Project and authorize the Mayor to sign all applicable documents.

## **NEW BUSINESS**

- K. Discuss and consider adopting Resolution #024-011 approving the State Trunkline Maintenance Contract for the period October 1, 2024 to September 30, 2029 and authorize Mayor Kim Corcoran to sign contract.
- L. Discuss and acknowledge introduction of Ordinance Number 550, an Ordinance to vacate the alley behind 206 N. Hemlock Street.
- M. Discuss and consider adopting Notice of Intent Resolution #024-012, authorizing publication of the Notice of Intent to Issue Revenue Bonds for the Sewer Disposal System Improvements Phase 5B Project.
- N. Mayor's Appointments.
- O. Manager's Report.
- P. Other Matters.
- Q. Consider Closed Session for strategy and negotiation connected with the Ironwood Professional Police Association/Police Officers Association of Michigan Collective Bargaining Agreement as permissible under MCL 15.268(1)(c).
- R. Return to Open Session.
- S. Discuss and consider approving a Memorandum of Understanding between the City of Ironwood and the Ironwood Professional Police Association/Police Officers Association of Michigan.
- T. Adjournment.

## Proceedings of the Ironwood City Commission Meeting

A Regular Meeting of the Ironwood City Commission was held on June 24, 2024, at 5:30 P.M. in the Commission Chambers, Second Floor of the Municipal Memorial Building in the City of Ironwood.

A. Mayor Corcoran called the Regular Meeting to Order at 5:30 P.M.

B. Recording of the Roll.

PRESENT: Commissioners Andresen, Korpi, Mildren, and Mayor Corcoran

ABSENT: Commissioner Semo (excused)

C. Approval of the Consent Agenda.

1) Approval of Minutes:

a. Regular City Commission Meeting Minutes of June 10, 2024.

2) Review and Place on File:

a. Ironwood Parks and Recreation Committee Meeting Minutes of February 5, 2024.

b. Planning Commission Meeting Minutes of March 7, and May 2, 2024.

c. Economic Development Corporation Meeting Minutes of April 3, and May 1, 2024.

d. Pat O'Donnell Civic Center Meeting Minutes of June 3, 2024.

e. Carnegie Library Board of Trustees Meeting Minutes of April 16, 2024.

f. Carnegie Library Board of Trustees Special Meeting Minutes of May 6, 2024.

g. Ironwood Housing Commission Meeting Minutes of May 14, 2024.

**Motion** was made by Korpi, seconded by Andresen, to approve the Consent Agenda as presented. Unanimously passed by roll call vote.

D. Approval of the Agenda.

**Motion** was made by Mildren, seconded by Korpi, and carried, to approve the Agenda as presented.

E. Review and Place on File:

1. Revenue & Expenditure Report.

2. Cash and Investment Summary Report.

**Motion** was made by Andresen, seconded by Korpi, and carried, to receive and place on file the Statement of Revenue & Expenditures Report for the month ending May, 2024, and the Cash and Investment Summary Report for May 2024.

F. Approval of Monthly Check Register Report.

**Motion** was made by Mildren, seconded by Andresen, to approve the Check Register Report for May 2024 as presented. Unanimously passed by roll call vote.

G. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit).  
There were none.

H. Citizens wishing to address the Commission on Items not on the Agenda. (Three Minute Limit).  
There were none.

## UNFINISHED BUSINESS

- I. Discuss and consider approving Payment #1, for Northland Electric, DS, Inc., in the amount of \$9,850.00 for the Curry Park Campground Electrical Upgrade Project.

***Motion** was made by Andresen, seconded by Korpi, to approve Payment #1, for Northland Electric, DS, Inc., in the amount of \$9,850.00 for the Curry Park Campground Electrical Upgrade Project. Unanimously passed by roll call vote.*

- J. Discuss and consider approving Change Order #10, for Jakes Excavating, which is an increase of \$2,355.12 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents.

***Motion** was made by Mildren, seconded by Andresen, to approve Change Order #10, for Jakes Excavating, which is an increase of \$2,355.12 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents. Unanimously passed by roll call vote.*

- K. Discuss and consider approving Payment #8, for Jake's Excavating, in the amount of \$167,363.55 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents.

***Motion** was made by Mildren, seconded by Korpi, to approve Payment #8, for Jake's Excavating, in the amount of \$167,363.55 for the Lead Service Line Replacement Project and authorize the Mayor to sign all applicable documents. Unanimously passed by roll call vote.*

- L. Discuss and consider approving Work Order #3, for Coleman Engineering Company, in the amount of \$3,410.00, for Professional Engineering Services related to the Hemlock Street MDOT Small Urban Project.

***Motion** was made by Korpi, seconded by Mildren, to approve Work Order #3, for Coleman Engineering Company, in the amount of \$3,410.00, for Professional Engineering Services related to the Hemlock Street MDOT Small Urban Project. Unanimously passed by roll call vote.*

- M. Discuss and consider awarding the \$106,356 contract to ReForm Enterprises for the Bonnie Road Lift Station Generator project.

***Motion** was made by Mildren, seconded by Korpi, to award the \$106,356 contract to ReForm Enterprises for the Bonnie Road Lift Station Generator project. Unanimously passed by roll call vote.*

## NEW BUSINESS

- N. Discuss and consider approving an agreement with Coleman Engineering Company, not to exceed \$677,000.00, for Professional Engineering Services related to the Phase 5B Sanitary Sewer Project.

***Motion** was made by Mildren, seconded by Andresen, to approve an agreement with Coleman Engineering Company, not to exceed \$677,000.00, for Professional Engineering Services related to the Phase 5B Sanitary Sewer Project. Unanimously passed by roll call vote.*



- O. Discuss and consider approving an annual cost of living salary adjustment for non-union employees.

**Motion** was made by Mildren, seconded by Andresen, to approve a 2.5% annual cost of living salary adjustment effective July 1, 2024, for the City's non-union employees, which includes the City Assessor/DPW Supervisor, Building Inspector, Clerk, Finance Director/Treasurer, Utility Manager, Ironwood Public Safety Director and Public Safety Administrative Assistant, Community Development Director, and Community Development Assistant.

ROLL CALL: Yes (3) Commissioners Mildren, Andresen, and Korpi.  
No (1) Mayor Corcoran.

Motion carried on a 3 to 1 vote.

- P. Discuss and consider approving Resolution #024-010 Amending the General Appropriations Act for Fiscal Year 2023-2024.

**Motion** was made by Andresen, seconded by Korpi, to approve Resolution #024-010 Amending the General Appropriations Act for Fiscal Year 2023-2024. Unanimously passed by roll call vote.

- Q. Discuss and consider approving Bridge Maintenance Agreement between the City of Ironwood and the City of Hurley.

**Motion** was made by Mildren, seconded by Korpi, and carried, to approve Bridge Maintenance Agreement between the City of Ironwood and the City of Hurley.

- R. Discuss and consider approving the Michigan State Housing Development Authority (MSHDA) "MI Neighborhood" Grant Application.

**Motion** was made by Mildren, seconded by Andresen, and carried, to approve the Michigan State Housing Development Authority (MSHDA) "MI Neighborhood" Grant Application.

S. Manager's Report.

City Manager Paul Anderson provided the following verbal updates:

*Engineering Updates*

- The concrete improvements at Hiawatha Park are prepped and waiting for concrete to be set. The picnic table and bench (donated by the Semo family) are scheduled to be delivered and all be installed prior to Festival Ironwood. Fingers crossed.
- The Clemens Street storm sewer and road work is continuing by Jakes Excavating as part of the 2024 Street Improvement project. Jakes is preparing the road for paving in the coming weeks.
- Good news on yet another new grant for the City of Ironwood. We were notified last week that we qualify for \$598,000 of grant funding through EGLE for the Technical, Managerial, and Financial (TMF) Grant which will help us identify the material type on the majority of our remaining 800 unknown service lines that are suspected to be galvanized/lead. We have some items to resolve this week to finalize the grant with EGLE. A grant agreement will be forthcoming from the State of Michigan.
- \$11MIL Phase 1 of the water plant project continues with CD Smith Construction. They are continuing to work on underground piping work to tie the new plant into the existing waterlines, as well as interior and exterior masonry, precast ceiling slabs and underground electrical. We are awaiting updated quotes from the Contractor on upgrading our SCADA system and getting a

price from Xcel on running a natural gas line out to the site in lieu of buying a large propane tank. These two items are expected to use the bulk of the remaining contingency funds.

- \$11MIL Phase 2 of the water plant: we have our permit in hand from EGLE and are going out to bid today with a prebid meeting on July 10<sup>th</sup> and bids due on July 31<sup>st</sup> and construction beginning spring 2025.
- The \$3MIL lead service line replacement project continues with Jakes Excavating. They have two crews working on restoration with orders to restore the oldest sites first. They expect this work to take through mid-July and then they will get back to digging more new service lines. They have taken about 222 addresses off our list to date. They have replaced 143 galvanized services with copper to date.
- Phase 5A water system is out to bid right now with bids due July 11<sup>th</sup> at 10 AM with a pre-bid meeting this Wednesday on June 26<sup>th</sup>. This construction project will be roughly \$2MIL. Construction will start later this summer and will need to be completed middle of next summer.
- Phase 5B water and sewer project will begin design soon and that will take through the winter to occur. The bid will occur in the late winter or spring of 2025 and construction will occur in 2025 and 2026. This is roughly a \$11 MIL construction project.
- Curry Park Campground: We need to bid out some site furniture improvements this summer for the DNR grant project. The electrical project is under final design and permitting with plan for fall construction after closing. Then DPW will do some gravel pad improvements and restoration after all of that is done.
- The crane replacement for the DPW garage is due to be installed in mid-August.
- Pavement striping work is complete. We are awaiting invoicing.
- Crack sealing work should be done in the next month or two.
- Jessieville water tank project: the Contractor plans to do the tank lining and associated work in July or August. Further updates and time extension request will be forthcoming at an upcoming Commission meeting.

#### *Managers Updates*

- Surveys for the new Comprehensive Plan 10-year update are out and posted on our website homepage. Commissioners and the public, we ask everyone to fill out the survey! We are in the middle of a yearlong process to update this guiding document for the City of Ironwood.
- Staff kicked off our Housing Study project today with HKGI.
- Our Summer Helpers continue to be busy with lawn mowing. This week they are taking care of the blight mowing all around town. One of the crew continues to be on garbage and flower watering duties daily.
- With the recent 3 openings in the DPW, we had one new hire start today. Jesse Olson started today as the Equipment Repair technician. The other two positions are in the final hiring stages and the two selected candidates should be starting later in July. I hope to get all our new hires into a City Commission meeting in August so that the Commission can meet everyone.
- Garbage service will occur on the normal schedule over the 4<sup>th</sup> of July. Please put out cans on the normal schedule.
- First Friday for July will be on Friday July 5<sup>th</sup>. Music will be performed by David Paul Martin at the Downtown City Square. There will also be a farmers market from 4-7 at the City Square, along with numerous businesses having events downtown.
- IPSD would like to remind residents that fireworks are allowed on private property from June 29<sup>th</sup> to July 5<sup>th</sup> from 11 AM to 11:45 PM. We know that this is a difficult time for pets and some people, so we ask people to be respectful with your fireworks.
- The Memorial Building and DPW will be closed for business on both Thursday July 4<sup>th</sup> and

*Friday July 5<sup>th</sup> for the Independence Day holiday. We hope that everyone has a safe and fun holiday celebration.*

T. Other Matters.

Commissioner Andresen requested to be excused from the July 8, 2024 regular City Commission meeting.

***Motion*** was made by Korpi, seconded by Mildren, and carried, to excuse Commissioner Andresen from the July 8, 2024 City Commission meeting.

Commissioner Mildren stated how lucky he is to live in Ironwood and spoke of how joyful it was bringing a bus full of people by the splash pad when there were at least 50 kids playing in the water on a recent warm day. He also encouraged everyone to experience First Friday events in Downtown Ironwood.

Mayor Corcoran wishes everyone a very happy and safe upcoming Fourth of July! Mayor Corcoran also gave a shout out congratulating Gina Thorsen, who was named as the 2024 Advocate of the Year by the Michigan Small Business Association.

U. Adjournment.

***Motion*** was made by Andresen, seconded by Mildren, and carried, to adjourn the meeting at 6:19 P.M.

Kim S. Corcoran, Mayor

Jennifer L. Jacobson, City Clerk



**Proceedings of the Downtown Ironwood Development Authority  
Thursday, March 28, 2024**

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A regular meeting of the Downtown Ironwood Development Authority (DIDA) was held on Thursday, March 28, 2024 at 8:00 A.M. in the Ironwood Memorial Building Women's Club Room.

1. Call to Order: Chair Flory called the meeting to order at 8:00 A.M.
2. Recording of the Roll.

| MEMBER                 | PRESENT  |          | EXCUSED       | NOT EXCUSED |
|------------------------|----------|----------|---------------|-------------|
|                        | YES      | NO       |               |             |
| Cathy Flory            | X        |          |               |             |
| Nancy Korpela          | X        |          |               |             |
| Kim Corcoran           | X        |          |               |             |
| Robert Alexander, Vice | X        |          |               |             |
| Lynne Wiercinski       |          | X        | X             |             |
| Eric Moran             | X        |          |               |             |
| Ben Thompson           | X        |          |               |             |
| Robbie Sardinha        | X        |          |               |             |
| Bruce Greenhill        | X        |          |               |             |
|                        | <b>8</b> | <b>1</b> | <b>Quorum</b> |             |

Also, present: Community Development Director, Tom Bergman and Community Development Assistant, Tim Erickson.

3. Approval of the February 22, 2024 Meeting Minutes:  
**Motion by Alexander to approve the meeting minutes Second by Corcoran. Motion carried 8 to 0.**
4. Approval of the Agenda:  
**Motion by Thompson to approve the agenda. Second by Alexander. Motion carried 8 to 0.**
5. Citizens wishing to address the Authority on Items on the Agenda (Three-Minute Limit): None.
6. Citizens wishing to address the Authority on Items not on the Agenda (Three-Minute Limit): None.

7. Receive and place on file the financial report: Flory asked about June First Friday porta potties. Sardinha asked about placing porta potties in the City Square for the weekends in the summer. Linn asked about the difference between contractual services and professional services.

**Motion by Korpela to receive and place on file the financial report, second by Greenhill. Motion carried 8 to 0.**

8. Items for Discussion and Consideration.


- A. 2024-2025 Budget: Director Linn presented the budget. Thompson asked about demolition funding. Cigarette butts and bike racks will be considered for approval at the next month's meeting.
- B. First Friday Update: Erickson updated the Authority with the upcoming happenings. Greenhill mentioned a Bridge Builders Grant to help fund an act at the Theatre.
- C. Ironwood Chamber of Commerce Update: Meyer talked about an Arts and Cultural Affairs presentation and also a tourism presentation that will be presented to the public.
- D. Social District Update: A draft social district ordinance will be presented at the next meeting. Alexander thought that the social district could be a good way to determine a focused area for other activities in the downtown.
- E. Update on downtown vacant buildings: A downtown building on Suffolk street has been funded with \$500,000 of stabilization. Staff has met with the property owner at Suffolk St. to fix the façade and then to work with the insurance company to get the property fixed. The top priorities will start to be addressed in more detail during the meetings. Thompson presented five ideas to address vacant buildings. Alexander discussed learning the ordinance to bring unaddressed issues to the City. Staff will send out the zoning ordinance and a link to the city's code of ordinances to the Authority. Moran brought up the need for the DIDA to start soft to get the building owners who want to participate.
- F. Discuss and consider additional Downtown string lights for poles: Erickson asked for a purchase to replace string lights that are burned out.

**Motion by Thompson to approve the purchase of up to \$800 for string lights, second by Sardinha. Motion carried 7 to 0.**

9. Other Business: Bergman brought up a grant that the Library received. The Library has the option to either do their project on their lot or to move the library.
10. Next Meeting: Thursday, April 25, 2024 at 8:00 a.m.

11. Adjournment.

**Motion by Thompson to adjourn the meeting, second by Sardinha.**

  
\_\_\_\_\_  
Cathy Flory, Chair  
\_\_\_\_\_  
Tim Erickson, Community Development Assistant



**Proceedings of the Downtown Ironwood Development Authority**  
**Thursday, May 23, 2024**

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A regular meeting of the Downtown Ironwood Development Authority (DIDA) was held on Thursday, May 23, 2024 at 8:00 A.M. in the Ironwood Memorial Building Women's Club Room.

1. Call to Order: Chair Flory called the meeting to order at 8:00 A.M.
2. Recording of the Roll.

| MEMBER                 | PRESENT |    | EXCUSED | NOT EXCUSED |
|------------------------|---------|----|---------|-------------|
|                        | YES     | NO |         |             |
| Cathy Flory            |         | X  | X       |             |
| Nancy Korpela          | X       |    |         |             |
| Kim Corcoran           | X       |    |         |             |
| Robert Alexander, Vice | X       |    |         |             |
| Lynne Wiercinski       | X       |    |         |             |
| Eric Moran             |         | X  | X       |             |
| Vacant                 |         |    |         |             |
| Robbie Sardinha        |         | X  | X       |             |
| Bruce Greenhill        | X       |    |         |             |
|                        | 5       | 3  | Quorum  |             |

Also, present: Community Development Director, Tom Bergman and Community Development Assistant, Tim Erickson.

3. Approval of the March 28, 2024 Meeting Minutes:  
**Motion by Corcoran to approve the meeting minutes. Second by Greenhill. Motion carried 5 to 0.**
4. Approval of the Agenda:  
**Motion by Corcoran to approve the agenda. Second by Korpela. Motion carried 5 to 0.**
5. Citizens wishing to address the Authority on Items on the Agenda (Three-Minute Limit): None.
6. Citizens wishing to address the Authority on Items not on the Agenda (Three-Minute Limit): None.

7. Receive and place on file the financial report: Bergman presented the report.

**Motion by Corcoran to receive and place on file the financial report, second by Korpela. Motion carried 5 to 0.**

8. Items for Discussion and Consideration.

A. First Friday Update: Nosal addressed the Authority and discussed PrideUP sponsorship of the June First Friday and thanked the Authority for their support and collaboration.

B. Ironwood Chamber of Commerce Update: Meyer addressed the Authority with chamber updates. The city-wide rummage sale is in progress. A new "sunshine raffle" is taking place for the first time this summer. The Ironwood Chamber did a meet and greet with the Lake Gogebic Chamber. June 25<sup>th</sup> workshop at the depot with a new chamber member to learn how to use AI. Festival Ironwood is being planned. Emberlight will be outside the depot for a few activities.

C. Social District Update: Erickson presented the proposed logo. Greenhill asked for the words "Social District" to be increased in size.

D. Update on downtown vacant buildings: Bergman updated on the property located at 101 S. Suffolk St. The Rainbow bar is on the tax auction list. The Miners Mural building has been seeing contractor activity. The Northwoods building has the approved grant. Alexander asked for an introductory letter to be sent out the vacant building list. Introduction of who the DIDA is, the goal is to reach out to property owners with contact information. Including status of downtown properties would be encouraged. Include a goal to revitalize buildings and programs offered can be included. The TIF district, redevelopment license, façade program, and social district can be included. Blight enforcement of the Pamida building is in progress. Erickson brought up the Book World building and someone may be living on the ground floor which is prohibited. Alexander brought up the issue of homelessness.

E. Training opportunities for DIDA Members: The City is now a Redevelopment Ready Certified Community. City staff talked about training opportunities through Michigan Main Street. Greenhill brought up the MACC grant workshop today at the DAP.

9. Other Business: Wiercinski brought up some programming that they will be offering. The library addition will start soon. Bergman brought up the historic signs. The volunteers are getting things worked out. The cigarette butt trash cans and bike racks were discussed. Alexander asked if someone could run the weed eater along the sidewalks once per month.

10. Next Meeting: Thursday, June 27, 2024 at 8:00 a.m.

11. Adjournment.



**Motion by Korpela to adjourn the meeting, second by Corcoran. All in favor.**



Cathy Flory, Chair

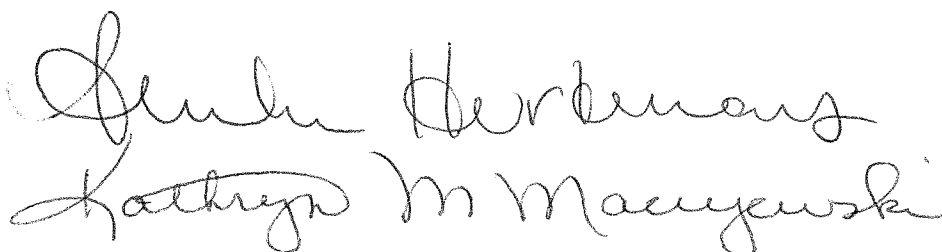


Tim Erickson, Community Development Assistant

# IRONWOOD CARNEGIE LIBRARY MINUTES

Regular Library Board Meeting  
4pm Tuesday, May 21, 2024

- I. Call to order.** 4:00. Attending- Lynne Wiercinski, Helen Slining, Wendy Hicks, Amber Hurkmans, Kim Corcoran, Pam Johnson. Absent- Kathi Maciejewski, Bukkit Paul
- II. Approval of March Financial Reports.** Pam Johnson motioned, Helen Slining seconded, all approved.
- III. Approval of April Financial Reports.** None
- IV. Approval of April Minutes.** Pam Johnson motioned, Wendy Hicks seconded, all approved.
- V. Adjustments to the Agenda.** None
- VI. Unfinished/Continuing Business**
  - a. U of M Survey.** Lynne shared the results of the survey completed by MSU students and the results were discussed and will be used for future planning for the library. Lynne praised the facilitators of the survey.
  - b. Township Contracts.** The Ironwood Township Board voted to continue contracting with the Bessemer Public Library. Lynne Wiercinski, Amber Hurkmans, and Pam Johnson attended the meeting of the Ironwood Township. Several Township residents that are Ironwood Carnegie Library patrons spoke at the meeting in support of the Ironwood Carnegie Library.
  - c. Community Center Grant.** Lynne updated board on grant agreement approval and progress.
  - d. Fundraising/ Grants.** The Book Sale was a huge success and made \$2094.00. Thank you to all the volunteers that made the Book Sale a success.
  - e. Programming.** Lynne has been asked to have a table at the 5/31 end of year celebration for Great Start on 5/31 at the Civic Center. The Summer kick-off event will be held Tuesday, 6/11 at the library.
- VII. New Business**
  - a. 24/25 Budget.** The 24/ 25 budget was presented to the Board and discussed. The Board proceeded with accepting the Budget as presented. A roll call vote was taken, and all members voted in favor.
- VIII. Director Report**
- IX. Board Comments.** None
- X.**
- XI. Public invitation to be heard.** None  
(5-minute limitation per speaker)
- XII. Adjournment.** 4:39. Pam Johnson motioned, Amber Hurkmans seconded, all approved.



