



TROY CITY COUNCIL

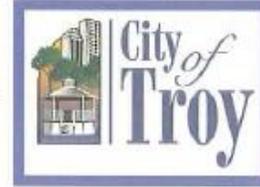
REGULAR MEETING

AGENDA

NOVEMBER 24, 2014
CONVENING AT 7:30 P.M.

Submitted By
The City Manager

NOTICE: Persons with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk at (248) 524-3316 or via e-mail at clerk@troymt.gov at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.



TO: The Honorable Mayor and City Council
Troy, Michigan

FROM: Brian Kischnick, City Manager

SUBJECT: Background Information and Reports

Ladies and Gentlemen:

This booklet provides a summary of the many reports, communications and recommendations that accompany your agenda. Also included are suggested or requested resolutions and/or ordinances for your consideration and possible adoption.

Supporting materials transmitted with this Agenda have been prepared by department directors and staff members. I am indebted to them for their efforts to provide insight and professional advice for your consideration.

As always, we are happy to provide such added information as your deliberations may require.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "B. Kischnick".

Brian Kischnick, City Manager



TROY CITY COUNCIL

VISION STATEMENT AND GOALS

Adopted: Monday, February 7, 2011

VISION:

To honor the legacy of the past and build a strong, vibrant future and be an attractive place to live, work, and grow a business.

GOALS:

Provide a safe, clean, and livable city

- Practice good stewardship of infrastructure
- Maintain high quality professional community oriented police and fire protection
- Conserve resources in an environmentally responsible manner
- Encourage development toward a walkable, livable community

Provide effective and efficient local government

- Demonstrate excellence in community services
- Maintain fiscally sustainable government
- Attract and support a committed and innovative workforce
- Develop and maintain efficiencies with internal and external partners
- Conduct city business and engage in public policy formation in a clear and transparent manner

Build a sense of community

- Communicate internally and externally in a timely and accurate manner
- Develop platforms for transparent, deliberative and meaningful community conversations
- Involve all stakeholders in communication and engagement activities
- Encourage volunteerism and new methods for community involvement
- Implement the connectedness of community outlines in the Master Plan 2008

Attract and retain business investment

- Clearly articulate an economic development plan
- Create an inclusive, entrepreneurial culture internally and externally
- Clarify, reduce and streamline investment hurdles
- Consistently enhance the synergy between existing businesses and growing economic sectors
- Market the advantages of living and working in Troy through partnerships

2014/2015

TOP 11 STRATEGIES

Vision | To honor the past, build a strong, vibrant future and be an attractive place to live, work, and grow a business.

'Why' | We believe a strong community embraces diversity, promotes innovation, and encourages collaboration. We strive to lead by example within the region. We do this because we want everyone to choose Troy as their community for life. We believe in doing government the best.

1

Improve road/infrastructure conditions, including County roads

Maintain a branding and marketing plan to effectively communicate

3

Build and maintain strong, productive service levels

Maintain strong Public Safety service

5

Increase outreach to residents, businesses, and neighboring communities

Facilitate redevelopment of underutilized office and industrial sites

7

Advance technology to gain efficiencies

Update and identify funding for the Pathways and Trails Plan

9

Implement a way-finding strategy for City resources

Enhance gateways and entrance to create a sense of place

11

Embrace the Transit Center

2

4

6

8

10



CITY COUNCIL AGENDA

November 24, 2014 – 7:30 PM
Council Chambers
City Hall - 500 West Big Beaver
Troy, Michigan 48084
(248) 524-3317

INVOCATION: **1**

PLEDGE OF ALLEGIANCE: **1**

A. CALL TO ORDER: **1**

B. ROLL CALL: **1**

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS: **1**

C-1 Final Putt City Manager vs Mayor Golf Outing Presentation to the Employee Appreciation Fund (*Introduced by: Brian Kischnick, City Manager and Mayor Dane Slater*) 1

C-2 Dog Park Update (*Introduced by: Marcus Vanderpool, Community Affairs Assistant*) 1

C-3 America Recycles 2014 Presented to Pam Brady, SOCRRA Volunteer (*Introduced by: Cindy Stewart, Community Affairs Director*) 1

C-4 Update and Timeline for the Extension of the Troy Local Development Finance Authority (LDFA) and Automation Alley SmartZone, Presented by Richard Carlisle, Planning Consultant (*Introduced by: Mark Miller, Director of Economic and Community Development*) 1