Amber Hurkmans  
Kathi M Maciejewski



**To:** Mayor Corcoran and City Commission

**From:** Paul Anderson, City Manager

**Date:** July 1, 2024

**Meeting Date:** July 8, 2024

**Re:** Refuse Contract Extension

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In recent months, the City Commission authorized going out to RFP for a new 5-year contract for refuse and recycling. To have sufficient time for outside companies to respond to the RFP and be able to realistically staff up and secure equipment for providing these services, I felt that we needed a 2-month contract extension with our current provider. The RFP that is currently being advertised has a start date of 11/1/24, which will dovetail in with this extension request. Republic Services has prepared the attached contract extension that keeps all of the same existing terms and conditions in place and adds a 4.8% Consumer Price Index rate increase to their prices for those two months. I think that this is a fair and reasonable request and recommend approval of the extension as presented. Please contact me with any questions.

**SECOND AMENDMENT TO THE TRASH COLLECTION AND RECYCLING  
AGREEMENT**

THIS AMENDMENT to the Agreement (the “Amendment”) is entered into effective as of 1<sup>st</sup> day of September 2024 by and between Republic Services Environmental Solutions III, LLC (“Contractor”) and City of Ironwood, MI (“City”).

A. The parties entered into that certain Trash Collection and Recycling Agreement effective 1<sup>st</sup> day of May 2014, which is amended by Addendum to Trash Collection and Recycling Agreement dated June 10th, 2019 (the “Agreement”), pursuant to which Contractor provides residential waste and recycling services to City of Ironwood from September 1<sup>st</sup>, 2019, through August 31<sup>st</sup>, 2024.

B. The parties desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement, and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that the Agreement is amended as follows:

1. Contracting Party: The Parties agree that

The Contractor’s legal entity is revised from Eagle Waste & Recycling, Inc. to Republic Services Environmental Solutions III, LLC (“Contractor”). Therefore, any reference of the Eagle Waste is replaced with Contractor.

2. Term: The Parties agree that

**This Agreement begins on the Effective Date (September 1<sup>st</sup>, 2024) and expires October 31<sup>st</sup>, 2024. Also, effective 9/1/2024, both parties agree that a rate increase equal to the CPI (Water, Sewer, & Trash Collection) = 4.8% will be passed through to the City for all services provided.**

3. Capitalized Terms. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings assigned to them in the Agreement. In the case of a conflict in meaning between the Agreement and this Amendment, this Amendment shall prevail.

4. Continuing Effect. Except as expressly modified or amended by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the second date set forth below.

**CITY OF IRONWOOD**

**REPUBLIC SERVICES  
ENVIRONMENTAL SOLUTIONS III,  
LLC**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

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

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

USDA-RD

## ESTIMATE OF FUNDS NEEDED

FORM APPROVED

Form RD 440-11

FOR

OMB NO. 0575-0015

(Rev. 10-00)

30-Day Period Commencing

7/8/2024

Ironwood Water Plant Phase I

## ADMINISTRATIVE AND LEGAL INVOICES

| Items                   | Amount of Funds |
|-------------------------|-----------------|
| Construction:           |                 |
|                         | \$954,981.80    |
| Construction Total:     | \$954,981.80    |
| Legal/Admin:            |                 |
|                         |                 |
| Legal/Admin Total:      | \$0.00          |
| Engineering Fees:       |                 |
| Basic:                  | \$7,600.94      |
| Inspection:             | \$11,339.00     |
| Additional Services:    | \$2,749.65      |
| Engineering Fees Total: | \$21,689.59     |
| Total:                  | \$0.00          |
|                         |                 |
| TOTAL:                  | \$976,671.39    |

Prepared by: City of Ironwood

Name of Borrower

By:

Kim S. Corcoran, Mayor

Date:

07/08/24

Approved By:

Date:

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-15. The time required to complete this information collection is estimated to average 1 hour per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

*City of Ironwood, Michigan*  
*PROJECT: City of Ironwood Water Treatment Plant*

*SUMMARY OF PAYMENTS*  
*DUE AND APPROVED BY OWNER*  
*AT MEETING HELD*  
*7/8/2024*

*The following invoices have been approved for payment:*

| <i>Invoices to be Paid</i>           | <i>Amount Due</i>   | <i>Budget Category</i> |
|--------------------------------------|---------------------|------------------------|
| CD Smith Construction Payment No. 10 | \$954,981.80        | Construction           |
| HDR Michigan Invoice #1200632395     | \$7,600.94          | Engineering - Basic    |
| HDR Michigan Invoice #1200632395     | \$2,749.65          | Engineering - Other    |
| HDR Michigan Invoice #1200632395     | \$11,339.00         | Engineering - RPR      |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
|                                      |                     |                        |
| <b>Total:</b>                        | <b>\$976,671.39</b> | <b>---</b>             |

Ayes: \_\_\_\_\_

Nayes: \_\_\_\_\_

Absent: \_\_\_\_\_

Motion: Passed

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

Kim S. Corcoran

Title: Mayor

Date: July 8, 2024

**Contractor's Application for Payment No.****10**

|   |  |                                  |  |
|---|--|----------------------------------|--|
| Application Period: June 1st to June 30th |  | Application Date: 6/25/2024      |  |
| To (Owner): CITY OF IRONWOOD              | From (Contractor): CD Smith Construction<br>125 Camelot Drive<br>Fond Du Lac, WI 54935 | Via (Engineer): HDR              |  |
| Project: WATER TREATMENT PLANT - PHASE 1  | Contract:  |                                  |  |
| Owner's Contract No.:                     | Contractor's Project No.: 230034   | Engineer's Project No.: 10301947 |  |

**Application For Payment Change Order Summary**

| Approved Change Orders         |              |            |
|--------------------------------|--------------|------------|
| Number                         | Additions    | Deductions |
| 1                              | \$70,852.65  |            |
| 2                              | \$11,766.56  |            |
| 3                              | \$20,366.69  |            |
| 4                              | \$54,253.99  |            |
|                                |              |            |
|                                |              |            |
|                                |              |            |
|                                |              |            |
| TOTALS                         | \$157,239.89 |            |
| NET CHANGE BY<br>CHANGE ORDERS | \$157,239.89 |            |

|  |    |                |
|--|----|----------------|
| 1. ORIGINAL CONTRACT PRICE.....  | \$ | \$9,554,000.00 |
| 2. Net change by Change Orders.....  | \$ | \$157,239.89   |
| 3. Current Contract Price (Line 1 ± 2).....  | \$ | \$9,711,239.89 |
| 4. TOTAL COMPLETED AND STORED TO DATE<br>(Column F total on Progress Estimates).....                 | \$ | \$4,755,459.61 |
| 5. RETAINAGE:  |    |                |
| a. 5% X \$4,755,459.61 Work Completed.....   | \$ | \$237,772.98   |
| b. 5% X                      Stored Material.....  | \$ |                |
| c. Total Retainage (Line 5.a + Line 5.b).....  | \$ | \$237,772.98   |
| 6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....  | \$ | \$4,517,686.63 |
| 7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application).....                                       | \$ | \$3,562,704.83 |
| 8. AMOUNT DUE THIS APPLICATION.....  | \$ | \$954,981.80   |
| 9. BALANCE TO FINISH, PLUS RETAINAGE<br>(Column G total on Progress Estimates + Line 5.c above)..... | \$ | \$5,193,553.26 |

**Contractor's Certification**

The undersigned Contractor certifies, to the best of its knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

**Contractor Signature**By:  Date: 6/25/2024Payment of: \$ \_\_\_\_\_  
(Line 8 or other - attach explanation of the other amount)is recommended by: \_\_\_\_\_  
(Engineer) (Date)Payment of: \$ \_\_\_\_\_  
(Line 8 or other - attach explanation of the other amount)is approved by: \_\_\_\_\_  
(Owner) (Date)Approved by: \_\_\_\_\_  
Funding or Financing Entity (if applicable) (Date)

**Progress Estimate - Lump Sum Work****Contractor's Application**

|   |  |                      |                                    |                             |   |  |              |                              |
|---|--|----------------------|------------------------------------|-----------------------------|---|--|--------------|------------------------------|
| For (Contract): WATER TREATMENT PLANT - PHASE I |  |                      |                                    | Application Number: 10      |   |  |              |                              |
| Application Period: June 1st to June 30th       |  |                      |                                    | Application Date: 6/25/2024 |   |  |              |                              |
|   |  |                      | Work Completed                     |                             | E   | F  |              | G                            |
| A   |  | B                    | C                                  | D                           | Materials Presently<br>Stored (not in C or D) | Total Completed<br>and Stored to Date<br>(C + D + E) | %<br>(F / B) | Balance to Finish<br>(B - F) |
| Div #   | Description                                  | Scheduled Value (\$) | From Previous Application<br>(C+D) | This Period                 |   |  |              |                              |
|   | GENERAL CONSTRUCTION                         |                      |                                    |                             |   |  |              |                              |
| 01  | BONDS  | \$ 60,000.00         | 60000                              |                             |   | 60000  | 100.0%       | \$ -                         |
| 01  | SUPERVISION                                  | \$ 245,000.00        | 185000                             | 5000                        |   | 190000   | 77.6%        | \$ 55,000.00                 |
| 01  | MANAGEMENT                                   | \$ 165,000.00        | 112750                             | 5000                        |   | 117750   | 71.4%        | \$ 47,250.00                 |
| 01  | TEMPORARY FACILITIES                         | \$ 130,000.00        | 79000                              | 3000                        |   | 82000  | 63.1%        | \$ 48,000.00                 |
| 01  | EQUIPMENT (CONTRACTORS MACHINERY)            | \$ 248,667.00        | 191000                             | 8000                        |   | 199000   | 80.0%        | \$ 49,667.00                 |
| 01  | SUBSISTANCE                                  | \$ 160,000.00        | 104000                             | 8000                        |   | 112000   | 70.0%        | \$ 48,000.00                 |
| 01  | PERMITS                                      | \$ 8,000.00          | 8000                               |                             |   | 8000   | 100.0%       | \$ -                         |
| 01  | LEAKAGE TESTING                              | \$ 6,000.00          | 6000                               |                             |   | 6000   | 100.0%       | \$ -                         |
| 01  | DISINFECTION                                 | \$ 5,000.00          |                                    |                             |   |  |              | \$ 5,000.00                  |
| 01  | PERMITS                                      | \$ 8,000.00          |                                    |                             |   |  |              | \$ 8,000.00                  |
| 01  | SAFETY AND OSHA REQUIRMENTS                  | \$ 48,000.00         | 14000                              |                             |   | 14000  | 29.2%        | \$ 34,000.00                 |
| 01  | SNOW REMOVAL                                 | \$ 20,000.00         | 6200                               |                             |   | 6200   | 31.0%        | \$ 13,800.00                 |
| 01  | GENERAL CLEANUP AND DUMPSTERS                | \$ 65,000.00         | 14000                              | 5000                        |   | 19000  | 29.2%        | \$ 46,000.00                 |
| 01  | FINAL CLEANING                               | \$ 10,000.00         |                                    |                             |   |  |              | \$ 10,000.00                 |
| 03  | CONCRETE REINFORCING MATERIAL                | \$ 230,000.00        | 227151                             |                             |   | 227151   | 98.8%        | \$ 2,849.00                  |
| 03  | CONCRETE FORMWORK MATERIAL                   | \$ 85,000.00         | 81000                              |                             |   | 81000  | 95.3%        | \$ 4,000.00                  |
| 03  | PUMP CLEARWELL CONCRETE                      | \$ 315,000.00        | 310000                             |                             |   | 310000   | 98.4%        | \$ 5,000.00                  |
| 03  | FILTER ROOM CONCRETE                         | \$ 265,000.00        | 263000                             |                             |   | 263000   | 99.2%        | \$ 2,000.00                  |
| 03  | CHEMICAL ROOM AREA CONCRETE                  | \$ 212,000.00        | 210000                             |                             |   | 210000   | 99.1%        | \$ 2,000.00                  |
| 03  | WEST ELEVATION CONCRETE                      | \$ 100,000.00        | 100000                             |                             |   | 100000   | 100.0%       | \$ -                         |
| 03  | EAST ELEVATION CONCRETE                      | \$ 100,000.00        | 100000                             |                             |   | 100000   | 100.0%       | \$ -                         |
| 03  | NORTH ELEVATION CONCRETE                     | \$ 80,000.00         | 80000                              |                             |   | 80000  | 100.0%       | \$ -                         |
| 04  | MASONRY                                      | \$ 785,000.00        | 120000                             | 250000                      |   | 370000   | 47.1%        | \$ 415,000.00                |
| 06  | ROUGH CARPENTRY MATERIAL                     | \$ 45,000.00         |                                    | 5000                        |   | 5000   | 11.1%        | \$ 40,000.00                 |
| 06  | ROUGH CARPENTRY LABOR                        | \$ 35,000.00         |                                    | 2500                        |   | 2500   | 7.1%         | \$ 32,500.00                 |
| 07  | FLUID APPLIED WATERPROOFING                  | \$ 63,000.00         | 40000                              | 23000                       |   | 63000  | 100.0%       | \$ -                         |
| 03  | PRECAST PLANK                                | \$ 175,000.00        | 86000                              | 89000                       |   | 175000   | 100.0%       | \$ -                         |
| 06  | SIP PANNELS                                  | \$ 120,000.00        |                                    |                             |   |  |              | \$ 120,000.00                |
| 06  | SIP AND TRUSS INSTALL                        | \$ 45,000.00         |                                    |                             |   |  |              | \$ 45,000.00                 |
| 05  | MISC METALS MATERIALS (RAILING, GRATING,ETC) | \$ 125,000.00        | 102673                             |                             |   | 102673   | 82.1%        | \$ 22,327.00                 |
| 05  | MISC METALS MATERIALS INSTALL                | \$ 65,000.00         | 5000                               | 35000                       |   | 40000  | 61.5%        | \$ 25,000.00                 |
| 06  | TRUSS PACKAGE                                | \$ 27,000.00         | 27000                              |                             |   | 27000  | 100.0%       | \$ -                         |
| 07  | ROOFING                                      | \$ 95,000.00         |                                    |                             |   |  |              | \$ 95,000.00                 |
| 07  | FLASHING AND SHEETMETAL                      | \$ 40,000.00         |                                    |                             |   |  |              | \$ 40,000.00                 |
| 09  | STEEL STUDS AND DRYWALL                      | \$ 45,000.00         |                                    |                             |   |  |              | \$ 45,000.00                 |
| 07  | WALL PANEL SYSTEM                            | \$ 65,000.00         |                                    |                             |   |  |              | \$ 65,000.00                 |



**Progress Estimate - Lump Sum Work****Contractor's Application**

|   |                                    |                      |                                    |                             |   |  |              |                              |
|---|------------------------------------|----------------------|------------------------------------|-----------------------------|---|--|--------------|------------------------------|
| For (Contract): WATER TREATMENT PLANT - PHASE 1 |                                    |                      |                                    | Application Number: 10      |   |  |              |                              |
| Application Period: June 1st to June 30th       |                                    |                      |                                    | Application Date: 6/25/2024 |   |  |              |                              |
|   |                                    |                      | Work Completed                     |                             | E   | F  |              | G                            |
| A   |                                    | B                    | C                                  | D                           | Materials Presently<br>Stored (not in C or D) | Total Completed<br>and Stored to Date<br>(C + D + E) | %<br>(F / B) | Balance to Finish<br>(B - F) |
| Div #   | Description                        | Scheduled Value (\$) | From Previous Application<br>(C+D) | This Period                 |   |  |              |                              |
| 07  | CAULKING                           | \$ 38,250.00         |                                    |                             |   |  |              | \$ 38,250.00                 |
| 09  | PAINTING                           | \$ 133,000.00        |                                    |                             |   |  |              | \$ 133,000.00                |
| 08  | ACCESS DOORS                       | \$ 6,759.00          |                                    |                             |   |  |              | \$ 6,759.00                  |
| 08  | DOOR AND FRAMES MATERIAL           | \$ 102,512.00        |                                    | 102512                      |   | 102512   | 100.0%       | \$ -                         |
| 08  | DOORS AND FRAMES LABOR             | \$ 17,000.00         |                                    |                             |   |  |              | \$ 17,000.00                 |
| 08  | WINDOWS & GLAZING                  | \$ 68,788.00         |                                    |                             |   |  |              | \$ 68,788.00                 |
| 09  | CERAMIC TILE                       | \$ 3,500.00          |                                    |                             |   |  |              | \$ 3,500.00                  |
| 09  | ACOUSTICAL CEILINGS                | \$ 4,600.00          |                                    |                             |   |  |              | \$ 4,600.00                  |
| 09  | EPOXY FLOORING                     | \$ 22,000.00         |                                    |                             |   |  |              | \$ 22,000.00                 |
| 10  | TOILET AND BATH ACCESSORIES        | \$ 5,600.00          |                                    |                             |   |  |              | \$ 5,600.00                  |
| 10  | EXTERIOR SIGNAGE                   | \$ 12,200.00         |                                    |                             |   |  |              | \$ 12,200.00                 |
| 12  | METAL LAB CASEWORK                 | \$ 16,584.00         |                                    |                             |   |  |              | \$ 16,584.00                 |
| 31  | DEWATERING                         | \$ 10,000.00         | 4500                               |                             |   | 4500   | 45.0%        | \$ 5,500.00                  |
| 41  | HOIST AND CRANES                   | \$ 38,330.00         |                                    |                             |   |  |              | \$ 38,330.00                 |
|   | EARTHWORK (Snow Country/CDS)       | \$ -                 |                                    |                             |   |  |              |                              |
| 31  | GRADING                            | \$ 96,000.00         | 15732                              |                             |   | 15732  | 16.4%        | \$ 80,268.00                 |
| 31  | EARTHWORK                          | \$ 370,000.00        | 228193                             |                             |   | 228193   | 61.7%        | \$ 141,807.00                |
| 31  | EXCAVATION, TRENCHING AND BACKFILL | \$ 235,000.00        | 123683                             |                             |   | 123683   | 52.6%        | \$ 111,317.00                |
| 31  | FLOWABLE FILL                      | \$ 70,600.00         | 35300                              | 35300                       |   | 70600  | 100.0%       | \$ -                         |
| 31  | EROSION CONTROL                    | \$ 27,000.00         | 8750                               |                             |   | 8750   | 32.4%        | \$ 18,250.00                 |
| 32  | CABC                               | \$ 85,000.00         | 35000                              |                             |   | 35000  | 41.2%        | \$ 50,000.00                 |
| 32  | RESTORATION                        | \$ 43,000.00         |                                    |                             |   |  |              | \$ 43,000.00                 |
|   | SITE UTILITIES (Snow Contry)       | \$ -                 |                                    |                             |   |  |              |                              |
| 33  | TESTING                            | \$ 5,000.00          |                                    |                             |   |  |              | \$ 5,000.00                  |
| 33  | WATERMAIN DI 12" and Smaller       | \$ 50,400.00         |                                    | 28224                       |   | 28224  | 56.0%        | \$ 22,176.00                 |
| 33  | WATERMAIN DI 14" and Larger        | \$ 369,600.00        |                                    | 158928                      |   | 158928   |              | \$ 210,672.00                |
| 33  | SANITARY SEWER                     | \$ 24,000.00         |                                    | 10080                       |   | 10080  | 42.0%        | \$ 13,920.00                 |
| 33  | CULVERTS                           | \$ 14,000.00         | 11900                              |                             |   | 11900  | 85.0%        | \$ 2,100.00                  |
|   | MECHANICAL (August Winters)        |                      |                                    |                             |   |  |              |                              |
| 40  | MOBILIZATION                       | \$ 45,000.00         | 45000                              |                             |   | 45000  | 100.0%       | \$ -                         |
| 08  | LOUVERS AND OPENINGS               | \$ 7,000.00          |                                    |                             |   |  |              | \$ 7,000.00                  |
| 22  | UG PLUMBING                        | \$ 59,000.00         | 59000                              |                             |   | 59000  | 100.0%       | \$ -                         |
| 22  | AG PLUMBING                        | \$ 125,000.00        |                                    |                             |   |  |              | \$ 125,000.00                |
| 22  | FIXTURES                           | \$ 62,000.00         | 15500                              | 15500                       |   | 31000  | 50.0%        | \$ 31,000.00                 |
| 22  | PLUMBING INSULATION                | \$ 16,000.00         |                                    |                             |   |  |              | \$ 16,000.00                 |
| 23  | DUCT WORK                          | \$ 105,000.00        |                                    |                             |   |  |              | \$ 105,000.00                |
| 23  | HVAC PIPING                        | \$ 20,000.00         |                                    |                             |   |  |              | \$ 20,000.00                 |

## Progress Estimate - Lump Sum Work

## Contractor's Application

|   |  |                      |                                    |                             |   |  |              |                              |
|---|--|----------------------|------------------------------------|-----------------------------|---|--|--------------|------------------------------|
| For (Contract): WATER TREATMENT PLANT - PHASE I |  |                      |                                    | Application Number: 10      |   |  |              |                              |
| Application Period: June 1st to June 30th       |  |                      |                                    | Application Date: 6/25/2024 |   |  |              |                              |
|   |  |                      | Work Completed                     |                             | E   | F  |              | G                            |
| A   |  | B                    | C                                  | D                           | Materials Presently<br>Stored (not in C or D) | Total Completed<br>and Stored to Date<br>(C + D + E) | %<br>(F / B) | Balance to Finish<br>(B - F) |
| Div #   | Description                                    | Scheduled Value (\$) | From Previous Application<br>(C+D) | This Period                 |   |  |              |                              |
| 23  | HVAC EQUIPMENT                                 | \$ 165,000.00        |                                    | 115500                      |   | 115500   | 70.0%        | \$ 49,500.00                 |
| 23  | HVAC INSULATION                                | \$ 12,000.00         |                                    |                             |   |  |              | \$ 12,000.00                 |
| 23  | HVAC CONTROLS                                  | \$ 40,000.00         |                                    | 8000                        |   | 8000   | 20.0%        | \$ 32,000.00                 |
| 23  | HVAC TAB                                       | \$ 3,000.00          |                                    |                             |   |  |              | \$ 3,000.00                  |
| 40  | PROCESS PIPING                                 | \$ 394,000.00        | 157600                             |                             |   | 157600   | 40.0%        | \$ 236,400.00                |
| 40  | PROCESS VALVES                                 | \$ 198,000.00        |                                    | 29700                       |   | 29700  | 15.0%        | \$ 168,300.00                |
| 43  | VERTICAL TURBINE PUMPS                         | \$ 306,000.00        | 229500                             |                             |   | 229500   | 75.0%        | \$ 76,500.00                 |
| 46  | CHEMICAL FEED EQUIPMENT                        | \$ 88,000.00         |                                    |                             |   |  |              | \$ 88,000.00                 |
| 21  | FIRE SUPPRESION                                | \$ 14,610.00         |                                    |                             |   |  |              | \$ 14,610.00                 |
|   | ELECTRICAL (ECON)                              |                      |                                    |                             |   |  |              |                              |
| 26  | TEMPORAY ELECTRICAL                            | \$ 30,000.00         | 18000                              |                             |   | 18000  | 60.0%        | \$ 12,000.00                 |
| 26  | SITE ELECTRICAL MATERIAL                       | \$ 245,000.00        | 62000                              | 20000                       |   | 82000  | 33.5%        | \$ 163,000.00                |
| 26  | SITE ELECTRICAL LABOR                          | \$ 146,000.00        | 10000                              | 28000                       |   | 38000  | 26.0%        | \$ 108,000.00                |
| 26  | WTP ELECTRICAL MATERIAL                        | \$ 324,000.00        |                                    | 15000                       |   | 15000  | 4.6%         | \$ 309,000.00                |
| 26  | WTP ELECTRICAL LABOR                           | \$ 294,790.00        | 15000                              |                             |   | 15000  | 5.1%         | \$ 279,790.00                |
| 26  | LIGHT FIXTURES                                 | \$ 30,385.00         | 30385                              |                             |   | 30385  | 100.0%       | \$ -                         |
| 26  | GEAR   | \$ 15,500.00         |                                    |                             |   |  |              | \$ 15,500.00                 |
| 40  | SYSTEM INTEGRATOR - VFD'S                      | \$ 126,730.00        |                                    |                             |   |  |              | \$ 126,730.00                |
| 40  | SYSTEM INTEGRATOR - ENGINEERING AND SUBMITTALS | \$ 50,600.00         | 45000                              |                             |   | 45000  | 88.9%        | \$ 5,600.00                  |
| 40  | SYSTEM INTEGRATOR - WTP CONTROL PANEL          | \$ 48,000.00         |                                    |                             |   |  |              | \$ 48,000.00                 |
| 40  | SYSTEM INTEGRATOR - INSTRUMENTS                | \$ 32,600.00         |                                    |                             |   |  |              | \$ 32,600.00                 |
| 40  | SYSTEM INTEGRATOR - CT'S, XMRF, MISC PANELS    | \$ 114,400.00        |                                    |                             |   |  |              | \$ 114,400.00                |
| 40  | SYSTEM INTEGRATOR - HMI SCADA NETWORK          | \$ 52,000.00         |                                    |                             |   |  |              | \$ 52,000.00                 |
| 40  | SYSTEM INTEGRATOR - SITE SUPPORT               | \$ 76,615.00         |                                    |                             |   |  |              | \$ 76,615.00                 |
| 40  | SYSTEM INTEGRATOR - COMMISSIONING AND STARTUP  | \$ 69,055.00         |                                    |                             |   |  |              | \$ 69,055.00                 |
| 26  | MANHOLES AND COVERS                            | \$ 15,000.00         | 15000                              |                             |   | 15000  | 100.0%       | \$ -                         |
| 26  | FIRE ALARM                                     | \$ 13,000.00         | 8500                               |                             |   | 8500   | 65.4%        | \$ 4,500.00                  |
| 26  | ATS  | \$ 39,325.00         |                                    |                             |   |  |              | \$ 39,325.00                 |
| 26  | AS BUILD DRAWING                               | \$ 1,500.00          |                                    |                             |   |  |              | \$ 1,500.00                  |
| 26  | PUNCH LIST                                     | \$ 2,500.00          |                                    |                             |   |  |              | \$ 2,500.00                  |
| 26  | ASCCEPTANCE TESTING                            | \$ 3,000.00          |                                    |                             |   |  |              | \$ 3,000.00                  |
|   | CHANGE ORDERS                                  |                      |                                    |                             |   |  |              |                              |
| 31  | EAST ROAD IMPROVMENTS                          | \$ 70,852.65         | 44898.61                           |                             |   | 44898.61   | 63.4%        | \$ 25,954.04                 |
| 32  | Misc Detail Changes                            | \$ 11,766.56         |                                    |                             |   |  |              | \$ 11,766.56                 |
| 33  | West End Piping Changes                        | \$ 20,366.69         |                                    |                             |   |  |              | \$ 20,366.69                 |
| 34  | Electrical and Door Changes                    | \$ 54,253.99         |                                    |                             |   |  |              | \$ 54,253.99                 |
|   |  | \$ -                 |                                    |                             |   |  | #DIV/0!      | \$ -                         |

## Progress Estimate - Lump Sum Work

## Contractor's Application

|   |             |                       |                                    |                             |   |  |               |                              |
|---|-------------|-----------------------|------------------------------------|-----------------------------|---|--|---------------|------------------------------|
| For (Contract): WATER TREATMENT PLANT - PHASE 1 |             |                       |                                    | Application Number: 10      |   |  |               |                              |
| Application Period: June 1st to June 30th       |             |                       |                                    | Application Date: 6/25/2024 |   |  |               |                              |
|   |             |                       | Work Completed                     |                             | E   | F  |               | G                            |
| A   |             | B                     | C                                  | D                           | Materials Presently<br>Stored (not in C or D) | Total Completed<br>and Stored to Date<br>(C + D + E) | %<br>(F / B)  | Balance to Finish<br>(B - F) |
| Div #   | Description | Scheduled Value (\$)  | From Previous Application<br>(C+D) | This Period                 |   |  |               |                              |
|   |             | \$ -                  |                                    |                             |   |  | #DIV/0!       | \$ -                         |
|   |             | \$ -                  |                                    |                             |   |  | #DIV/0!       | \$ -                         |
|   |             | \$ -                  |                                    |                             |   |  | #DIV/0!       | \$ -                         |
| <b>Totals</b>                                   |             | <b>\$9,711,239.89</b> | <b>\$3,750,215.61</b>              | <b>\$1,005,244.00</b>       |   | <b>\$4,755,459.61</b>                                | <b>48.97%</b> | <b>\$4,955,780.28</b>        |



# Invoice

HDR Michigan Inc.  
Ann Arbor, MI 48104-6815

City of Ironwood  
Invoices will be emailed.

Reference Invoice Number with Payment

HDR Invoice No. 1200632495  
Invoice Date 01-JUL-2024  
Invoice Amount Due \$21,689.59  
Payment Terms 30 NET  
  
Remit To PO Box 74008202  
Chicago, IL 60674-8202  
ACH/EFT Payments Bank of America ML US  
ABA# 081000032  
Account# 355004076604

New WTP  
andersonp@ironwoodmi.gov, linnp@ironwoodmi.gov and  
jsjoquist@coleman-engineering.com

Professional Services  
From: 02-JUN-2024 To: 29-JUN-2024

| Professional Services Summarization |                         | Hours                       | Billing Rate | Amount           |
|-------------------------------------|-------------------------|-----------------------------|--------------|------------------|
| Senior Engineer                     | Trapp, Scott J          | 1.00                        | 228.18       | 228.18           |
| Senior Technical Consultant         | Prusakiewicz, Joshua R  | 15.50                       | 247.69       | 3,839.20         |
| Senior Technical Consultant         | Rickert, John S         | 3.00                        | 219.95       | 659.85           |
| Technical Consultant                | Marion, Marcia L        | 1.00                        | 159.84       | 159.84           |
| Technical Support                   | Bernardin, Jennifer Ann | 4.75                        | 114.20       | 542.45           |
|                                     |                         | 25.25                       |              | \$5,429.52       |
|                                     |                         | Total Professional Services |              | \$5,429.52 Basic |

| Expense Summarization |                             | Quantity   | Billing Rate   | Amount         |
|-----------------------|-----------------------------|--|----------------|----------------|
| Subcontractors-Other  | Coleman Engineering Company | Basic 810.00<br>Insp. 6,240.00<br>Other 2,391.00 | 9,860.00       | 13,061.00      |
| Subcontractors-Other  | SEH Inc                     |  |                | 1,078.19 Basic |
|                       |                             | Basic 283.23<br>Insp. 1479.00<br>Other 358.65    |                | \$14,139.19    |
|                       |                             |  | Subs - Markup  | 2,120.88       |
|                       |                             |  | Total Expenses | \$16,260.07    |

Amount Due This Invoice (USD) \$21,689.59

Totals:  
Basic 7,600.94  
Insp. 11,339.00  
Other Eng 2,749.65  
21,689.59

# Invoice

HDR Invoice No. 1200632495  
Invoice Date 01-JUL-2024

|                      |                |
|----------------------|----------------|
| Fee Amount           | \$1,240,700.00 |
| Fee Invoiced to Date | \$1,073,420.12 |
| Fee Remaining        | \$167,279.88   |

|                             |          |
|-----------------------------|----------|
| HDR Internal Reference Only |          |
| Client Number               | 730060   |
| Cost Center                 | 10368    |
| Project Number              | 10301947 |

# Invoice

HDR Invoice No. 1200632495  
Invoice Date 01-JUL-2024

| Professional Services and Expense Detail |                         |  |              |            |
|--|-------------------------|--|--------------|------------|
| Project Number: 10301947                 |                         | Project Description: City of Ironwood-New WTP                |              |            |
| Task Number: 005                         |                         | Task Description: Basic Services-Construction Administration |              |            |
| Professional Services                    |                         | Hours  | Billing Rate | Amount     |
| Senior Engineer                          | Trapp, Scott J          | 1.00   | 228.18       | 228.18     |
| Senior Technical Consultant              | Prusakiewicz, Joshua R  | 15.50  | 247.69       | 3,839.20   |
| Senior Technical Consultant              | Rickert, John S         | 3.00   | 219.95       | 659.85     |
| Technical Consultant                     | Marion, Marcia L        | 1.00   | 159.84       | 159.84     |
| Technical Support                        | Bernardin, Jennifer Ann | 4.75   | 114.20       | 542.45     |
|  |                         | 25.25  |              | \$5,429.52 |
|  |                         | Total Professional Services                                  |              | \$5,429.52 |
|  |                         |  |              |            |
|  |                         | Total Task   |              | \$5,429.52 |

| Professional Services and Expense Detail |                             |                      |   |             |
|--|-----------------------------|----------------------|---|-------------|
| Project Number:                          | 10301947                    | Project Description: | City of Ironwood-New WTP                |             |
| Task Number:                             | 006                         | Task Description:    | Resident Project Representative-Coleman |             |
| Expense                                  |                             | Qty                  | Billing Rate                            | Amount      |
| Subcontractors-Other                     | Coleman Engineering Company |                      |   | 9,860.00    |
|  |                             |                      |   | \$9,860.00  |
| Sub Markup @ 15%                         |                             |                      |   | 1,479.00    |
|  |                             |                      |   | \$11,339.00 |
| Total Subcontractor                      |                             |                      |   | \$11,339.00 |
|  |                             |                      |   |             |
| Total Task                               |                             |                      |   | \$11,339.00 |

# Invoice

HDR Invoice No. 1200632495  
Invoice Date 01-JUL-2024

## Professional Services and Expense Detail

Project Number: 10301947 Project Description: City of Ironwood-New WTP  
Task Number: 100 Task Description: Coleman

| Expense              | Qty                         | Billing Rate               | Amount            |
|----------------------|-----------------------------|----------------------------|-------------------|
| Subcontractors-Other | Coleman Engineering Company |                            | 3,201.00          |
|                      |                             |                            | <b>\$3,201.00</b> |
|                      |                             | Sub Markup @ 15%           | 480.15            |
|                      |                             |                            | <b>\$3,681.15</b> |
|                      |                             | <b>Total Subcontractor</b> | <b>\$3,681.15</b> |
|                      |                             | <b>Total Task</b>          | <b>\$3,681.15</b> |

## Professional Services and Expense Detail

Project Number: 10301947 Project Description: City of Ironwood-New WTP  
Task Number: 200 Task Description: Short Elliott Hendrickson-Sub

| Expense              | Qty     | Billing Rate               | Amount            |
|----------------------|---------|----------------------------|-------------------|
| Subcontractors-Other | SEH Inc |                            | 1,078.19          |
|                      |         |                            | <b>\$1,078.19</b> |
|                      |         | Sub Markup @ 15%           | 161.73            |
|                      |         |                            | <b>\$1,239.92</b> |
|                      |         | <b>Total Subcontractor</b> | <b>\$1,239.92</b> |
|                      |         | <b>Total Task</b>          | <b>\$1,239.92</b> |



**City of Ironwood - New WTP - Project Number 10301947**

| Task Number | Task Name            | Expenditure Type     | Item Date   | Employee/Supplier           | Quantity | Comments   |
|-------------|----------------------|----------------------|-------------|-----------------------------|----------|--|
| 005         | Basic Services-Const | Labor                | 04-JUN-2024 | Bernardin, Jennifer Ann     | 0.25     | Submittal Coordination   |
| 005         | Basic Services-Const | Labor                | 06-JUN-2024 | Bernardin, Jennifer Ann     | 0.25     | Submittal coordination   |
| 005         | Basic Services-Const | Labor                | 07-JUN-2024 | Bernardin, Jennifer Ann     | 0.25     | RFI Coordination   |
| 005         | Basic Services-Const | Labor                | 12-JUN-2024 | Bernardin, Jennifer Ann     | 1.50     | Submittal and RFI Coordination, prepare agenda and attend/run progress meeting, finalize meeting minutes |
| 005         | Basic Services-Const | Labor                | 18-JUN-2024 | Bernardin, Jennifer Ann     | 0.50     | Submittal coordination   |
| 005         | Basic Services-Const | Labor                | 19-JUN-2024 | Bernardin, Jennifer Ann     | 0.50     | Submittal coordination   |
| 005         | Basic Services-Const | Labor                | 25-JUN-2024 | Bernardin, Jennifer Ann     | 0.25     | Draft agenda for construction progress mtg   |
| 005         | Basic Services-Const | Labor                | 26-JUN-2024 | Bernardin, Jennifer Ann     | 1.00     | Attend progress meeting/finalize meeting minutes   |
| 005         | Basic Services-Const | Labor                | 27-JUN-2024 | Bernardin, Jennifer Ann     | 0.25     | Process RFI.   |
| 005         | Basic Services-Const | Labor                | 06-JUN-2024 | Marion, Marcia L            | 1.00     |  |
| 005         | Basic Services-Const | Labor                | 03-JUN-2024 | Prusakiewicz, Joshua R      | 1.50     | project management, SCADA quote request  |
| 005         | Basic Services-Const | Labor                | 04-JUN-2024 | Prusakiewicz, Joshua R      | 1.00     | submittal/RFI, PM  |
| 005         | Basic Services-Const | Labor                | 06-JUN-2024 | Prusakiewicz, Joshua R      | 1.00     | submittal/RFI, PM  |
| 005         | Basic Services-Const | Labor                | 07-JUN-2024 | Prusakiewicz, Joshua R      | 1.00     | project management,  |
| 005         | Basic Services-Const | Labor                | 14-JUN-2024 | Prusakiewicz, Joshua R      | 2.00     | PM, submittal/RFI  |
| 005         | Basic Services-Const | Labor                | 14-JUN-2024 | Prusakiewicz, Joshua R      | 1.50     | PM   |
| 005         | Basic Services-Const | Labor                | 19-JUN-2024 | Prusakiewicz, Joshua R      | 2.00     | submittal/RFI review   |
| 005         | Basic Services-Const | Labor                | 20-JUN-2024 | Prusakiewicz, Joshua R      | 1.00     | submittal/RFI review   |
| 005         | Basic Services-Const | Labor                | 21-JUN-2024 | Prusakiewicz, Joshua R      | 1.50     | weekly checking meeting, natural gas supply discussion   |
| 005         | Basic Services-Const | Labor                | 25-JUN-2024 | Prusakiewicz, Joshua R      | 1.00     | submittal/RFI reviews  |
| 005         | Basic Services-Const | Labor                | 26-JUN-2024 | Prusakiewicz, Joshua R      | 2.00     | construction meeting and submittal/RFI reviews   |
| 005         | Basic Services-Const | Labor                | 12-JUN-2024 | Rickert, John S             | 1.00     |  |
| 005         | Basic Services-Const | Labor                | 18-JUN-2024 | Rickert, John S             | 2.00     |  |
| 005         | Basic Services-Const | Labor                | 04-JUN-2024 | Trapp, Scott J              | 1.00     |  |
|             |                      |                      |             |                             | 25.25    |  |
| 006         | Resident Project Rep | Subcontractors-Other | 04-JUN-2024 | Coleman Engineering Company | 9,860.00 | Subconsultant for City of Ironwood   |
| 100         | Coleman              | Subcontractors-Other | 04-JUN-2024 | Coleman Engineering Company | 3,201.00 | Subconsultant for City of Ironwood   |
| 200         | Short Elliott Hendri | Subcontractors-Other | 11-JUN-2024 | SEH Inc                     | 1,078.19 | Sub for City of Ironwood   |





Coleman Engineering Company  
635 Circle Dr  
Iron Mountain, MI 49801

Josh Prusakewicz  
HDR, Inc.  
1000 Oakbrook Drive  
Suite 200  
Ann Arbor, MI 48104-6815

June 4, 2024  
Project No: 210444  
Invoice No: 51409

Project 210444 City of Ironwood Water Treatment Plant

**Services from April 21, 2024 to May 18, 2024**

Billing Group B Construction Services

Phase 1 Resident Project Representative

**Professional Services**

|                    | Hours | Rate   | Amount          |
|--------------------|-------|--------|-----------------|
| Engineer 11        | 81.25 | 120.00 | 9,750.00        |
| Engineer 9         | 1.00  | 110.00 | 110.00          |
| Totals             | 82.25 |        | 9,860.00        |
| <b>Total Labor</b> |       |        | <b>9,860.00</b> |

**Total this Phase \$9,860.00**

Phase 2 Project Management - Construction

**Professional Services**

|                    | Hours | Rate   | Amount        |
|--------------------|-------|--------|---------------|
| Engineer 25        | 3.00  | 220.00 | 660.00        |
| Technician 24      | 1.25  | 120.00 | 150.00        |
| Totals             | 4.25  |        | 810.00        |
| <b>Total Labor</b> |       |        | <b>810.00</b> |

**Total this Phase \$810.00**

**Total this Billing Group \$10,670.00**

Billing Group C Other Engineering Services

Phase 4 Cost Tracking

**Professional Services**

|                    | Hours | Rate   | Amount          |
|--------------------|-------|--------|-----------------|
| Clerical 5         | .75   | 87.00  | 65.25           |
| Engineer 25        | 8.00  | 220.00 | 1,760.00        |
| Technician 21      | 1.25  | 99.00  | 123.75          |
| Technician 17      | 4.00  | 78.00  | 312.00          |
| Totals             | 14.00 |        | 2,261.00        |
| <b>Total Labor</b> |       |        | <b>2,261.00</b> |