D. CARRYOVER ITEMS: **2**

D-1 No Carryover Items 2

<u>E.</u>	<u>PUBLIC HEARINGS:</u>	<u>2</u>
E-1	No Public Hearings	2
<u>F.</u>	<u>PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:</u>	<u>2</u>
<u>G.</u>	<u>CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT:</u>	<u>3</u>
<u>H.</u>	<u>POSTPONED ITEMS:</u>	<u>3</u>
H-1	No Postponed Items	3
<u>I.</u>	<u>REGULAR BUSINESS:</u>	<u>3</u>
I-1	Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – None	3
I-2	Board and Committee Nominations: a) Mayoral Nominations – Brownfield Redevelopment Authority; b) City Council Nominations – Liquor Advisory Committee	3
I-3	No Closed Session Requested	6
<u>J.</u>	<u>CONSENT AGENDA:</u>	<u>6</u>
J-1a	Approval of “J” Items NOT Removed for Discussion	6
J-1b	Address of “J” Items Removed for Discussion by City Council	6
J-2	Approval of City Council Minutes	6
	a) City Council Minutes-Draft – November 10, 2014	6
J-3	Proposed City of Troy Proclamations: None Submitted	6
J-4	Standard Purchasing Resolutions:	6
	a) Standard Purchasing Resolution #4: Oakland County Cooperative Purchasing Agreement – Neptune Water Meter and Parts	6

J-5	Suggested Resolution Requesting a Study Session be Scheduled on Monday, December 1, 2014 to Review City Council Applicants	7
J-6	Request for Acceptance of Four Permanent Easements from Detroit Meeting Rooms, Inc. – Sidwell #88-20-06-352-030, 031, and 032	7
J-7	Request for Acceptance of a Permanent Easement from Alan Group Properties, LLC – Sidwell #88-20-26-728-031	7
J-8	Request for Acceptance of a Permanent Easement from John and Jeanette L. Abbott – Sidwell #88-20-18-127-006	7
J-9	Request for Acceptance of a Permanent Easement from Troy Hotels, Inc. – Sidwell #88-20-35-326-012	8
J-10	Request for Acceptance of Two Permanent Easements from Michigan United Holdings, Inc. – Sidwell #88-20-23-353-025	8
J-11	Acceptance of Consulting Engineer’s Proposal for SAW Grant Work	8
J-12	DiMario v City of Troy, et al Lawsuit	9
K.	<u>MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:</u>	9
K-1	Announcement of Public Hearings:	9
	a) December 1, 2014 – Re-Programming Community Development Block Grant (CDBG) Program Year 2013 Funds	9
K-2	Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted	9
L.	<u>PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:</u>	9
M.	<u>COUNCIL REFERRALS:</u>	9
M-1	No Council Referrals Advanced	9

N. COUNCIL COMMENTS: **9**

N-1 No Council Comments Advanced 9

O. REPORTS: **10**

O-1 Minutes – Boards and Committees: 10

a) Animal Control Appeal Board-Final – September 24, 2014..... 10

b) Building Code Board of Appeals-Final – October 1, 2014..... 10

c) Planning Commission Special/Study-Final – October 28, 2014 10

d) Animal Control Appeal Board-Draft – November 5, 2014..... 10

O-2 Department Reports: 10

a) Remnant Parcel Sale Update 10

b) Troy Nature Society Strategic Planning Process Update Report 10

c) City of Troy Incentive Plan for Volunteer Fire Fighters – GASB Statement No. 67 Plan Reporting and Accounting Schedules – June 30, 2014 10

d) City of Troy Incentive Plan for Volunteer Fire Fighters 34th Annual Actuarial Valuation – Revised – December 31, 2013 10

e) City of Troy Employees Retirement System Fiftieth Annual Actuarial Valuation – December 31, 2013 10

f) City of Troy Employees Retirement System GASB Statement No. 67 Plan Reporting and Accounting Schedules – June 30, 2014..... 10

O-3 Letters of Appreciation: 10

a) To Mayor Dane Slater from Bruce Aaronson, Signs by Tomorrow Regarding Excellent Service from Code Enforcement, Specifically Paul Evans, Zoning and Compliance Specialist 10

b) To Brian Kischnick and Beth Tashnick from Marioara Cera (Mimi) Regarding an Interview for a School Project..... 10

O-4 Proposed Proclamations/Resolutions from Other Organizations: None Submitted 10