Compressive Strength Concrete Cylinder 4.0 Tests @ 25.00 100.00

|         |                            |  |               |                    |
|---------|----------------------------|--|---------------|--------------------|
| Project | 210444                     | City of Ironwood Water Treatment Plant | Invoice       | 51409              |
|         | Hold Specimen (Not Tested) | 3.0 Each @ 10.00                       | 30.00         |                    |
|         |                            |  | <b>130.00</b> | <b>130.00</b>      |
|         |                            | <b>Total this Phase</b>                |               | <b>\$2,391.00</b>  |
|         |                            | <b>Total this Billing Group</b>        |               | <b>\$2,391.00</b>  |
|         |                            | <b>Total this Invoice</b>              |               | <b>\$13,061.00</b> |

Authorized  
By:

Jeff Sjoquist

Date:

6-4-24

Jeffrey Sjoquist



# Invoice

Invoice Number: 468135

Short Elliott Hendrickson, Inc. FEIN: 41-1251208 | 651.490.2000 | 800.325.2055

**BILL TO:**

Attn: Accounts Payable  
HDR Engineering Inc Michigan  
1000 Oakbrook Dr  
Suite 200  
Ann Arbor MI 48104

**REMIT PAYMENT TO:**

Short Elliott Hendrickson, Inc.  
PO Box 64780  
Saint Paul, MN 55164-0780

**Pay This Amount \$1,078.19**

Due Date 11-JUL-24

Invoice Date 11-JUN-24

Bill Through Date 31-MAY-24

Terms 30 NET

SEH Customer Acct # 84084

Customer Project # HRD Project #10301947

Agreement / PO # 174851

Authorized Amount \$40,400.00

Authorized Amount Remaining \$8,589.94

Project  
Manager

Chris Larson  
clarson@sehinc.com  
651.490.2000

Client Service  
Manager

Chris Larson  
clarson@sehinc.com  
651.490.2000

Accounting  
Representative

Justin Oelschlager  
joelschlager@sehinc.com  
651.490.2000

| Project # | Project Name                  | Project Description                       |
|-----------|-------------------------------|---|
| 174851    | HDRMI Ironwood WTP Phase 1 CA | Ironwood WTP - Phase 1 Construction Admin |

**Notes:****CC:**

josh.prusakiewicz@hdrinc.com

Marcia.Marion@hdrinc.com

**Direct**

| Personnel              | Hours       | Rate   | Amount          |
|------------------------|-------------|--------|-----------------|
| Staff Engineer         | 4.00        | 140.64 | \$562.58        |
| Senior Admin Assistant | 0.75        | 139.00 | \$104.25        |
|                        | <b>4.75</b> |        | <b>\$666.83</b> |

**Reimbursed - Expenses**

| Expenditure Type | Amount          |
|------------------|-----------------|
| Mileage          | \$268.00        |
| Travel / Lodging | \$143.36        |
|                  | <b>\$411.36</b> |

**Invoice total \$1,078.19**



# Invoice

Invoice Number: **468135**

Short Elliott Hendrickson, Inc. FEIN: 41-1251208 | 651.490.2000 | 800.325.2055

## Project Billing Summary

|        | <u>Current Amount</u><br><u>Due</u> | Previously<br>Invoiced | Cumulative  |
|--------|-------------------------------------|------------------------|-------------|
| Totals | \$1,078.19                          | \$30,731.87            | \$31,810.06 |



July 1, 2024

City of Ironwood  
Paul Anderson  
213 S. Marquette St.  
Ironwood, MI 49938

Re: **Invoice No. 38**  
Water Treatment Plant – Phase 1  
COMPANY NAME: HDR Michigan, Inc.

Paul:

Invoice No. 38 for services provided under this project by HDR Michigan, Inc. is attached. Invoice No. 38 covers the period between June 2, 2024 and June 29, 2024.

This invoice has been submitted via email to [linnp@ironwoodmi.gov](mailto:linnp@ironwoodmi.gov) and [andersonp@ironwoodmi.gov](mailto:andersonp@ironwoodmi.gov). The total amount due for this invoice is **\$21,689.59**. The progress report that provides the description of services performed during the above-mentioned invoicing period is attached as required by the contract.

A summary of the contract costs to date and contract amount remaining is presented in the table below. A more detailed breakdown of the complete task and breakdown of the invoiced amount is on the following page.

|  | HDR Contract          | Period Invoice     | Prior Invoiced        | Invoiced to Date      | Balance Remaining   |
|--|-----------------------|--------------------|-----------------------|-----------------------|---------------------|
| Eng Basic<br>(Construction Administration) | \$878,700.00          | \$6,669.44         | \$805,628.62          | \$812,298.06          | \$66,401.94         |
| Eng Other<br>(Additional Services)         | \$170,000.00          | \$3,681.15         | \$148,448.50          | \$152,129.65          | \$17,870.35         |
| Eng Insp (RPR)                             | \$192,000.00          | \$11,339.00        | \$97,653.41           | \$108,992.41          | \$83,007.59         |
| <b>TOTAL</b>                               | <b>\$1,240,700.00</b> | <b>\$21,689.59</b> | <b>\$1,051,730.53</b> | <b>\$1,073,420.12</b> | <b>\$167,279.88</b> |

Sincerely,

Josh Prusakiewicz  
Project Manager  
HDR Michigan, Inc.



#### **Activities Accomplished this Period**

- Contractor submittal reviews and RFIs
- Contractor discussions and construction admin activities
- Bi-weekly Construction Progress meetings and meeting minutes
- Developing work change directives
- Pay application review and approval
- Resident project representative services/Materials testing

#### **Activities to be Completed Next Period**

- Engage in construction planning with GC.
- Review GC submittals and RFIs
- Bi-weekly construction progress meetings and meeting minutes
- Developing work change directives
- Pay application review and approval
- Resident project representative services/Materials testing

#### **Project Status Relative to Schedule**

Contractor is progressing through construction and is still targeting substantial completion by September 2024. They still do not have a firm delivery date for the electrical equipment, but have received preliminary indication from the manufacturer that it may be in Summer 2024. This originally was stated as being delivered in late Fall, early Winter 2024, so we will continue to work with the contractor to monitor delivery and overall schedule.

#### **Project Status Relative to Budget**

With three months remaining, at the current moment, HDR is estimating that we will be over budget by about \$30,000 for construction administration tasks (submittal and RFI reviews). As construction progresses, we will monitor budget and determine if additional funds will be needed.

#### **Current Needs for City of Ironwood Staff Coordination**

None for this period.

#### **Expected Needs for City of Ironwood Staff Coordination in Next Period**

None for this period.

#### **Problems Encountered and Resolution**

None for this period.

#### **Other Issues for City of Ironwood Consideration**

A change order log has been developed and shows that there may be some contingency left at the end of the project. However, natural gas supply to the project in lieu of propane is now starting to become a reality and could take a significant portion of the remaining contingency. We will also be having the contractor quote the remaining SCADA system which was to be installed in Phase 2, but we will do this now to see if there is enough contingency left to cover this costs along with any other remaining contractor change order requests. Not an issue at the moment but contingency could be if quotes come in higher than expected for the natural gas and SCADA work.



**To:** Mayor Corcoran and City Commission

**From:** Paul Anderson, City Manager

**Date:** July 2, 2024

**Meeting Date:** July 8, 2024

**Re:** Jakes Excavating Change Order 2

---

This change order is for changes to the Contract that I directed to Jakes Excavating for changes that I deemed necessary during the project thus far. Quantity increases resulted from:

- We had hoped to be able to save ½ of the road width in certain areas. This has been attempted to be done on other projects with mixed results. You are left with two different ages of asphalt and the older asphalt typically is of poorer quality and years down the road will leave you with an undesirable asset. Since the quantity was relatively low and the budget was available to reconstruct the entire roadway, I went ahead and made the call to reconstruct the entire roadway. This will produce a much higher quality product that will last for numerous decades to come.
- In the contract bidding quantities, I had used a road width of 20 feet. The actual road width is 22'. This resulted in numerous line item quantity increases.
- In the contract bidding quantities, I did not include the repaving of the intersection of VanBuskirk Road / Southwest St and Clemens St. This intersection has numerous patches within it and this is the perfect opportunity to remove and repave that whole area with new asphalt. We are also lowering a storm catch basin at that intersection and will be able to improve the drainage patterns.
- There was some additional rip rap needed around the drainage structures on the east end of the project.

We have sufficient funds within the FY23/24 budget to pay for these improvements. I recommend that the Change Order is approved as presented.

# CHANGE ORDER

No. 2

DATE OF ISSUANCE: 6/28/2024

EFFECTIVE DATE: 7/1/2024

OWNER: City of Ironwood

CONTRACTOR: Jake's Excavating & Landscaping LLC

Project: City of Ironwood 2024 Street Improvements

OWNER's Contract No.:

ENGINEER's Project No.:

You are directed to make the following changes in the Contract Documents:

Description:

Additional quantities as directed by City.  
Full road width paving, adjusting existing structures

Reason for Change Order:

Attachments: (List documents supporting change)

| CHANGE IN CONTRACT PRICE:   |
|---|
| Original Contract Price<br>\$ <u>205,611.70</u>   |
| Net Increase ( <del>Decrease</del> ) from previous Change Orders<br>No. <u>1</u> to <u>1</u> :<br>\$ <u>2615.00</u> |
| Contract Price prior to this Change Order:<br>\$ <u>208,226.70</u>  |
| Net increase ( <del>decrease</del> ) of this Change Order:<br>\$ <u>31,974.70</u>                                   |
| Contract Price with all approved Change Orders:<br>\$ <u>240,201.40</u>   |

| CHANGE IN CONTRACT TIMES:   |
|---|
| Original Contract Times:<br>Substantial Completion: _____<br>Ready for final payment: _____<br>(days or dates)                            |
| Net change from previous Change Orders No. ____ to No. ____:<br>Substantial Completion: _____<br>Ready for final payment: _____<br>(days) |
| Contract Times prior to this Change Order:<br>Substantial Completion: _____<br>Ready for final payment: _____<br>(days or dates)          |
| Net increase (decrease) this Change Order:<br>Substantial Completion: _____<br>Ready for final payment: _____<br>(days)                   |
| Contract Times with all approved Change Orders:<br>Substantial Completion: _____<br>Ready for final payment: _____<br>(days or dates)     |

RECOMMENDED:

APPROVED:

ACCEPTED:

By: \_\_\_\_\_  
ENGINEER (Authorized Signature)

By: \_\_\_\_\_  
OWNER (Authorized Signature)

By: \_\_\_\_\_  
CONTRACTOR (Authorized Signature)

Date: \_\_\_\_\_  
EJCDC 910-8-B (1996 Edition)

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

Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General Contractors of America and the Construction Specifications Institute.



|                 |   |                  |       |            |  |  |                  |       |            |                                     |  |  |         |             |                                  |                               |
|-----------------|---|------------------|-------|------------|--|--|------------------|-------|------------|-------------------------------------|--|--|---------|-------------|----------------------------------|-------------------------------|
|                 |   |                  |       |            | Original Contract Quantities (after CO1) |  |                  |       |            | Revised Contract Quantities for CO2 |  |  |         |             | Change In<br>Quantity for<br>CO2 | Change In<br>Price for<br>CO2 |
|                 |   |                  |       |            |  |  |                  |       |            |                                     |  |  |         |             |                                  |                               |
| Item            |   |                  |       |            | Contract Information                     |  |                  |       |            | Contract Information                |  |  |         |             |                                  |                               |
| Bid Item<br>No. | Description   | Item<br>Quantity | Units | Unit Price | Total Value<br>of Item (\$)              |  | Item<br>Quantity | Units | Unit Price | Total Value<br>of Item<br>(\$)      |  |  |         |             |                                  |                               |
| 1               | Mobilization  | 1                | LS    | \$950.00   | \$950.00                                 |  | 1.00             | LS    | \$950.00   | \$950.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 2               | Sawcut  | 767              | LF    | \$3.00     | \$2,301.00                               |  | 200.00           | LF    | \$3.00     | \$600.00                            |  |  | -567.00 | -\$1,701.00 |                                  |                               |
| 3               | Shoulder Gravel, 2 ft width, 6" depth   | 404              | SY    | \$5.60     | \$2,262.40                               |  | 601.78           | SY    | \$5.60     | \$3,369.97                          |  |  | 197.78  | \$1,107.57  |                                  |                               |
| 4               | Pavement Removal  | 2148             | SY    | \$3.25     | \$6,981.00                               |  | 3541.78          | SY    | \$3.25     | \$11,510.79                         |  |  | 1393.78 | \$4,529.79  |                                  |                               |
| 5               | Storm Structure Removal   | 9                | E     | \$150.00   | \$1,350.00                               |  | 9.00             | E     | \$150.00   | \$1,350.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 6               | Storm Pipe Removal  | 1160             | LF    | \$5.00     | \$5,800.00                               |  | 1160.00          | LF    | \$5.00     | \$5,800.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 7               | 6" Aggregate Base Course  | 2148             | SY    | \$4.01     | \$8,613.48                               |  | 2430.89          | SY    | \$4.01     | \$9,747.87                          |  |  | 282.89  | \$1,134.39  |                                  |                               |
| 8               | Restoration of areas outside of shoulder: topsoil, seed, mulch  | 609              | SY    | \$3.00     | \$1,827.00                               |  | 747.22           | SY    | \$3.00     | \$2,241.66                          |  |  | 138.22  | \$414.66    |                                  |                               |
| 9               | Excavation (remove and dispose of existing material)  | 684              | CY    | \$11.50    | \$7,866.00                               |  | 727.00           | CY    | \$11.50    | \$8,360.50                          |  |  | 43.00   | \$494.50    |                                  |                               |
| 10              | Breaker Run   | 326              | CY    | \$25.00    | \$8,150.00                               |  | 326.00           | CY    | \$25.00    | \$8,150.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 11              | Underdrain: 4" (includes tie in to catch basin)   | 315              | LF    | \$10.00    | \$3,150.00                               |  | 315.00           | LF    | \$10.00    | \$3,150.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 12              | HMA, 4EL (3" thick)   | 354.4            | Tons  | \$102.47   | \$36,315.37                              |  | 584.39           | Tons  | \$102.47   | \$59,882.44                         |  |  | 229.99  | \$23,567.08 |                                  |                               |
| 13              | 4" Pavt Mrkg Regular Dry, 4-inch (double yellow=project length *2)  | 2194             | LF    | \$1.32     | \$2,896.08                               |  | 2690.00          | LF    | \$1.32     | \$3,550.80                          |  |  | 496.00  | \$654.72    |                                  |                               |
| 14              | 18" RCP Storm Pipe  | 1125.2           | LF    | \$57.00    | \$64,136.40                              |  | 1125.20          | LF    | \$57.00    | \$64,136.40                         |  |  | 0.00    | \$0.00      |                                  |                               |
| 15              | 12" RCP Storm Pipe  | 35               | LF    | \$50.00    | \$1,750.00                               |  | 35.00            | LF    | \$50.00    | \$1,750.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 16              | Storm Structure Includes Castings (See cutsheets for info)  | 8                | Ea    | \$4,500.00 | \$36,000.00                              |  | 8.00             | Ea    | \$4,500.00 | \$36,000.00                         |  |  | 0.00    | \$0.00      |                                  |                               |
| 17              | Extend Existing 12" CMP at Structure 4835 12' to the West   | 12               | LF    | \$67.50    | \$810.00                                 |  | 12.00            | LF    | \$67.50    | \$810.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 18              | Remove Sidewalk west of Structure 4835  | 360              | SF    | \$0.75     | \$270.00                                 |  | 360.00           | SF    | \$0.75     | \$270.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 19              | Ditching West of Structure 4835: includes excavation and material disposal and EMAT installation                          | 80               | LF    | \$9.30     | \$744.00                                 |  | 80.00            | LF    | \$9.30     | \$744.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 20              | Excavation: Dig out outlet of pipe at 6883  | 15               | CY    | \$25.00    | \$375.00                                 |  | 15.00            | CY    | \$25.00    | \$375.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 21              | Rip Rap outlet of pipe at 6883: 5x20x1.5 feet of 8-12" Angular Rock. Includes fabric. <b>Plus 15'x30'x8" on east end.</b> | 5.6              | CY    | \$87.50    | \$490.00                                 |  | 16.72            | CY    | \$87.50    | \$1,463.00                          |  |  | 11.12   | \$973.00    |                                  |                               |
| 22              | Maintaining Traffic   | 1                | LS    | \$1,000.00 | \$1,000.00                               |  | 1.00             | LS    | \$1,000.00 | \$1,000.00                          |  |  | 0.00    | \$0.00      |                                  |                               |
| 22A             | Adjust Manhole Elevations after 1st lift  |                  |       |            |  |  | 4.00             | EA    | \$200.00   | \$800.00                            |  |  | 4.00    | \$800.00    |                                  |                               |
|                 | BID ALTERNATE 1 - Memorial building   |                  |       |            |  |  |                  |       |            |                                     |  |  | 0.00    | \$0.00      |                                  |                               |
| 23              | Mobilization  | 1                | LS    | \$500.00   | \$500.00                                 |  | 1.00             | LS    | \$500.00   | \$500.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 24              | Sawcut  | 100              | LF    | \$4.00     | \$400.00                                 |  | 100.00           | LF    | \$4.00     | \$400.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 25              | Pavement Removal  | 137.8            | SY    | \$4.50     | \$620.10                                 |  | 137.80           | SY    | \$4.50     | \$620.10                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 26              | Excavate 6"   | 23               | CY    | \$25.00    | \$575.00                                 |  | 23.00            | CY    | \$25.00    | \$575.00                            |  |  | 0.00    | \$0.00      |                                  |                               |
| 27              | 6" Aggregate Base Course  | 137.8            | SY    | \$10.15    | \$1,398.67                               |  | 137.80           | SY    | \$10.15    | \$1,398.67                          |  |  | 0.00    | \$0.00      |                                  |                               |

|    |  |      |      |            |                     |                     |        |      |                 |                     |  |      |                    |
|----|--|------|------|------------|---------------------|---------------------|--------|------|-----------------|---------------------|--|------|--------------------|
| 28 | Restoration of areas outside of shoulder: topsoil, | 55.6 | SY   | \$4.50     | \$250.20            |                     | 55.60  | SY   | \$4.50          | \$250.20            |  | 0.00 | \$0.00             |
| 29 | HMA, 4EL (3" @ 40'x62')                            | 45.5 | Tons | \$160.00   | \$7,280.00          |                     | 45.50  | Tons | \$160.00        | \$7,280.00          |  | 0.00 | \$0.00             |
| 30 | 4" Pavt Mrkg Regularl Dry, 4 inch                  | 100  | LF   | \$5.50     | \$550.00            |                     | 100.00 | LF   | \$5.50          | \$550.00            |  | 0.00 | \$0.00             |
|    |  |      |      |            | <b>Subtotal</b>     | <b>\$205,611.70</b> |        |      | <b>Subtotal</b> | <b>\$237,586.40</b> |  |      |                    |
|    |  |      |      |            |                     |                     |        |      |                 |                     |  |      |                    |
|    | Change Order 1                                     | 1    | LS   | \$2,615.00 | \$2,615.00          |                     | 1.00   | LS   | \$2,615.00      | \$2,615.00          |  |      |                    |
|    |  |      |      |            |                     |                     |        |      |                 |                     |  |      |                    |
|    | <b>Contract After CO1</b>                          |      |      |            | <b>\$208,226.70</b> |                     |        |      |                 |                     |  |      |                    |
|    | <b>Contract After CO2</b>                          |      |      |            |                     |                     |        |      |                 | <b>\$240,201.40</b> |  |      |                    |
|    | <b>Amount of CO2</b>                               |      |      |            |                     |                     |        |      |                 | <b>\$31,974.70</b>  |  |      | <b>\$31,974.70</b> |

## Contractor's Application for Payment No.

2

|   |  |                                  |
|---|--|----------------------------------|
| Application Period: 5/29/2024 - 6/28/2024 |  | Application Date: 7/1/2024       |
| To (Owner): City of Ironwood              | From (Contractor): Jake's Excavating & Landscaping LLC | Via (Engineer): City of Ironwood |
| Project: 2024 Street Improvements         | Contract:  |                                  |
| Owner's Contract No.:                     | Contractor's Project No.:                              | Engineer's Project No.:          |

### Application For Payment

#### Change Order Summary

| Approved Change Orders         |             |            | 1. ORIGINAL CONTRACT PRICE.....                                | \$ | \$205,611.70 |
|--------------------------------|-------------|------------|--|----|--------------|
| Number                         | Additions   | Deductions | 2. Net change by Change Orders.....                            | \$ | \$34,589.70  |
| 1                              | \$2,615.00  |            | 3. Current Contract Price (Line 1 ± 2).....                    | \$ | \$240,201.40 |
| 2                              | \$31,974.70 |            | 4. TOTAL COMPLETED AND STORED TO DATE                          |    |              |
|                                |             |            | (Column F total on Progress Estimates).....                    | \$ | \$152,684.27 |
|                                |             |            | 5. RETAINAGE:  |    |              |
|                                |             |            | a. 5% X \$152,684.27 Work Completed.....                       | \$ | \$7,634.21   |
|                                |             |            | b. X Stored Material.....                                      | \$ |              |
|                                |             |            | c. Total Retainage (Line 5.a + Line 5.b).....                  | \$ | \$7,634.21   |
|                                |             |            | 6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....            | \$ | \$145,050.06 |
|                                |             |            | 7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... | \$ | \$102,171.55 |
|                                |             |            | 8. AMOUNT DUE THIS APPLICATION.....                            | \$ | \$42,878.51  |
|                                |             |            | 9. BALANCE TO FINISH, PLUS RETAINAGE                           |    |              |
|                                |             |            | (Column G total on Progress Estimates + Line 5.c above).....   | \$ | \$95,151.34  |
| TOTALS                         | \$34,589.70 |            |  |    |              |
| NET CHANGE BY<br>CHANGE ORDERS | \$34,589.70 |            |  |    |              |

#### Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

#### Contractor Signature

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

Payment of: \$ \$42,878.51  
(Line 8 or other - attach explanation of the other amount)

is recommended by: \_\_\_\_\_  
(Engineer) (Date)

Payment of: \$ \_\_\_\_\_  
(Line 8 or other - attach explanation of the other amount)

is approved by: \_\_\_\_\_  
(Owner) (Date)

Approved by: \_\_\_\_\_  
Funding or Financing Entity (if applicable) (Date)

# Progress Estimate - Unit Price Work

# Contractor's Application

|   |  |                      |       |            |                          |  |  |   |                                    |                                 |                                       |  |           |                           |   |
|---|--|----------------------|-------|------------|--------------------------|--|--|---|------------------------------------|---------------------------------|---------------------------------------|--|-----------|---------------------------|---|
| For (Contract): 2024 Street Improvements - City of Ironwood |  |                      |       |            |                          |  |  |   |                                    |                                 | Application Number: 2                 |  |           |                           |   |
| Application Period: 5/29/2024 - 6/28/2024                   |  |                      |       |            |                          |  |  |   |                                    |                                 | Application Date: 45474               |  |           |                           |   |
| A   |  |                      |       |            | B                        | C  | D  | E                                       | F                                  | G                               | H                                     | I  |           |                           | J |
| Item  |  | Contract Information |       |            |                          | Quantities from Previous Pay Application | Estimated Quantities Installed this Pay Period | Value of Work Installed this Pay Period | Total Estimated Quantity Installed | Value of Work Installed to Date | Materials Presently Stored (not in C) | Total Completed and Stored to Date (G+H) | % (I / B) | Balance to Finish (B - I) |   |
| Bid Item No.  | Description  | Item Quantity        | Units | Unit Price | Total Value of Item (\$) |  |  |   |                                    |                                 |                                       |  |           |                           |   |
| 1   | Mobilization   | 1                    | LS    | \$950.00   | \$950.00                 | 0.5                                      | 0.3  | \$475.00                                | 0.8                                | \$712.50                        |                                       | \$712.50                                 | 75.0%     | \$237.50                  |   |
| 2   | Sawcut   | 200                  | LF    | \$3.00     | \$600.00                 | 200                                      |  | \$600.00                                | 200.00                             | \$600.00                        |                                       | \$600.00                                 | 100.0%    |                           |   |
| 3   | Shoulder Gravel, 2 ft width, 6" depth  | 601.78               | SY    | \$5.60     | \$3,369.97               |  |  |   |                                    |                                 |                                       |  |           | \$3,369.97                |   |
| 4   | Pavement Removal   | 3541.78              | SY    | \$3.25     | \$11,510.79              | 1200                                     | 2000.00  | \$6,500.00                              | 3200.00                            | \$10,400.00                     |                                       | \$10,400.00                              | 90.4%     | \$1,110.79                |   |
| 5   | Storm Structure Removal  | 9                    | E     | \$150.00   | \$1,350.00               | 9  |  |   | 9.00                               | \$1,350.00                      |                                       | \$1,350.00                               | 100.0%    |                           |   |
| 6   | Storm Pipe Removal   | 1160                 | LF    | \$5.00     | \$5,800.00               | 1160                                     |  |   | 1160.00                            | \$5,800.00                      |                                       | \$5,800.00                               | 100.0%    |                           |   |
| 7   | 6" Aggregate Base Course   | 2430.89              | SY    | \$4.01     | \$9,747.87               |  | 2430.89  | \$9,747.87                              | 2430.89                            | \$9,747.87                      |                                       | \$9,747.87                               | 100.0%    |                           |   |
| 8   | Restoration of areas outside of shoulder: topsoil, seed, mulch                                   | 747.22               | SY    | \$3.00     | \$2,241.66               |  |  |   |                                    |                                 |                                       |  |           | \$2,241.66                |   |
| 9   | Excavation (remove and dispose of existing material)   | 727                  | CY    | \$11.50    | \$8,360.50               |  | 727.00   | \$8,360.50                              | 727.00                             | \$8,360.50                      |                                       | \$8,360.50                               | 100.0%    |                           |   |
| 10  | Breaker Run  | 326                  | CY    | \$25.00    | \$8,150.00               |  | 326.00   | \$8,150.00                              | 326.00                             | \$8,150.00                      |                                       | \$8,150.00                               | 100.0%    |                           |   |
| 11  | Underdrain: 4" (includes tie in to catch basin)  | 315                  | LF    | \$10.00    | \$3,150.00               |  | 315.00   | \$3,150.00                              | 315.00                             | \$3,150.00                      |                                       | \$3,150.00                               | 100.0%    |                           |   |
| 12  | HMA, 4EL (3" thick)  | 584.39               | Tons  | \$102.47   | \$59,882.44              |  |  |   |                                    |                                 |                                       |  |           | \$59,882.44               |   |
| 13  | 4" Pavt Mrkg Regular Dry, 4-inch (double yellow=project length *2)                               | 2690                 | LF    | \$1.32     | \$3,550.80               |  |  |   |                                    |                                 |                                       |  |           | \$3,550.80                |   |
| 14  | 18" RCP Storm Pipe   | 1125.2               | LF    | \$57.00    | \$64,136.40              | 1050                                     | 75.20  | \$4,286.40                              | 1125.20                            | \$64,136.40                     |                                       | \$64,136.40                              | 100.0%    |                           |   |
| 15  | 12" RCP Storm Pipe   | 35                   | LF    | \$50.00    | \$1,750.00               | 35                                       |  |   | 35.00                              | \$1,750.00                      |                                       | \$1,750.00                               | 100.0%    |                           |   |
| 16  | Storm Structure Includes Castings (See cutsheets for info)                                       | 8                    | Ea    | \$4,500.00 | \$36,000.00              | 7  |  |   | 7.00                               | \$31,500.00                     |                                       | \$31,500.00                              | 87.5%     | \$4,500.00                |   |
| 17  | Extend Existing 12" CMP at Structure 4835 12' to the West  | 12                   | LF    | \$67.50    | \$810.00                 | 12                                       |  |   | 12.00                              | \$810.00                        |                                       | \$810.00                                 | 100.0%    |                           |   |
| 18  | Remove Sidewalk west of Structure 4835   | 360                  | SF    | \$0.75     | \$270.00                 | 360                                      |  |   | 360.00                             | \$270.00                        |                                       | \$270.00                                 | 100.0%    |                           |   |
| 19  | Ditching West of Structure 4835: includes excavation and material disposal and EMAT installation | 80                   | LF    | \$9.30     | \$744.00                 | 80                                       |  |   | 80.00                              | \$744.00                        |                                       | \$744.00                                 | 100.0%    |                           |   |
| 20  | Excavation: Dig out outlet of pipe at 6883   | 15                   | CY    | \$25.00    | \$375.00                 |  | 15.00  | \$375.00                                | 15.00                              | \$375.00                        |                                       | \$375.00                                 | 100.0%    |                           |   |
| 21  | Rip Rap outlet of pipe at 6883: 5x20x1.5 feet of 8-12" Angular Rock. Includes fabric             | 16.72                | CY    | \$87.50    | \$1,463.00               |  | 16.72  | \$1,463.00                              | 16.72                              | \$1,463.00                      |                                       | \$1,463.00                               | 100.0%    |                           |   |
| 22  | Maintaining Traffic  | 1                    | LS    | \$1,000.00 | \$1,000.00               | 0.5                                      | 0.25   | \$250.00                                | 0.75                               | \$750.00                        |                                       | \$750.00                                 | 75.0%     | \$250.00                  |   |
|   | CO1: unknown pipe  | 1                    | LS    | \$2,615.00 | \$2,615.00               |  | 1.00   | \$2,615.00                              | 1.00                               | \$2,615.00                      |                                       | \$2,615.00                               | 100.0%    |                           |   |
|   | Adjust Manhole Elevations after 1st lift   | 4                    | EA    | \$200.00   | \$800.00                 |  |  |   |                                    |                                 |                                       |  |           | \$800.00                  |   |
|   |  |                      |       |            |                          |  |  |   |                                    |                                 |                                       |  |           |                           |   |
| 23  | BID ALTERNATE 1 - Memorial building Overflow Parking Lot   |                      |       |            |                          |  |  |   |                                    |                                 |                                       |  |           |                           |   |
| 24  | Mobilization   | 1                    | LS    | \$500.00   | \$500.00                 |  |  |   |                                    |                                 |                                       |  |           | \$500.00                  |   |
| 25  | Sawcut   | 100                  | LF    | \$4.00     | \$400.00                 |  |  |   |                                    |                                 |                                       |  |           | \$400.00                  |   |

Progress Estimate - Unit Price Work

Contractor's Application

|   |  |                      |       |            |                          |  |  |   |                                    |                                 |                                       |  |           |                           |
|---|--|----------------------|-------|------------|--------------------------|--|--|---|------------------------------------|---------------------------------|---------------------------------------|--|-----------|---------------------------|
| For (Contract): 2024 Street Improvements - City of Ironwood |  |                      |       |            |                          |  |  |   | Application Number: 2              |                                 |                                       |  |           |                           |
| Application Period: 5/29/2024 - 6/28/2024                   |  |                      |       |            |                          |  |  |   | Application Date: 45474            |                                 |                                       |  |           |                           |
| A   |  |                      |       |            | B                        | C  | D  | E                                       | F                                  | G                               | H                                     | I J                                      |           |                           |
| Item  |  | Contract Information |       |            |                          | Quantities from Previous Pay Application | Estimated Quantities Installed this Pay Period | Value of Work Installed this Pay Period | Total Estimated Quantity Installed | Value of Work Installed to Date | Materials Presently Stored (not in C) | Total Completed and Stored to Date (G+H) | % (I / B) | Balance to Finish (B - I) |
| Bid Item No.  | Description  | Item Quantity        | Units | Unit Price | Total Value of Item (\$) |  |  |   |                                    |                                 |                                       |  |           |                           |
| 26  | Pavement Removal   | 137.8                | SY    | \$4.50     | \$620.10                 |  |  |   |                                    |                                 |                                       |  |           | \$620.10                  |
| 27  | Excavate 6"  | 23                   | CY    | \$25.00    | \$575.00                 |  |  |   |                                    |                                 |                                       |  |           | \$575.00                  |
| 28  | 6" Aggregate Base Course                                       | 137.8                | SY    | \$10.15    | \$1,398.67               |  |  |   |                                    |                                 |                                       |  |           | \$1,398.67                |
| 29  | Restoration of areas outside of shoulder: topsoil, seed, mulch | 55.6                 | SY    | \$4.50     | \$250.20                 |  |  |   |                                    |                                 |                                       |  |           | \$250.20                  |
| 30  | HMA, 4EL (3" @ 40'x62")  | 45.5                 | Tons  | \$160.00   | \$7,280.00               |  |  |   |                                    |                                 |                                       |  |           | \$7,280.00                |
|   | 4" Pavt Mrkg Regularl Dry, 4 inch                              | 100                  | LF    | \$5.50     | \$550.00                 |  |  |   |                                    |                                 |                                       |  |           | \$550.00                  |
|   |  |                      |       |            |                          |  |  |   |                                    |                                 |                                       |  |           |                           |
|   | Totals   |                      |       |            | \$240,201.40             |  | 5907.31  | \$45,972.77                             |                                    | \$152,684.27                    |                                       | \$152,684.27                             | 63.6%     | \$87,517.13               |

\$240,201.40

**MICHIGAN DEPARTMENT OF TRANSPORTATION**  
**STATE TRUNKLINE MAINTENANCE CONTRACT**  
**MUNICIPALITY**

This Contract made and entered into by and between the Michigan Department of Transportation (MDOT), and the MUNICIPALITY, a Michigan municipal corporation (Municipality).

**RECITALS:**

MDOT is authorized by 1925 PA 17 Section 2, MCL 250.62 to contract with the Municipality for the construction, improvement, or maintenance of state trunkline highways and appurtenant facilities. MDOT, subject to the approval of the State Administrative Board; and

MDOT has affirmatively found that contracting with this Municipality for the maintenance of state trunkline highways and bridges within its contract area, is in the best public interest; and

MDOT has so advised the State Transportation Commission and the Appropriations Committees of the Senate and House of Representatives in accordance with 1951 PA 51 Section 11c, MCL 247.661c; and

The parties agree as follows:

**SECTION 1. SCOPE OF WORK**

A. Services Provided: For the term of this Contract, the Municipality agrees to maintain the state trunk line highways and, if applicable, appurtenant facilities within the Contract Area by performing maintenance work. Maintenance work will be performed under the direction of the Region Engineer of MDOT or a designee of the Region Engineer, acting under the general direction of the Engineer of Transportation Systems Management and Operations (TSMO) of MDOT. Work performed under this Contract will be performed in accordance with accepted maintenance practices and/or specifications provided by MDOT as identified in a written Letter of Understanding. For maintenance work not covered by the Field Activity Budget, a Transportation Work Authorization (TWA) will be issued by the Region Engineer.

1. A written Letter of Understanding shall be drafted by MDOT and signed by both MDOT and the designated representative of the Municipality. The letter shall

remain in effect until either replaced or modified by the Region Engineer and approved by the Municipality. The letter will outline the number and type of maintenance activities to be performed under this Contract (A sample Letter of Understanding is attached as Appendix F). The Letter of Understanding shall provide sufficient detail of the work activities to be performed, expectations or outcomes from the performance of this work, and identification of budget line items for budgeting and billing purposes. Attachment G (Municipality Firm Unit Prices) and H (Municipality Snow Hauling Calculation Form) will be attached to the Letter of Understanding.

2. The executed Letter of Understanding and all subsequent approved revisions thereto, are incorporated herein by reference as if the same were repeated in full herein.
  3. If the Municipality is unable to perform any of the services outlined in the Letter of Understanding on a twenty-four (24) hour, seven (7) day-a-week basis, the Municipality will immediately notify MDOT. MDOT will work with the Municipality to ensure that the services defined in the Letter of Understanding are performed.
  4. The Municipality and MDOT may agree to include additional maintenance items to be covered under this Contract. Such items may include, but are not limited to, maintenance of traffic control devices (signals), freeway lighting and intelligent traffic systems (ITS). All such work will be listed in the Letter of Understanding, as set forth in Appendix F, included in the line item budget and defined in a supplemental scope.
  5. The Municipality shall be responsible for providing all traffic control necessary to complete the work as outlined in this Contract unless otherwise agreed to by MDOT.
  6. The Municipality and MDOT may enter into separate agreements for the shared payment of installation, maintenance, and energy costs for traffic control devices.
- B. Specifications and Performance: The Municipality will provide personnel, equipment, materials, and facilities to perform the maintenance work under the terms of this Contract in a manner consistent with MDOT's established guidelines for winter and non-winter maintenance activities.

The Municipality shall perform all maintenance work under this Contract in accordance with accepted maintenance practices and/or specifications provided by MDOT and in accordance with the approved Budget and annual Work Plan.

When MDOT recognizes that a certain maintenance activity, is not in compliance with accepted maintenance practices and/or specifications, it will, within sixty (60) days of the billing of work, issue a written notice to the Municipality. Upon issuance of the first written

notice, MDOT will work with the Municipality to develop a corrective action plan. Once both MDOT and the Municipality are satisfied with the corrective action plan, MDOT and the Municipality will approve the plan for implementation. MDOT will reimburse the Municipality for the cost of the non-compliant work. Once the corrective work is completed in accordance with the corrective action plan, the Municipality will submit the cost for the corrective work for full reimbursement by MDOT. The Municipality agrees that if corrective work is not in accordance with the corrective action plan, the Municipality will not invoice MDOT for the non-compliant corrective work.

If MDOT determines that the corrective work is not in compliance with the corrective action plan, within thirty (30) days it will issue a second written notice to the Municipality describing the unacceptable corrective work, the reason for rejection, and include a written copy of MDOT's maintenance practices and/or specifications, if applicable. Work not meeting the corrective action plan will be corrected by the Municipality in accordance with the second written notice and the previously approved corrective action plan, without additional charge to MDOT. If MDOT, upon completion of the Municipality's second attempt to correct the non-compliant work, determines that the work is still not in compliance, MDOT will have the non-compliant work corrected by other means at MDOT's expense and the Municipality will reimburse MDOT for such expense through Maintenance Local Agency Payment System (MLAP). If there is a disagreement between MDOT and the Municipality regarding whether or not the corrective work meets MDOT's maintenance practices and/or specifications, the Municipality may request the Dispute Resolution Process as outlined in Section 26.

- C. Permits: At the request of the Region Engineer, the Municipality may agree to inspect work performed by permit or otherwise assist MDOT with permits. In such event:
1. MDOT will require all Permit Applicants to "save harmless" the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, and the Municipality, their officials, agents, and employees, against any and all claims for damages arising from operations covered by the permit as a condition of all permits issued by MDOT.
  2. MDOT will further require Permit Applicants to provide Commercial general liability insurance, including coverage for contractual liability, completed operations, and/or product liability, X (Explosion), C (Collapse), & U (Underground), and a contractor's protective liability policy with a blasting endorsement when blasting is involved, or Commercial general liability insurance which includes all the above, naming as additional parties insured on all such policies, the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, the Municipality their officials, agents, and employees. The Permit Applicant will provide written proof of the insurance to MDOT. MDOT may waive this requirement for permits issued to governmental entities or public utilities.



3. The amounts of such insurance will be no less than:

Commercial General Liability Insurance:

The minimum limits shall be \$1,000,000 each occurrence and \$2,000,000 aggregate.

Combined single limit for bodily injury and property damage liability shall be \$1,000,000 each occurrence.

The insurance limits above may be attained through an umbrella policy.

- D. Transportation Work Authorizations: TWA's may be issued by the Region Engineer for both Maintenance work and non-maintenance work. This work may be performed by the Municipality, or a subcontractor as set forth in Section 9 of this Contract. TWA's will be performed in accordance with MDOT's accepted maintenance practices and specifications and as required in the TWA. The Municipality will provide the necessary supervision or inspection to ensure that the work is performed in accordance with the TWA. In the event the Region Engineer finds the work performed not in compliance with MDOT's accepted maintenance practices or the specifications on the TWA, then the corrective action specified in Subsection 1 (B) will be followed.
- E. The Region Engineer is authorized to issue written orders, as necessary, for the performance of maintenance work under the provisions of this Contract.

Michigan Department of Transportation

**SECTION 2. RESERVED FOR FUTURE USE**

**SECTION 3. INTEGRATION OF STATE AND MUNICIPAL WORK**

The Municipality will furnish qualified personnel and adequate equipment and may furnish materials, as set forth in this Contract, as needed to perform maintenance on state trunkline highways, consistent with MDOT's established core level of service for winter and non-winter maintenance activities, an approved annual budget, work plan, and work schedule. Personnel and equipment may be used on the local road system and state trunkline highways as conditions warrant.

#### **SECTION 4. HIGHWAY MAINTENANCE CONTRACT ADMINISTRATOR**

The Municipality hereby designates Paul Anderson as Contract Administrator on state trunkline highways, who will be responsible for budget and the administration of the Contract. The Municipality's title for this position is City Manager. In the event the Municipality desires to replace the Contract Administrator, the Municipality will notify MDOT within (30) days of the change in writing.

#### **SECTION 5. SUPERVISION**

The Municipality hereby designates Jason Alonen, DPW Supervisor or others functioning in the same capacity as Highway Maintenance Foremen, hereinafter referred to as the "Foremen", who will oversee all work covered by this Contract and be responsible to the Contract Administrator. The Municipality will notify MDOT in writing within (30) days of any change in the above personnel. The Municipality will be reimbursed for actual time worked by the Foremen on state trunkline Highway maintenance when supported by daily timecards signed by their immediate supervisor or electronic timekeeping approved by their assigned supervisor subject to the provisions of Subsection 16(B).

#### **SECTION 6. WAGE SCHEDULE**

Wages paid by the Municipality for work on state trunkline highways will be the same as on street work for the Municipality. A copy of the union agreement or HR Wage Schedule will be provided to MDOT upon request.

No "stand by at home" pay will be included in charges for work on state trunkline highways.

MDOT will reimburse the Municipality for Direct Labor Overhead costs on all labor costs properly chargeable to MDOT, including but not limited to, vacation, sick leave, holiday pay, workers' compensation, retirement, social security, group life insurance, hospitalization, longevity, unemployment insurance, and military leave, hereinafter referred to as "EMPLOYEE BENEFITS," in accordance with Section 16.

## **SECTION 7. MATERIALS TO BE ACQUIRED AND SPECIFICATIONS**

Material necessary for the performance of this Contract, may be purchased by the Municipality unless otherwise directed by the Region Engineer. The Municipality will advertise and receive competitive bids when such purchases exceed Ten Thousand Dollars (\$10,000.00), or if required by federal or state law. The Municipality shall select the lowest qualified bid.

The Municipality will retain documentation that such bids were taken. Failure to retain documentation that such bids were taken may result in denial of reimbursement of the costs of such materials.

The following materials: bituminous pre-mixed materials, bituminous materials, aggregates (except ice control sand), bulk salt and traffic control devices used on state trunkline highways by the Municipality, will conform to current or supplemental specifications of MDOT, unless otherwise approved in advance by the Region Engineer. The Region Engineer may require approval by MDOT's Construction Field Services Division, or by a laboratory approved by the Construction Field Services Division. Copies of approvals will be placed on file in the offices of the Municipality and the Region Engineer. If MDOT-owned materials are stored jointly with Municipality-owned materials, proper and adequate inventory records must be maintained by the Municipality clearly indicating the portion that is MDOT-owned.

## **SECTION 8. PRICE SCHEDULE OF MATERIALS AND SERVICES**

Materials produced and/or supplied by the Municipality may be furnished at a firm unit price subject to approval of source and price by the Region Engineer. Firm unit prices are not subject to unit price adjustment by review/audit. The term "review/audit" hereafter will be referred to as "review".

The Municipality may change, add, or delete firm unit prices when requested in writing and approved by the Region Engineer at least sixty (60) days prior to the effective date of the change, addition, or deletion. All changes will be submitted with the Firm Unit Prices form, Appendix G.

\_\_\_\_\_ No, Firm Unit Price items will not be used.

\_\_\_\_\_ Yes, Firm Unit Price items will be used.

MDOT may review all records necessary to assess the accuracy of the material quantities for all materials on the Firm Unit Price List for which the Municipality requests reimbursement.

Items purchased from a vendor source or vendor stockpile for direct use on the state trunkline highways are not eligible for firm unit price consideration and should be billed at vendor pricing.

Reimbursement for all materials supplied by the Municipality which are not included in the firm unit price schedule will be reimbursed in accordance with Section 16(E). MDOT may review all records for materials purchased from a vendor source or vendor stockpile for direct use on state trunkline highways.

## **SECTION 9. SUBCONTRACTS**

The Municipality may subcontract any portion of the work to be performed under this Contract. Bidding/price solicitation and subcontracts will comply with applicable law and conform to the Municipality's contracting process except as modified herein. All subcontracted work will require the Municipality to submit a Quotation Request for Services or Equipment (Form 426) along with relevant bid and contract documents and bid or quote tabulation.

All subcontracted work will be performed in accordance with the established Scope of Work outlined on Form 426 and any specifications developed by the Municipality and/or MDOT for the subcontracted work. The scope of work and any specifications must be approved by the Region Engineer. The Municipality will provide the necessary supervision or inspection to assure the subcontracted work is performed in accordance with the scope of work and specifications. At no time will the Municipality pay for subcontracted work until the work has been inspected and approved by the Municipality for compliance with the scope of work and specifications.

Emergency work will be subcontracted based on a verbal approval given by the Region Engineer. The work must be supported by the submission of a Form 426 and summary of emergency work within 15 days of completion.

The parties agree to extend the terms of the Contract if subcontracted work is incomplete at the conclusion of the Contract term. This provision shall not apply if this Contract is terminated by the Municipality or MDOT. In situations where this Contract is terminated by the Municipality or MDOT, all subcontracts shall be deemed terminated as of the date the Contract is terminated. The Municipality must incorporate this provision into all subcontracts.

County and/or Municipality-based advantage programs, hereinafter the "CBA Process", or any type of preference program which awards contracts based on criteria other than low bid through the competitive bidding process, may not be used for any work under this Contract.

Failure to obtain the necessary approvals or to retain the documentation that the bids, prices, or rate quotations were solicited as required in this section may result in a denial of the reimbursement of the costs.

The term of any subcontract will not exceed five (5) years including any extensions.

For subcontracts involving the items of Drainage Structure Cleanout, Curb Sweeping, and Area Mowing, the Municipality will include a cancellation clause that will allow the Municipality to cancel the subcontract if funds are not made available by MDOT.

All Subcontracts shall be awarded to the lowest qualified bid. Subcontract solicitation and approval process will be as follows:

- A. **Subcontracts less than \$25,000:** The Municipality will solicit either a bid price, or rate quotation from three or more qualified sources. Documentation of solicitation from all qualified sources must be retained. Region Engineer approval of Form 426 is required.
- B. **Subcontracts \$25,000 or greater:** The Municipality will advertise and award by competitive bid. Advertisements must clearly define the scope of work, performance specifications, MDOT contract terms, and the location of work to be performed. Documentation of the solicitation from all qualified sources must be retained. Region Engineer approval of Form 426 is required.

State Administrative Board requirements for Contracts and Amendments (previously referred to as overruns, extra work and adjustments), are outlined and set forth in Appendix E, attached hereto and made a part hereof.

## **SECTION 10. NON-DISCRIMINATION**

In connection with the performance of maintenance work under this Contract, the Municipality (hereinafter in Appendix C referred to as the “Contractor”) agrees to comply with the State of Michigan provisions for “Prohibition of Discrimination in State Contracts,” as set forth in Appendix C, attached hereto and made a part hereof. The Municipality further covenants that it will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract.

## **SECTION 11. ANTI-KICKBACK**

No official or employee of the Municipality or of the State of Michigan will receive remuneration (directly or indirectly) for the purchase of materials, supplies, equipment, or subcontracts in connection with the performance of this Contract.

## **SECTION 12. SCOPE OF CONTRACT**

It is declared that the work performed under this Contract is a governmental function which the Municipality performs for MDOT. This Contract does not confer jurisdiction upon the Municipality over the state trunkline highways encompassed by this Contract or over any other state trunkline highways. This Contract may not be construed to confer temporary or concurrent jurisdiction upon the Municipality over a state trunkline highway. Nothing inconsistent with the underlying statutory jurisdiction, duties, prerogatives, and obligations of MDOT is herein intended. The parties hereto further declare that this Contract is not made for the benefit of any third party.

## **SECTION 13. INSURANCE**

- A. The Municipality will furnish MDOT with a certificate of automobile liability insurance, which complies with the No-Fault Automobile Insurance laws of the State of Michigan, MCL 500.3101, *et seq.* The Insurance coverage will include vehicles owned, leased or rented by the Municipality. Such insurance will not be less than Two Hundred and Fifty Thousand Dollars (\$250,000.00) for bodily injury or death of any one person. Coverage for public liability, property damage, and combined single limit will also comply with the No-Fault Automobile Insurance laws of the State of Michigan. The Municipality will provide thirty (30) days' notice to MDOT prior to cancellation, termination, or material change of the policy. The certificate of said insurance, on MDOT Form 428 (Certificate of Insurance for State Highway Maintenance Contract) covering public liability and property damage, indicating thereon the policy number, and the aforesaid thirty (30) days' notice provisions and the limits of liability, will be submitted to MDOT. The Municipality agrees to review its insurance programs with its statewide association in an effort to obtain cost savings and efficiency for MDOT.

If the Municipality is self-insured, a copy of the Secretary of State's Certificate of Self-insurance will be submitted.

- B. In the event the Municipality receives a Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality for its alleged acts or omissions on a state trunkline highway, the Municipality will provide a copy of such notice to the Assistant Attorney General, within fifteen (15) days of receipt of said notice or complaint. The Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality will be sent to:

Assistant Attorney General  
Division Chief  
Transportation Division  
Van Wagoner Building - 4<sup>th</sup> Floor  
425 West Ottawa Street  
P.O. BOX 30050  
Lansing, Michigan 48909

Thereafter, the Municipality will provide copies of pleadings and other information regarding the claim or lawsuit when requested by an Assistant Attorney General

#### **SECTION 14. WORKERS' DISABILITY COMPENSATION**

The Municipality will comply with the Michigan Workers' Disability Compensation Act, MCL 500.3400, *et seq.* for all employees performing work under this Contract.

#### **SECTION 15. BUDGET**

Each MDOT fiscal year, the Region Engineer will prepare separate budgets for winter and non-winter maintenance in accordance with MDOT guidelines. The Region Engineer, in consultation with the Municipality, shall develop an annual Work Plan which shall include non-winter maintenance activities, a proposed schedule, and the estimated cost for such activities. The sum of those estimated costs will constitute the non-winter Budget and will be distributed monthly in accordance with the proposed schedule.

MDOT agrees that, once established, the fiscal year non-winter maintenance will not be reduced, except as otherwise provided in this Contract. The Budget for winter maintenance activities will be based on a five-year (5) average of winter expenditures which includes the costs for labor, fringe benefits, equipment, MDOT Salt Stores, Municipality-supplied road salt, winter sand, other de-icing chemicals and overhead. Notwithstanding the foregoing, MDOT will establish a statewide holdback fund amount not to exceed thirty percent (30%) of the five (5) year winter average. The statewide holdback funds will be used to cover Winter Overruns of the Municipality, other contract road agencies, and MDOT direct forces. The statewide holdback funds will also be used to pay any budget review adjustments owed to contract agencies. MDOT will distribute any remaining funds in the statewide holdback to contract agencies and MDOT direct forces based on a prioritization of statewide non-winter maintenance needs.

The Region Engineer and the Municipality will review the non-winter maintenance Budget together at least every other month. Any adjustments to the proposed work plan to curtail or expand operations will be addressed in this Budget review. During winter operations,



the winter Budget will be reviewed by the Region Engineer and the Municipality every month to conduct the same review.

MDOT and Municipality will meet between March 1 and May 15 of each fiscal year to develop a supplemental summer program. The supplemental summer program will be funded by the remainder of the winter Budget, if any. The work activities proposed in the supplemental summer program will be prioritized to support MDOT's preservation strategy. The remainder of the winter Budget will be released to the Municipality two weeks after the final bill is received by MDOT covering the winter season as defined in the Winter Letter of Understanding.

If the Municipality's winter overruns (including benefits and overhead) exceed MDOT's winter budget and holdback funds statewide, MDOT will seek additional funding to address the overruns including a supplemental appropriation from the State Budget Office. MDOT reserves the right to reduce the non-winter maintenance Budget if efforts to secure additional funding are unsuccessful.

## **SECTION 16: REIMBURSEMENT SCHEDULE**

MDOT will reimburse the Municipality for costs incurred in the performance of the work covered by this Contract, except as set forth in Sections 18, 19, 20, and 21. To be eligible for reimbursement under this Section, costs must be submitted to MDOT's Maintenance Local Agency Payment (MLAP) system prior to the start of the review for each respective year of the Contract period.

- A. Requests for reimbursement shall be made through MLAP at least bi-monthly (every other month) on the basis of certified statement of charges prepared and submitted by the Municipality within fifteen (15) days from the end of each bi-monthly period. Costs submitted beyond sixty (60) days from the end of each bi-monthly period will include written justification for the delay and will be paid only upon approval of the Region Engineer. Municipalities with a line-item budget contract of \$100,000 or greater **shall** submit request for reimbursement on a **monthly** basis.
- B. MDOT will reimburse the Municipality for the cost of all labor employed in the performance of this Contract. The reimbursement will include the expense of permit inspections, field and office engineering, and reviewing expenses in connection with force account work by subcontractors.
- C. MDOT will reimburse the Municipality for the cost of MDOT's share of the cost of EMPLOYEE BENEFITS as referred to in Section 6 as a percentage of payroll. The percentage shall be developed using MDOT Form 455M (Report of Employee Benefit Costs for the Municipality) and shall conform with the general accounts of the Municipality on the Municipality's previous fiscal years' experience. These charges are subject to review in accordance with Section 25.



- D. MDOT will reimburse the Municipality for the cost of MDOT's share of the actual cost of Municipality owned or purchased energy.
- E. MDOT will reimburse the Municipality for the cost of purchased bulk (measured by volume or weight) materials and Non-Bulk (measured by area or count) material used in the performance of this Contract. The Municipality shall deduct all discounts or rebates in excess of two percent (2%), to establish the reimbursed cost.
- F. MDOT will reimburse the Municipality for the cost of handling materials furnished by the Municipality and materials furnished by MDOT as follows:
1. **Bulk Items (measured by volume or weight):**  
The direct expenses of handling, such as unloading, processing, stockpiling, heating, or loading for materials in bulk, bags or drums such as aggregates, bituminous materials and chemicals, on condition that reimbursement of such expenses is not provided elsewhere herein, and these costs can be identified within the records of the Municipality. When bulk items intended for use on the state trunkline are co-mingled with the Municipality's materials for their local roads, MDOT will only reimburse the Municipality for the cost of handling the portion expected to be used on the state trunkline highways. The Municipality will establish a rate of use annually, based on the previous year's use to identify MDOT's share of handling cost. The Municipality's established rate is subject to adjustment by review.
  2. **Non-Bulk Items (measured by area or count):**  
A five percent (5%) handling and storage charge may be added to the purchase price of all materials measured by area or count provided such materials are stocked in and distributed from approved storage facilities. When reported by the Municipality, charges for handling and storage in excess of five percent (5%) will be reimbursed to the Municipality upon review, provided that these charges can be identified and supported within the records of the Municipality.
- G. Equipment owned by the Municipality will be reimbursed at the established rental rates found in Schedule C, Report 375 Equipment Rental Rates, issued annually by MDOT. Rented equipment will be reimbursed at actual cost for the equipment rental.
- H. MDOT will reimburse the Municipality for the amounts paid by the Municipality to a subcontractor as set forth in Section 9.
- I. MDOT will reimburse the Municipality for the cost of labor, materials, and equipment rental incurred in connection with engineering, supervision, and inspection of subcontract work.

J. Overhead in Accordance with Attached Overhead Schedule.

MDOT will reimburse the Municipality for overhead costs at the appropriate percentage rate as indicated in Appendix B. The overhead rate shall be based upon the original annual budget established for the Municipality and shall not change.

The overhead amount payable under Section 16(I) is reimbursement to the Municipality for all costs and expenses arising out of the performance of this Contract not specifically described in other sections of this Contract. This reimbursement includes salary and expenses (including transportation) of the Foreman (except as noted in Section 16(K)), salaries of clerical assistants, including radio communication staff, office expense, storage rentals on Municipality owned property, and the cost of small road tools. Work tools without a power assist and used in a road or a bridge maintenance activity, are considered small road tools. Small road tools do not have an equipment rental rate listed in Schedule C, Report 375, Equipment Rental Rates. Small road tools are reimbursed as an overhead cost.

K. MDOT will reimburse the Municipality for MDOT'S pro-rata share of the cost to maintain chemical storage facilities as provided for in the chemical storage facility contracts between the Municipality and MDOT.

L. The Municipality will be reimbursed as a direct cost for work performed by the Foreman making regular inspections of state trunkline highways in accordance with written instructions from the Region Engineer. This time shall be specifically recorded on daily time sheets and reported as a direct labor charge.

It is further agreed that in smaller municipalities, the Foreman designated above may at times be engaged in tasks other than those of a strictly supervisory nature, such as operator of a truck or other highway equipment. The Municipality may be reimbursed for this time worked on state trunklines, provided that all such time for non-supervisory work is specifically recorded on the daily time sheet and reported on the Maintenance Payroll Report Form 410A. The exact dates on which the Maintenance Superintendent so worked, the number of hours worked, and the number of hours worked under each classification shall be indicated on the Maintenance Payroll Report Form 410A. **The completed Form 410A shall be uploaded to MDOT's MLAP system.**

## SECTION 17: ELECTRONIC FUNDS TRANSFER

Public Act 533 of 2004 requires that payments under this Contract be processed by electronic funds transfer (EFT). The Municipality is required to register to receive payments by EFT at the SIGMA Vendor Self Service (VSS) website ([www.michigan.gov/SIGMAVSS](http://www.michigan.gov/SIGMAVSS)).

## **SECTION 18: SNOW HAULING**

MDOT will share in the cost of snow hauling if each snow hauling effort is approved by the Region Engineer. The frequency (annually, each storm, etc.) will be at the discretion of the Region Engineer and will be detailed in the Letter of Understanding. The Municipality should denote snow hauling charges as Activity 149, Other Winter Maintenance, on Trunk Line Maintenance Reports. Prior written authorization from the Region Engineer shall be required for each snow haul event outside the parameters in the Letter of Understanding and shall be kept on file for review purposes.

MDOT'S share of snow hauling will be calculated on the Municipality Snow Hauling Calculation Form, Appendix H. The completed form will be submitted to the Region Engineer. The snow hauling percentage will be based on the ratio of the width of area designated for traffic movement to the width of the total area agreed upon for snow hauling. MDOT is not responsible for snow removal in parking lanes or sidewalks and will subtract the area of parking lanes and sidewalks from the total area of the state trunkline highway right-of-way to determine the area designated for traffic movement.

MDOT'S reimbursement for snow hauling from state trunkline highways will be paid at the below percent of actual charges supported by proper documentation.

97% percent (%)

The Municipality agrees that it will prohibit additional snow from being deposited on the highway right-of-way from side streets.

## **SECTION 19: PAVEMENT MARKING**

Compensation for the item of Special Markings Paint & Tape will be made on the basis of actual expenditure only, except in no case will the Municipality be compensated for a total expenditure in excess of the amount designated for Special Markings Paint & Tape in the Line Item Budget for the appropriate MDOT fiscal year. Compensation for Special Markings Paint & Tape is limited to only painting authorized by the Region Engineer. The Municipality shall not include charges for curb painting in the routine maintenance cost for state trunkline maintenance.

## **SECTION 20: COMPENSATION FOR AESTHETIC WORK ITEMS**

Compensation for the items of Curb Sweeping, Area Mowing and Litter Pickup will be made on the basis of actual expenditures only, except that in no case will the Municipality be compensated for a total expenditure in excess of the budget amount designated each of these three work activities on the Summary of the Field Activity Budget for the appropriate MDOT fiscal year.

The number of work operations for each of these three activities will be agreed upon between the Municipality and Region Engineer; and reflected in each line activity budget amount.

## **SECTION 21: TREES AND SHRUBS**

Except for emergency work, the Municipality must request MDOT'S written approval to remove dead trees and/or trim trees prior to the start of work. MDOT will pay all costs to remove dead trees. MDOT and Municipality shall equally share costs when state and local forces combine efforts to trim trees within the trunkline right-of-way as approved by the Region Engineer.

## **SECTION 22: EQUIPMENT LIST**

The Municipality will furnish MDOT a list of the equipment it uses during performance under this Contract, on MDOT form 471 (Equipment Specifications and Rentals.) This form shall be uploaded to the Files page in MDOT's MLAP system.

## **SECTION 23: RECORDS TO BE KEPT**

- A. The Municipality 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. The Municipality will retain the following RECORDS, and others, in accordance with generally accepted accounting principles:
  - 1. Retain daily timecards or electronic timekeeping files for employees and equipment indicating the distribution of time to route sections and work items. Daily timecards must be signed by the employee, the immediate supervisor and by the timekeeper when the timekeeper is employed. If the Municipality uses crew-day cards, it will

retain crew-day cards backed by a time record for the pay period signed as above, in lieu of daily individual timecards detailing the time distribution. If the Municipality uses electronic timekeeping, it will retain data files detailing time distribution and assigned supervisor approval.

2. Retain properly signed material requisitions (daily distribution slips) which indicate type of material, quantity, units of measure, the date of distribution and the distribution to route sections and work items.
  3. Retain additional cost records to support and develop unit cost charges and percentages as applied to invoice costs. Cost records are not necessary in support of the overhead percentage or the five percent (5%) handling charge.
- B. The Municipality will maintain the RECORDS for at least three (3) years from the date of MDOT'S receipt of the statement of charges for the quarter ending September 30 of each year of this Contract period. In the event of a dispute regarding allowable expenses or any other issue under this Contract, the Municipality 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 for that decision has expired.

The Municipality will maintain all RECORDS supporting equipment usage from the time of equipment purchase to disposal to support any gain or loss from equipment disposed.

Representatives of MDOT may inspect, copy or review the RECORDS at any mutually acceptable time. However, the Municipality cannot unreasonably delay the timely performance of the review.

## **SECTION 24: COST CERTIFICATION, REIMBURSEMENT AND ADJUSTMENT**

The Municipality hereby certifies that, to the best of the Municipality's knowledge, the costs reported to MDOT for this Contract will represent only those items which are properly chargeable in accordance with the Contract. The Municipality also hereby certifies that it has read the Contract terms and is aware of the applicable laws, regulations, and terms of the Contract that apply to the reporting of costs incurred under the terms of this Contract.

## **SECTION 25: CONTRACT REVIEW AND RESPONSE**

- A. The Municipality's records will be subject to review within the statute of limitations, and the review period will coincide with the Municipality's fiscal year, unless the Contract is terminated or not renewed.

Charges by the Municipality for maintenance of state trunkline highways and authorized non-maintenance work performed under this Contract will not be adjusted (increased or decreased) by review after twenty-four (24) months subsequent to the date of MDOT'S receipt of certified statement of charges for the quarter ending September 30 of each year of this Contract period. This limitation will not apply in case of fraud or misrepresentation of material fact or if mutually agreed to in writing.

The firm unit prices for aggregates and bituminous materials that are processed and furnished by the Municipality will not be subject to adjustment.

If any adjustments are to be made, the Municipality will be notified of the tentative exceptions and adjustments within the above twenty-four (24) month period. The twenty-four (24) month period is intended only as a limitation of time for making adjustments and does not limit the time for payment of such amounts. In the event that a review performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, MDOT will promptly submit to the Municipality a Notice of Review Results and a copy of the Review Report, which may supplement or modify any tentative findings communicated to the Municipality at the completion of a review.

- B. Within sixty (60) days after the date of the Notice of Review Results, the Municipality will submit to MDOT a written response, hereinafter referred to as the "Response", to the Notice of Review Results indicating one of the following options:
1. The Municipality concurs with the Notice of Review Results and will either repay the amount of any overpayment to MDOT and/or or be reimbursed the amount of any underpayment by MDOT.
  2. The Municipality does not concur with Notice of Review Results. The "Response" will explain the nature and basis for any disagreement as to a disallowed item of expense, and/or,
  3. The "Response" will include a written explanation as to any questioned item of expense. The "RESPONSE" will be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned item of expense. Where the documentation is voluminous, the Municipality may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Contract.
  4. The Municipality 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 MDOT to make a final decision to either allow or disallow any items of questioned cost.



MDOT will review submitted RESPONSE and attached documentation from the Municipality. MDOT will reply in writing acknowledging receipt of the Municipality RESPONSE. The submitted RESPONSE and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. See Section 26, “Dispute Resolution Process”.

## **SECTION 26: DISPUTE RESOLUTION PROCESS**

### **A. Contract Disputes**

For review disputes refer to Section 26 (B) below, all other disputes between the parties shall be resolved under the terms of this section. It is the intent that each party may communicate concerns relative to the contract and resolve any issues as they arise. After a contract issue has been resolved, a summary of the agreed upon resolution shall be jointly drafted and distributed. Some issues may require ongoing communication to resolve and may become an item for negotiation during the next review and renegotiation of the Contract.

If the parties are unable to resolve any dispute, the parties must meet with the Engineer of TSMO or designee. The following are steps to resolve the dispute without the need for formal legal proceedings:

- 1) The representative of the Municipality and MDOT must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with the dispute. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any legal proceeding.
- 2) During negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other’s position.
- 3) The specific format for the discussions shall be left to the discretion of the designated Municipality and MDOT representatives but may include the preparation of agreed upon statement of fact or written statements of position.
- 4) Statements made by the Municipality or MDOT during Dispute Resolution may not be introduced as evidence by either party in any judicial action related to or under this Contract.
- 5) In cases where disputes have not been resolved, any remaining issues will be referred to the MDOT Appeal Panel which consists of four Bureau Directors, three of which will constitute a quorum.

- 6) Every effort will be made to complete this process within 90 calendar days by both parties.

## B. Review Disputes

For review disputes the submitted “Response” and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. The Appeal Panel consists of four Bureau Directors, three of which will constitute a quorum.

- 1) MDOT will provide the Municipality with an opportunity to appear before the Appeal Panel to explain and support their Response.
- 2) After an Appeal Panel written decision, the Municipality will either accept the decision or file a lawsuit in a court of proper jurisdiction to contest MDOT’s decision. The filing of a lawsuit must be initiated by the Municipality within thirty (30) days of the receipt of the Appeal Panel’s written decision. MDOT will not withhold or offset the funds in dispute if the Municipality files a lawsuit in a court of proper jurisdiction.
- 3) If the Municipality fails to repay an overpayment or reach an agreement with MDOT on a repayment schedule within the thirty (30) day period, the Municipality agrees that MDOT will deduct all or a portion of an overpayment from any funds due the Municipality by MDOT under the terms of this Contract.
- 4) Every effort will be made to complete this process within 60 calendar days by both parties.

This section shall not be construed to prevent either party from initiating, and a party is authorized to initiate, an action for breach of this Contract or for any other relief allowed by law earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to the other party, or under Injunctive Relief below. If a dispute is not resolved through the Dispute Resolution Process, either party may initiate an action for breach of this Contract, or any other relief allowed by law in a court of proper jurisdiction. Time periods may be extended if agreed upon by both parties.

## **Injunctive Relief**

The only circumstance in which disputes between MDOT and the Municipality shall not be subject to the provisions of this Dispute Resolution Process is when a party makes a good faith determination that it will suffer irreparable harm due to a breach of the terms of the Contract by the other party and that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.



Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in Section 28.

## **SECTION 27: TERM OF CONTRACT**

This Contract will be in effect from October 1, 2024 through September 30, 2029.

## **SECTION 28: CONTRACT TERMINATION OR EXPIRATION**

- A. For convenience, MDOT may terminate this Contract by providing written notice to the Municipality at least two (2) years prior to the beginning of the Contract year to which the termination, applies.

The Municipality may terminate this Contract by providing written notice to MDOT at least two (2) years prior to the beginning of the Contract year to which the termination applies.

In the event either party provides notice of an intent to terminate the Contract as provided in this subsection, the Contract shall terminate at the beginning of the Contract year (October 1), two years following the date of the notice. For greater clarity, the parties do not intend for the Contract to terminate as of the date of the notice. Notwithstanding any other provision to the contrary, if a party provides notice of its intent to terminate the Contract as provided in this subsection and the Contract will expire before the two-year notice period has lapsed, the parties agree that the Contract shall be automatically renewed and continue in full force and effect until October 1, two years following the date of the notice.

- B. If a new Contract has not been executed by the parties within 120 days following the expiration of this Contract, this Contract shall be deemed automatically renewed as of the date of expiration and continue in full force and effect for two years following such date. After those two years have lapsed, the Contract shall be deemed terminated.
- C. Notwithstanding any provision of this Contract to the contrary, upon termination of this Contract "for cause", the Municipality must, for a period of time specified by MDOT (not to exceed 90 calendar days), provide all reasonable transition assistance requested by MDOT, to allow for the terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to MDOT or its designees. This Contract will automatically be extended through the end of the transition period.

## **SECTION 29: STATE OF MICHIGAN ADMINISTRATIVE BOARD RESOLUTION**

The provisions of the State Administrative Board Resolution 2017-2, April 25, 2017, are set forth in Appendix D, attached hereto and made a part hereof.

## **SECTION 30: CONTRACTUAL INTERPRETATION**

All capitalized words and phrases used in this Contract have the meaning set forth in Appendix A.

All words and phrases not specifically defined in Appendix A shall be construed and understood according to the ordinary meaning of the words used, but technical words and phrases shall have the meanings set forth in MDOT's publications, manuals, advisories, or guides, as applicable. If no MDOT publication, manual, advisory or guide is applicable, such technical words shall be construed and understood according to the usual and accepted meaning used in the industry or field to which they relate and any words or phrases that have a specialized meaning in the law, shall be construed and understood according to such specialized meaning.

**SECTION 31: AUTHORIZED SIGNATURE**

This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized official of the Municipality and of MDOT and upon adoption of a resolution approving said Contract and authorizing the signature thereto of the respective official of the Municipality, a certified copy of which resolution will be sent to MDOT with this Contract, as applicable.

MUNICIPALITY

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



BY: \_\_\_\_\_  
TITLE: MDOT Director

## **APPENDIX A**

### **DEFINITIONS**

**Annual Work Plan:** A schedule developed by the Municipality and Region Engineer's designee of the routine maintenance work to be performed annually on state trunklines by the Municipality.

**Budget:** The funds allocated to the Municipality for the fiscal year beginning October 1. Budget may also be referred to as Annual Budget or Field Activity Budget or Maintenance Budget.

**Chemical Storage Facilities:** Bulk salt storage buildings.

**Competitive Bidding:** A procurement process that involves advertising work so that qualified vendors can submit bids to perform the work. The contract is then awarded to the lowest qualified bidder.

**Contract Administrator:** An individual designated by the Municipality responsible for supervising all work covered under this Contract.

**Department:** The Michigan Department of Transportation.

**Engineer of Transportation System Management and Operations (TSMO):** The Department's designated engineer of TSMO.

**Equipment Questionnaire:** A report prepared by the Municipality and forwarded to the Department to substantiate the previous year's actual equipment costs.

**Foremen:** A person(s) designated by the Municipality responsible for overseeing all work covered under this Contract and is responsible to the Contract Administrator.

**Maintenance Work:** Routine activities performed on a regular basis or in response to uncontrollable events upon the state trunklines. Also includes planned activities to state trunklines to preserve functional condition and any work authorized by a TWA.

**Maintenance of State Trunkline highways/lane miles maintained:** The Municipality is to provide the winter and non-winter maintenance activities on its miles as identified within the work plan.

**Michigan State Transportation Commission:** The policy-making body for all state transportation programs. The Commission establishes policy for the Michigan Department of Transportation in relation to transportation programs and facilities and other such works as related to transportation development as provided by law. Responsibilities of the Commission include the development and implementation of comprehensive transportation plans for the entire state, including aeronautics, bus and rail transit, providing professional and technical assistance, and overseeing the administration of state and federal funds allocated for these programs.

**Non-Winter Maintenance Budget:** The portion of the Budget allocated to non-winter maintenance activities.

**Office of Commission Audit (OCA):** The office that reports directly to the Michigan State Transportation Commission. The Office of Commission Audits is charged with the overall responsibility to supervise and conduct review activities for the Department of Transportation. The auditor submits to the Commission reports of financial and operational audits and investigations performed by staff for acceptance.

**Region Engineer:** The Department's designated chief engineer responsible for the oversight of each region of the Department or that region's designee.

**Review:** A financial statement review is a service under which the accountant obtains limited assurance that there are no material modifications that need to be made to an entity's financial statement for them to be in conformity with the applicable financial reporting framework. OCA's review will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. A review consists primarily of inquiries of personnel and the application of analytical procedures to data.

**Schedule C Equipment Rental Rates:** The department's annual list of statewide hourly equipment rental rates that shall be charged for the use of road equipment calculated from the average costs submitted by each agency in the "Equipment Questionnaire".

**Small Road Tools:** Hand tools which do not have power assist (non-powered) used for general road and bridge maintenance such as rakes, shovels, brooms, etc.

**Small Power Tools:** Work tools powered by electricity or battery power and have a rental rate assigned.

**State Administrative Board:** A Board that consists of the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, and the Superintendent of Public Instruction. The DTMB designates a Secretary to the State Administrative Board and provides for staff support. The State Administrative Board has general supervisory control over the administrative activities of all state departments and agencies, including but not limited to, the approval of contracts and leases, oversight of the state capital outlay process and the settlement of small claims against the state. The State Administrative Board functions through three standing committees (Finance and Claims, Building, Transportation and Natural Resources) which make recommendations to the Board. The State Administrative Board meets the first and third Tuesday of each month.

**State Trunkline Highway:** A road, highway, or freeway under the jurisdiction of the Department, and usually numbered as an M, US, or Interstate Route.

**Termination for Cause:** The exercise of MDOT's right to terminate this Contract "for cause", in whole or in part, if the Municipality, as determined by MDOT: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose MDOT to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

**Termination Date:** The date the contract is no longer effective.

**Transportation Work Authorization (TWA):** A written order for work not covered by the Budget. Funding for the TWA is reimbursed to the Municipality in addition to the annual Budget.

**Transportation and Natural Resources Committee:** A committee that approves the award of Michigan Department of Transportation (MDOT) contracts and agreements; Department of Natural Resources (DNR) oil, gas, and mineral leases; conveyance of submerged lands. The committee meets the Wednesday before the State Administrative Board meeting. The agenda is prepared by MDOT and DNR.

**Winter Maintenance:** Maintenance Work centered on the process to remove snow and ice from the trunkline to provide a reasonably clear and bare driving surface under prevailing winter conditions. The activity numbers that define the Budget line items for winter maintenance are:

1410: Winter maintenance

1440: Winter road patrol (*See winter maintenance patrol below*)

1490: Other winter maintenance (*Shall include maintenance items resulting from winter maintenance, but not actual winter maintenance, i.e. sweeping and flushing immediately after winter ends*)

This work includes all material costs required to conduct work under the above activity numbers.

**Winter Maintenance Patrol:** An employee assigned to monitor state trunkline road conditions during the winter at times outside the normal workday, i.e. 2nd or 3rd shift.

**Work Plan:** An annual outline of maintenance activities to be performed under this Contract. The components of the plan include the amount of Budget allocated to each routine maintenance activity group, a list of prioritized maintenance activities, and may include a proposed timeframe for completion.

**APPENDIX B**  
**MICHIGAN DEPARTMENT OF TRANSPORTATION**  
**MUNICIPALITY CONTRACT**  
**OVERHEAD SCHEDULE**

**Effective October 1, 2024, through September 30, 2029**

| Original Annual<br>Budget Amount | Percent<br>Allowed<br>for<br>Overhead | Percent<br>Allowed<br>for Small<br>Tools | Total<br>Percent<br>Allowed |
|----------------------------------|---------------------------------------|--|-----------------------------|
| Up to \$25,000_____              | 11.00_____                            | .50_____                                 | 11.50                       |
| \$25,001 to \$50,000 _____       | 10.25_____                            | .50_____                                 | 10.75                       |
| \$50,001 to \$75,000 _____       | 9.50_____                             | .50_____                                 | 10.00                       |
| \$75,001 to \$100,000 _____      | 8.75_____                             | .50_____                                 | 9.25                        |
| \$100,001 and over _____         | 8.00_____                             | .50_____                                 | 8.50                        |

## **APPENDIX C**

### **PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.



7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

**APPENDIX D**

**STATE ADMINISTRATIVE BOARD  
RESOLUTION 2017-2  
PROCEDURES APPLICABLE TO MDOT CONTRACTS AND GRANTS  
AND  
RECISSION OF RESOLUTION 2011-2**

WHEREAS, the State Administrative Board (“Board”) exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this State, and of all State institutions pursuant to Section 3 of 1921 PA 2, MCL 17.3;

WHEREAS, the Board may adopt rules governing its procedures and providing for the general conduct of its business and affairs pursuant to Section 2, of 1921 PA 2, MCL 17.2;

WHEREAS, exercising its power to adopt rules, the Board adopted Resolution 2011-2 on August 30, 2011, establishing a \$500,000 or more threshold for Board approval of the Michigan Department of Transportation (“MDOT”) Professional Engineering Consultant Contracts and Construction Contracts and increasing the threshold for Board approval for Service Contracts to \$250,000 or more for initial contracts and \$125,000 or more for an amendment to a Service Contract;

WHEREAS, the Board has adopted Resolution 2017-1, raising the threshold for Board approval of contracts for materials and services to \$500,000 or more for the initial contract and \$500,000 or more for contract amendments, and rescinding Resolution 2011-1;

WHEREAS, MDOT is a party to a considerable number of contracts, the majority of which are funded via grants administered by federal agencies including the U.S. Department of Transportation’s Federal Highway Administration, Federal Transit Administration, Federal Railroad Administration, and Federal Aviation Administration, which oversee MDOT’s administration of such contracts and amendments thereto;

WHEREAS, MDOT has implemented internal procedures to assure the proper expenditure of state and federal funds and is subject to financial and performance audits by the Office of Commission Audits pursuant to 1982 PA 438, MCL 247.667a;

WHEREAS, MDOT is a party to a significant number of contracts which by their nature involve substantial consideration and often require amendments arising out of changes in scope, differing field conditions and design errors and omissions;

WHEREAS, delays in the approval of amendments to contracts can result in postponement of payments to subcontractors and suppliers; work slowdowns and stoppages; delays in the completion of projects; exposure to additional costs; and exposure to litigation arising out of contractor claims; and

WHEREAS, recognizing the Board's duty to promote the efficiency of State Government, the Board resolves as follows:

1. Resolution 2011-2 is rescinded.
2. A contract for professional design, engineering or consulting services requiring MDOT prequalification in connection with the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Professional Engineering Consultant Contract") or a contract for the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Construction Contract") must be approved by the Board prior to execution by MDOT if the amount of the contract is \$500,000 or more. MDOT may obtain approval of the solicitation of a Professional Engineering Consultant Contract or a Construction Contract which, based on the estimate prepared by an engineer employed by the State of Michigan, is estimated to be \$500,000 or more. A contract arising out of such solicitation must be approved by the Board prior to execution by MDOT if the amount of the contract exceeds 110% of the State engineer's estimate.
3. An amendment to a Professional Engineering Consultant Contract or a Construction Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments exceed 10% of the original contract, except that an amendment to a Professional Engineering Consultant Contract or a Construction Contract need not be approved by the Board if: a) approved in accordance with applicable federal law or procedure by a representative of a federal agency contributing funds to the project that is the subject of the contract; or b) approved in accordance with MDOT's internal procedures provided the procedures include approval by at least one MDOT employee who has managerial responsibility and is neither the project manager nor directly involved in the administration of the project.
4. A contract for services not requiring MDOT prequalification ("Service Contract") in the amount of \$500,000 or more must be approved by the Board prior to execution by MDOT. A Service Contract does not include a Professional Engineering Consultant Contract or a Construction Contract.
5. An amendment to a Service Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments total \$500,000 or more. Thereafter, an amendment to a Service Contract must be approved by the Board if the amount of the amendment and

the sum of all amendments executed after the most recent Board approval total \$500,000 or more.

6. A contract involving the conveyance of any real property interest under the jurisdiction of MDOT must be approved by the Board prior to execution by MDOT if the fair market value of the interest is \$500,000 or more. Fair market value must be determined in accordance with procedures approved by the State Transportation Commission.

7. MDOT may enter into a contract with a sub-recipient without approval of the Board if: a) the purpose of the contract is to provide federal or state matching funds for a project; b) MDOT has been authorized by an agency administering any federal funds to award them to the sub-recipient; and c) the sub-recipient has agreed to fully reimburse the State in the event the sub-recipient does not use the funds in accordance with the purpose of the funding. A sub-recipient includes, but is not limited to, a local unit of government, a governmental authority, a private non-profit entity, and a railroad or rail service provider.

8. MDOT may enter into a cost participation contract with a local unit of government without approval of the Board if: a) the contract involves the construction or physical improvement of a street, road, highway, bridge or other structure congruous with transportation; b) the construction or improvement is funded by federal, state or local funds; and c) the contract is approved by each entity providing funds or in accordance with applicable law.

9. MDOT may enter into a contract in connection with the award of a grant including state matching funds, to a local unit of government, a governmental authority, a private non-profit entity, a railroad or a rail service provider, without approval of the Board if the contract provides that the recipient will fully reimburse the State in the event grant funds are not used in accordance with the terms of the grant.

10. MDOT may enter into a contract with an airport sponsor without approval of the Board if the contract has been approved by the Michigan Aeronautics Commission.

11. MDOT may enter into a contract or award a grant without approval of the Board in situations where emergency action is required. For all emergency contracts or grants of \$250,000 or more, MDOT must transmit to the Board a written report setting forth the nature of the emergency and the key terms of the contract or grant within 30 days of executing the contract or awarding the grant.

12. Notwithstanding any provisions of this resolution, the Board may require MDOT to report the status of any project and may require MDOT to obtain Board approval of any contract, grant or any amendment to a contract.

This Resolution is effective April 25, 2017.



## APPENDIX E

### SUBCONTRACT REQUIREMENTS

#### SUMMARY OF STATE ADMINISTRATIVE BOARD REQUIREMENTS FOR AMENDMENTS (PREVIOUSLY REFERRED TO AS OVERRUNS, EXTRA'S AND ADJUSTMENTS)

Administrative Board Resolution (2017-2, April 25, 2017)

State Administrative Board approval is required on all contracts (including subcontracts) when the sum of the contract including any optional year(s) is \$500,000 or greater.

### Amendments

| Subcontract Requirements:   | Amendment Amount     | State Administrative Board (SAB) Approval Requirements:   |
|---|----------------------|---|
| <ul style="list-style-type: none"><li>• Region Engineer approval required prior to start of work.</li><li>• Form 426 must be signed by the Region Engineer.</li><li>• Documentation of amendment is required by the Municipality.</li><li>• Send revised Form 426 to the Transportation Systems Management Operations (TSMO), Contract Specialist for review and approval prior to the start of work.</li></ul> | \$499,999 or less    | <b>Not required</b><br><br><b>Note:</b> Emergency contracts \$250,000 or greater require SAB approval.  |
|   | \$500,000 or greater | <b>Required prior to the start of work.</b><br><br><b>Note:</b> When the sum of the contract and all amendments total \$500,000 or greater, SAB approval is required. |

**Definition of Term:** Amendment includes situations where the original contract quantity or contract cost is exceeded. It also includes situations where quantities or work are added to the original contract as extra's or adjustments.

January 30, 2024



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

BRADLEY C. WIEFERICH, P.E.  
DIRECTOR

**APPENDIX F**

**SAMPLE: Letter of Understanding**

Date

Contract Agency Name

Address

Contact Person, Title

**RE: Letter of Understanding for State Trunkline Maintenance Contract between Michigan Department of Transportation (MDOT) and the (insert name of contract agency)**

Dear \_\_\_\_\_:

This Letter of Understanding is in follow up to our recent meeting held on \_\_\_\_\_ and will serve as a reference to clarify the Scope of Work set forth in Section 1, of the State Trunkline Maintenance Contract.

The Scope of Work will be limited to (insert type of work activities and frequency of work to be performed) on the state trunkline (indicate routes) in the City (or Village) of \_\_\_\_\_. The work activities are to be conducted by the City (Village) as a part of the Contract with MDOT.

The Scope of Work shall include traffic control to perform the work.

Reimbursement for Snow Hauling will be limited to (insert agreed upon snow hauling parameters) and will be reimbursed at (insert snow hauling rate)% of the total costs of snow hauling. For any additional snow hauling outside of these parameters, MDOT will not participate in the cost unless written approval is received prior to the snow hauling. The Municipality Snow Hauling Calculation form (Appendix H) is attached.

Request for reimbursement of the Scope of Work activities identified herein shall be in accordance with Section 16 of the Contract. Payment for items with Firm Unit Prices will be in accordance with the attached Municipality Firm Unit Prices form (Appendix G) attached.

Subcontracting of any work activities shall be in accordance with Section 9 of the Contract.

Name  
Page 2  
Date

Please sign each of the two original letters enclosed. Please keep one copy for your records and return the other copy to my attention.

Sincerely,

Name  
Maintenance Coordinator (or Engineer)  
MDOT \_\_\_\_TSC

**APPROVED BY:**

City (Village) of \_\_\_\_\_ agrees to the terms and conditions stated in this agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Name, Title

**APPROVED BY:**

\_\_\_\_\_  
Region Engineer  
Michigan Department of Transportation

Date \_\_\_\_\_



Appendix G

Michigan Department  
of Transportation  
0572 (03/2024)

Clear Form

MUNICIPALITY FIRM UNIT PRICES

|                   |                |
|-------------------|----------------|
| MUNICIPALITY NAME | EFFECTIVE DATE |
|-------------------|----------------|

| TYPE OF MATERIALS PRODUCED OR SUPPLIED | UNIT OF MEASURE | UNIT PRICE | ITEM LOCATION | PRICE INCLUDES |
|--|-----------------|------------|---------------|----------------|
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |

INSERT ABOVE, THE FOLLOWING APPLICABLE NUMBER(S):

Type of Materials produced or supplied by Municipality

- 1. Aggregate
- 2. Winter Sand
- 3. Salt
- 4. Other (Describe):

Item Locations

- 1. Pit Site
- 2. Yard
- 3. Other (Describe):

Price Includes

- 1. Processing or Mixing Costs
- 2. Stockpiling or Hauling to Stockpile Costs
- 3. Royalty Costs
- 4. Municipal Supplied Salt or Calcium Chloride (when used in a winter salt/sand mixture)
- 5. Winter Sand
- 6. Bituminous Costs
- 7. Other (Describe):

| MUNICIPALITY SUBMITTED BY |       |      |
|---------------------------|-------|------|
| NAME                      | TITLE | DATE |

| MDOT APPROVED BY |       |      |
|------------------|-------|------|
| NAME             | TITLE | DATE |

Appendix H

Michigan Department  
of Transportation  
5191 (02/2024)

MUNICIPALITY SNOW HAULING CALCULATION FORM

Clear Form  
Definitions

|                   |       |                |
|-------------------|-------|----------------|
| MUNICIPALITY NAME | ROUTE | EFFECTIVE DATE |
|-------------------|-------|----------------|

SKETCH OF ROADWAY AND SNOW HAULING LIMITS

|  |  |
|--|--|
| TOTAL WIDTH OF SNOW HAULING (WSH)<br>ft  | WIDTH OF AREA DESIGNATED FOR TRAFFIC MOVEMENT (ADTM)<br>ft |
| SNOW HAULING RATE (SHR): $SHR = ADTM / WSH \%$<br>SHR: _____ / _____ = _____ % |  |

| MUNICIPALITY SUBMITTED BY |       |
|---------------------------|-------|
| NAME                      | TITLE |

| MDOT APPROVED BY |       |
|------------------|-------|
| NAME             | TITLE |

## DEFINITIONS

**Total Width of Snow Hauling (WSH):** Total width of the roadway, parking lanes, and sidewalks from which snow will be removed during snow hauling operations.

**Width of Area Designated for Traffic Movement (ADTM):** The portion of the highway right-of-way that is intended for traffic movement. The ADTM does not include parking lanes, sidewalks, or buffer areas that are part of the right-of-way.

### Sample Calculation

Total road right-of-way is 66 feet, which includes three 12-foot lanes, two 8-foot parking lanes, and 7 feet of sidewalk and buffer space on each side of the roadway. No snow will be hauled from the area beyond the sidewalks.

WSH: 66 feet

ADTM: 36 feet

Snow Hauling Rate:  $36 \text{ feet (ADTM)} / 66 \text{ feet (WSH)} = 55\%$

**CITY OF IRONWOOD  
RESOLUTION #024-011**

Commissioner \_\_\_\_\_ offered the following resolution.

**BE IT RESOLVED THAT** the City of Ironwood enter Contract with the MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT) for State Trunkline Maintenance Contract for the following period: October 1, 2024 through September 30, 2029, is hereby accepted.

The following City Official Kim Corcoran, Mayor is authorized to sign said Contract as mentioned above.

Supported by Commissioner \_\_\_\_\_.

ADOPTED: Yeas:

Nays:

Absent:

I hereby certify that the foregoing is a true and correct copy of a resolution made and adopted at a regular meeting of the governing body of this municipality, on the 8<sup>th</sup> day of July, 2024.

\_\_\_\_\_  
Jennifer L. Jacobson, City Clerk

## Municipality Contracts – Request for Information

|  |                                     |                                    |
|--|-------------------------------------|------------------------------------|
| Name of Contract Agency                        |                                     | Date:                              |
| Contract Administrator                         | Name: Paul Anderson                 | Title: City Manager                |
| Highway Maintenance Foremen                    | Name: Jason Alonen                  |                                    |
|  |                                     |                                    |
|  |                                     |                                    |
| Will Firm Unit Prices be used?                 | Yes - submit form 0572.             | No                                 |
| Snow Hauling?                                  | Yes: insert % and submit form 5191. | No                                 |
|  |                                     |                                    |
| Name of Person Authorized to sign the contract | Name: Paul Anderson                 | Email:<br>andersonp@ironwoodmi.gov |

Submit the following forms:

- Certificate of Insurance (form 428)
- Firm Unit Price (form 0572) if it applies.
- Snow Hauling (form 5191) if it applies.
- Resolution which names individual authorized to sign the contract. If available, submit, if not it will be required during the signing process.

# CERTIFICATE OF INSURANCE FOR STATE HIGHWAY MAINTENANCE CONTRACT

*Information required by MDOT to report insurance coverage.*

**DISTRIBUTION:**

Original - Maintenance Div.  
Copy - Insured Party  
Copy - Insurance Agency  
Copy - Insurance Company

**TO MICHIGAN DEPARTMENT OF TRANSPORTATION:** The subscribing insurance company certifies that the motor vehicle insurance for limits of liability as indicated, herein, has been procured by and furnished in behalf of the named insured.

|                 |         |
|-----------------|---------|
| NAME OF INSURED | ADDRESS |
|-----------------|---------|

## TYPE OF INSURANCE

| INSURANCE  | POLICY NO. | EFFECTIVE DATE | EXPIRATION DATE | COVER-AGE | * LIMITS OF LIABILITY |               |           |
|--|------------|----------------|-----------------|-----------|-----------------------|---------------|-----------|
|  |            |                |                 |           | EACH PERSON           | EACH ACCIDENT | AGGREGATE |
| Automobile Liability Insurance with respect to owned, hired and non-owned automobiles. |            |                |                 | B. 1.     |                       |               |           |
|  |            |                |                 | P. D.     |                       |               |           |

The subscribing company agrees that the policy referred to herein shall not be changed or cancelled until thirty (30) days written notice has been given to the MICHIGAN DEPARTMENT OF TRANSPORTATION, Lansing, Michigan.

|                   |         |
|-------------------|---------|
| INSURANCE COMPANY | ADDRESS |
|-------------------|---------|

|  |      |
|--|------|
| AUTHORIZED REPRESENTATIVE SIGNATURE <u>(Do not stamp.)</u> | DATE |
|--|------|

\* This limits of liability shall be no less than \$250,000 each person and \$500,000 each accident for Bodily Injury.

MUNICIPALITY FIRM UNIT PRICES

|                   |                |
|-------------------|----------------|
| MUNICIPALITY NAME | EFFECTIVE DATE |
|-------------------|----------------|

| TYPE OF MATERIALS PRODUCED OR SUPPLIED | UNIT OF MEASURE | UNIT PRICE | ITEM LOCATION | PRICE INCLUDES |
|--|-----------------|------------|---------------|----------------|
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |
|  |                 |            |               |                |

INSERT ABOVE, THE FOLLOWING APPLICABLE NUMBER(S):

Type of Materials produced or supplied by Municipality

- 1. Aggregate
- 2. Winter Sand
- 3. Salt
- 4. Other (Describe):

Item Locations

- 1. Pit Site
- 2. Yard
- 3. Other (Describe):

Price Includes

- 1. Processing or Mixing Costs
- 2. Stockpiling or Hauling to Stockpile Costs
- 3. Royalty Costs
- 4. Municipal Supplied Salt or Calcium Chloride (when used in a winter salt/sand mixture)
- 5. Winter Sand
- 6. Bituminous Costs
- 7. Other (Describe):

| MUNICIPALITY SUBMITTED BY |       |      |
|---------------------------|-------|------|
| NAME                      | TITLE | DATE |

| MDOT APPROVED BY |       |      |
|------------------|-------|------|
| NAME             | TITLE | DATE |

MUNICIPALITY SNOW HAULING CALCULATION FORM

|                   |       |                |
|-------------------|-------|----------------|
| MUNICIPALITY NAME | ROUTE | EFFECTIVE DATE |
|-------------------|-------|----------------|

SKETCH OF ROADWAY AND SNOW HAULING LIMITS

|   |  |
|---|--|
| TOTAL WIDTH OF SNOW HAULING (WSH)<br>ft                                   | WIDTH OF AREA DESIGNATED FOR TRAFFIC MOVEMENT (ADTM)<br>ft |
| SNOW HAULING RATE (SHR): $SHR = ADTM / WSH \%$                            |  |
| SHR:                      /                      =                      % |  |

| MUNICIPALITY SUBMITTED BY |       |
|---------------------------|-------|
| NAME                      | TITLE |

| MDOT APPROVED BY |       |
|------------------|-------|
| NAME             | TITLE |



## DEFINITIONS

**Total Width of Snow Hauling (WSH):** Total width of the roadway, parking lanes, and sidewalks from which snow will be removed during snow hauling operations.

**Width of Area Designated for Traffic Movement (ADTM):** The portion of the highway right-of-way that is intended for traffic movement. The ADTM does not include parking lanes, sidewalks, or buffer areas that are part of the right-of-way.

### Sample Calculation

Total road right-of-way is 66 feet, which includes three 12-foot lanes, two 8-foot parking lanes, and 7 feet of sidewalk and buffer space on each side of the roadway. No snow will be hauled from the area beyond the sidewalks.

WSH: 66 feet

ADTM: 36 feet

Snow Hauling Rate:  $36 \text{ feet (ADTM)} / 66 \text{ feet (WSH)} = 55\%$

City of Ironwood  
213 S. Marquette St.  
Ironwood, MI 49938



Phone: (906) 932-5050  
Fax: (906) 932-5745  
[www.ironwoodmi.gov](http://www.ironwoodmi.gov)

## MEMO

**To:** Mayor Corcoran and The City Commission

**From:** Tom Bergman, Community Development Director

**Date:** July 1, 2024

Meeting Date: July 8, 2024

**Re:** Alley Vacation request and Scheduling of Public Hearing

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Ruth and John Mitchell are requesting to vacate the alley directly west of 206 N Hemlock Street described in the attached map. The property owners will not be allowed to build a building over the easement because it is in a floodplain. The City previously vacated the alley behind 115 and 117 N. Hemlock Street just to the south of this request. The Mitchells have provided the City with a copy of their deed indicating that they already own half the alley. Unfortunately, the City Maps do not indicate this, so to make their deed consistent with the maps, staff recommends vacating the alley as described.

### Recommendation

Recommend to the City Commission to schedule a public hearing on July 22, 2024 to vacate the alley as described in the attached ordinance.



This Institution is an Equal Opportunity Provider, Employer and Housing Employer/Lender



**ORDINANCE NO. 550, BOOK 5**

AN ORDINANCE PROVIDING FOR THE VACATION OF THE ALLEY BEHIND 206 N. HEMLOCK STREET PARCEL #52-21-426-210, CITY OF IRONWOOD, GOGEBIC COUNTY, MICHIGAN ACCORDING TO THE RECORDED PLAT THEREOF, EXCEPTING AND RESERVING IN SAID PORTION OF SAID ALLEY AN EASEMENT THEREIN FOR PUBLIC UTILITY PURPOSES WITHIN THE RIGH-OF-WAY OF SAID ALLEY SO VACATED.

**WHEREAS**, Ruth and John Mitchell, requested the vacation of the alley behind (directly west of parcel #52-21-426-210 legally described as Lot 17 Assessors Plat NO 4) 206 N. Hemlock Street, City of Ironwood, Gogebic County, Michigan, according to the recorded plat thereof.

**WHEREAS**, This City Commission after due consideration of said petition, has determined that the health, welfare, comfort and safety of the people of the City of Ironwood and their best interests will be served by vacating said public alley;

**NOW, THEREFORE, THE CITY OF IRONWOOD ORDAINS:**

Section 1. The vacation of the alley (west) behind 206 N. Hemlock Street, City of Ironwood, Gogebic County, Michigan, according to the recorded plat thereof, hereby is vacated, and said alley so vacated shall vest in the rightful proprietors owning lands adjacent thereto and bordering thereon as shown in the Plat of said Addition in accordance with MCLA 560.227a.

Section 2. The City Clerk of the City of Ironwood, Michigan is hereby directed within thirty (30) days after the adoption of said ordinance to record a certified copy of this Ordinance giving the name of the plat affected by this ordinance, with the Gogebic County (Michigan) Register of Deeds, and further shall send a copy of said Ordinance to the State Treasurer of the State of Michigan.

Section 4. All ordinances or parts of ordinances or resolutions in conflict herewith are hereby repealed.

Section 5. This ordinance shall be published pursuant to Section 6.1 of Chapter 6 of the City Charter, and shall be effective upon recordation with said Register of Deeds pursuant to MCLA 560.256, as amended.

Adopted and approved by the City Commission of the City of Ironwood, Michigan this 22nd day of July 2024.

\_\_\_\_\_  
JENNIFER L. JACOBSON, CITY CLERK

\_\_\_\_\_  
KIM CORCORAN, MAYOR

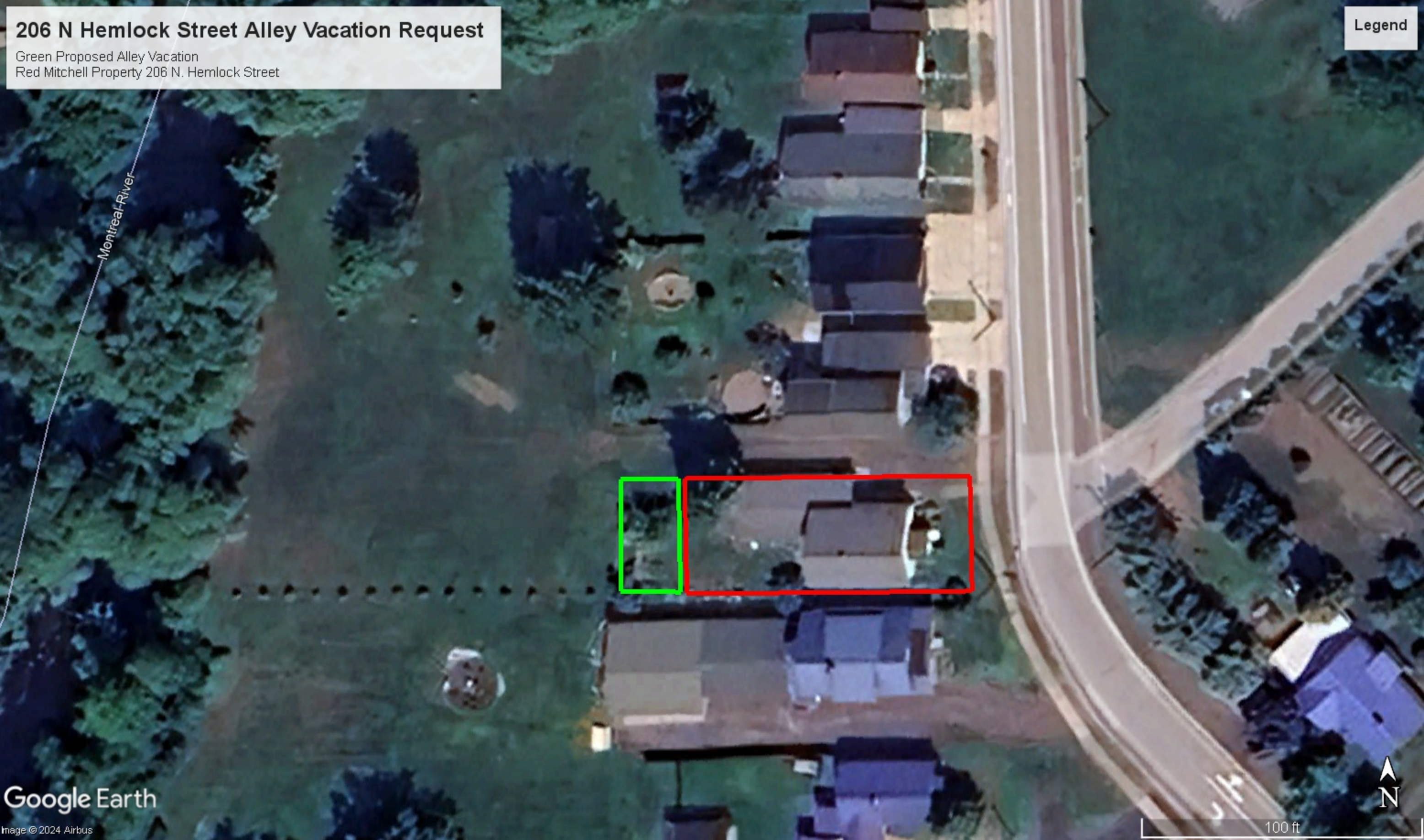
Published in accordance with provisions of Section 6.1 entitled Legislation of Chapter 6 of the Charter for the City of Ironwood, Michigan on \_\_\_\_\_, 2024.



# 206 N Hemlock Street Alley Vacation Request

Green Proposed Alley Vacation  
Red Mitchell Property 206 N. Hemlock Street

Legend





RESOLUTON #024-012

RESOLUTION AUTHORIZING PUBLICATION OF  
NOTICE OF INTENT TO ISSUE REVENUE BONDS  
(SEWAGE DISPOSAL SYSTEM IMPROVEMENTS PHASE 5)

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City of Ironwood  
County of Gogebic, State of Michigan

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Minutes of a regular meeting of the City Commission of the City of Ironwood, County of Gogebic, State of Michigan, held on the 8th day of July, 2024 at 5:30 p.m. prevailing Central Time.

PRESENT: Commissioners \_\_\_\_\_

ABSENT: Commissioners \_\_\_\_\_

The following preamble and resolution were offered by Commissioner \_\_\_\_\_ and supported by Commissioner \_\_\_\_\_:

WHEREAS, the City of Ironwood, County of Gogebic, State of Michigan (the "City"), intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), in one or more series, in the aggregate principal amount of not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) (the "Bonds"), for the purpose of paying part of the cost of acquiring and constructing improvements to the City's sewage disposal system, consisting generally of the replacement of sanitary sewer mains, manholes and service leads, together with related improvements, structures, equipment, appurtenances and restoration work (collectively, the "Project"); and

WHEREAS, a notice of intent to issue the Bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 33 of Act 94; and

WHEREAS, the City intends at this time to state its intention to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in *The Daily Globe*, a newspaper of general circulation in the City. The notice of intent shall be published as a display advertisement not less than one-quarter (1/4) page in size in substantially the form attached to this resolution as Appendix A.

2. The City Commission hereby determines that the form of notice of intent to issue the Bonds attached hereto as Appendix A and the manner of publication directed is the method best calculated to give notice to the electors of the City of the City's intent to issue the Bonds, the maximum principal amount of the Bonds, the purpose of the Bonds, the source of payment of the Bonds and the right of referendum relating thereto.

3. The City makes the following declarations for the purpose of complying with the reimbursement rules of U.S. Treasury Regulation Section 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with proceeds of the Bonds for any costs of the Project paid by the City prior to the date of issuance of the Bonds.
- (b) The maximum principal amount of Bonds expected to be issued by the City for the Project is \$2,500,000.
- (c) The expenditures described above are "capital expenditures" as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Commissioners \_\_\_\_\_

\_\_\_\_\_

NAYS: Commissioners \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

---

Jennifer L. Jacobson, City Clerk  
City of Ironwood

## APPENDIX A

### **NOTICE TO ELECTORS OF THE CITY OF IRONWOOD, COUNTY OF GOGEBIC, MICHIGAN OF INTENT TO ISSUE SEWAGE DISPOSAL SYSTEM REVENUE BONDS AND THE RIGHT OF REFERENDUM RELATING THERETO**

PLEASE TAKE NOTICE that the City of Ironwood, County of Gogebic, State of Michigan (the "City"), intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in one or more series, in an aggregate principal amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) (the "Bonds"), for the purpose of paying part of the cost of acquiring and constructing improvements to the City's sewage disposal system (the "System"), consisting generally of the replacement of sanitary sewer mains, manholes and service leads, together with related improvements, structures, equipment, appurtenances and restoration work.

#### **SOURCE OF PAYMENT OF BONDS**

The principal of and interest on the Bonds shall be payable solely from the revenues received by the City from the operation of the System. Said revenues will consist of rates and charges that may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the Bonds and to pay other obligations of the System.

#### **BOND DETAILS**

The Bonds will be payable in annual installments not to exceed forty (40) in number and will bear interest at the rate or rates to be determined at a public or private sale, but in no event to exceed four and one-half percent (4.50%) per annum on the balance of the Bonds from time to time remaining unpaid.

#### **RIGHT OF REFERENDUM**

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS OF THE CITY UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE CITY VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 33 of Act 94, Public Acts of Michigan, 1933, as amended.

Jennifer L. Jacobson, City Clerk  
City of Ironwood  
213 S. Marquette Street  
Ironwood, Michigan 49938



I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Ironwood, County of Gogebic, State of Michigan, at a regular meeting held on July 8, 2024, and 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 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Jennifer L. Jacobson, City Clerk  
City of Ironwood