O-5 Notice of Hearing for the Electric Customers of DTE Electric Company Case No. U-17680 10

O-6 Letter from WOW Cable Regarding Rate Changes 10

P. COMMENTS ON ITEMS ON OR NOT ON THE AGENDA FROM MEMBERS OF THE PUBLIC OUTSIDE OF TROY (NOT RESIDENTS OF TROY AND NOT FROM TROY BUSINESSES): 10

Q. CLOSED SESSION: 10

Q-1 No Closed Session 10

R. ADJOURNMENT: 10

FUTURE CITY COUNCIL PUBLIC HEARINGS: 11

PROPOSED SPECIAL CITY COUNCIL MEETINGS AND STUDY SESSIONS: 11

December 1, 2014 Review City Council Applicants..... 11

SCHEDULED SPECIAL CITY COUNCIL MEETINGS: 11

December 15, 2014 Troy’s Brand Update – Media Genesis 11

January 12, 2015 2014 Big Beaver Move Across Troy Symposium Findings 11

February 9, 2015 Automation Alley Tour and Update 11

April 27, 2015 Budget Special Study Session 11

April 29, 2015 Budget Special Study Session 11

SCHEDULED REGULAR CITY COUNCIL MEETINGS: 11

November 24, 2014 Regular Meeting..... 11

December 1, 2014 Regular Meeting..... 11

December 15, 2014 Regular Meeting..... 11

2015 SCHEDULED REGULAR CITY COUNCIL MEETINGS: 11

January 12, 2015 Regular Meeting..... 11

January 26, 2015 Regular Meeting..... 11

February 9, 2015 Regular Meeting..... 11

February 23, 2015 Regular Meeting/Liquor Violation Hearings..... 11

March 9, 2015 Regular Meeting/Liquor Violation Hearings 11

March 23, 2015 Regular Meeting 11

April 13, 2015 Regular Meeting 11

April 20, 2015 Regular Meeting 11

May 11, 2015 Regular Meeting..... 11

May 18, 2015 Regular Meeting..... 11

June 8, 2015 Regular Meeting 11

Jun 22, 2015 Regular Meeting 11

July 6, 2015 Regular Meeting..... 11

July 20, 2015 Regular Meeting..... 11

August 10, 2015 Regular Meeting 11

August 24, 2015 Regular Meeting 11

September 14, 2015 Regular Meeting..... 11

September 28, 2015 Regular Meeting.....	11
October 12, 2015 Regular Meeting	11
October 26, 2015 Regular Meeting	11
November 9, 2015 Regular Meeting.....	11
November 23, 2015 Regular Meeting.....	11
December 7, 2015 Regular Meeting.....	11
December 14, 2015 Regular Meeting.....	11

INVOCATION:

PLEDGE OF ALLEGIANCE:

A. CALL TO ORDER:

B. ROLL CALL:

- a) Mayor Dane Slater
Jim Campbell
Wade Fleming
Dave Henderson
Ellen Hodorek
Ed Pennington
Doug Tietz

- b) Excuse Absent Council Members:

Suggested Resolution
Resolution #2014-11-
Moved by
Seconded by

RESOLVED, That Troy City Council hereby **EXCUSES** the absence of Council Member Fleming and Council Member Hodorek at the Regular City Council Meeting of November 24, 2014, due to _____.

Yes:
No:

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

C-1 Final Putt City Manager vs Mayor Golf Outing Presentation to the Employee Appreciation Fund *(Introduced by: Brian Kischnick, City Manager and Mayor Dane Slater)*

C-2 Dog Park Update *(Introduced by: Marcus Vanderpool, Community Affairs Assistant)*

C-3 America Recycles 2014 Presented to Pam Brady, SOCRRA Volunteer *(Introduced by: Cindy Stewart, Community Affairs Director)*

C-4 Update and Timeline for the Extension of the Troy Local Development Finance Authority (LDFA) and Automation Alley SmartZone, Presented by Richard Carlisle, Planning Consultant *(Introduced by: Mark Miller, Director of Economic and Community Development)*

D. CARRYOVER ITEMS:

D-1 No Carryover Items**E. PUBLIC HEARINGS:**

E-1 No Public Hearings**F. PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

In accordance with the Rules of Procedure for the City Council, Article 17 – Members of the Public and Visitors:

Any person not a member of the City Council may address the Council with recognition of the Chair, after clearly stating the nature of his/her inquiry or comment. *City Council requests that if you do have a question or concern, to bring it to the attention of the appropriate department(s) whenever possible. If you feel that the matter has not been resolved satisfactorily, you are encouraged to bring it to the attention of the City Manager, and if still not resolved satisfactorily, to the Mayor and Council.*

- Petitioners shall be given a fifteen (15) minute presentation time that may be extended with the majority consent of City Council.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to three (3) minutes to address any Public Hearing item.
- Any Troy resident or Troy business representative, not a petitioner of an item, shall be allowed to speak for up to three (3) minutes total to address Postponed, Regular Business, Consent Agenda or Study items or any other item on the Agenda as permitted under the Open Meetings Act during the *Public Comment for Items On the Agenda from Troy Residents and Businesses* portion of the Agenda.
- Any Troy resident or Troy business representative, not a petitioner of an item, shall be allowed to speak for up to three (3) minutes to address any topic not on the Agenda as permitted under the Open Meetings Act during the *Public Comment for Items Not on the Agenda from Troy Residents and Businesses* portion of the Agenda.
- Any member of the public who is not a Troy resident or Troy business representative shall be allowed to speak for up to three (3) minutes to address any topic on or not on the Agenda as permitted under the Open Meetings Act during the *Comments for Items On or Not On the Agenda from Members of the Public Outside of Troy (Not Residents of Troy and Not From Troy Businesses)* portion of the Agenda.
- All members of the public who wish to address the Council at a meeting shall be allowed to speak only if they have signed up to speak within thirty minutes before or within fifteen minutes after the meeting's start time. Signing up to speak requires each speaker provide his or her name and residency status (Troy resident, non-resident, or Troy business owner). If the speaker is addressing an Item (or Items) that appear on the pre-printed agenda, then the speaker shall also identify each such agenda item number(s) to be addressed.
- City Council may waive the requirements of this section by a majority vote of the City Council members.
- Agenda items that are related to topics where there is significant public input anticipated should initiate the scheduling of a Special meeting for that specific purpose.

The following has been approved by Troy City Council as a statement of the rules of decorum for City Council meetings. The Mayor will also provide a verbal notification of these rules prior to Public Comment:

The audience should be aware that all comments are to be directed to the Council rather than to City Administration or the audience. Anyone who wishes to address the Council is required to sign up to speak within thirty minutes before or within fifteen minutes of the start of the meeting. There are three Public Comment portions of the Agenda. For Items On the Agenda, Troy Residents and Business Owners can sign up to address Postponed, Regular Business, Consent Agenda, or Study items or any other item on the Agenda. Troy Residents and Business Owners can sign up to address all other topics under Items Not on the Agenda. All Speakers who do not live in Troy or own a Troy business may sign up to speak during the Comments on Items On and Not On the Agenda from Members of the Public Outside of Troy. Also, there is a timer on the City Council table in front of the Mayor that turns yellow when there is one minute of speaker time remaining, and turns red when the speaker's time is up.

In order to make the meeting more orderly and out of respect, please do not clap during the meeting, and please do not use expletives or make derogatory or disparaging comments about any one person or group. If you do so, then there may be immediate consequences, including having the microphone turned off, being asked to leave the meeting, and/or the deletion of speaker comments for any re-broadcast of the meeting. Speakers should also be careful to avoid saying anything that would subject them to civil liability, such as slander and defamation.

Please avoid these consequences and voluntarily assist us in maintaining the decorum befitting this great City.

G. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT:

H. POSTPONED ITEMS:

H-1 No Postponed Items

I. REGULAR BUSINESS:

I-1 Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – None

a) Mayoral Appointments: None

b) City Council Appointments: None

I-2 Board and Committee Nominations: a) Mayoral Nominations – Brownfield Redevelopment Authority; b) City Council Nominations – Liquor Advisory Committee

a) **Mayoral Nominations:**

Suggested Resolution

Resolution #2014-11-

Moved by

Seconded by

RESOLVED, That the Mayor of the City of Troy hereby **FORWARDS** the following nominated person(s) to serve on the Boards and Committees as indicated to the next Regular City Council Meeting for action:

Brownfield Redevelopment Authority

Appointed by Mayor

7 Regular Members

3 Year Term

Current Members:

Last Name	First Name	App Res Expire	Appointment Expire	Notes 3
Brake	Dan	4/18/2016	4/30/2014	Requests Reappointment
Dziurman	Theodore	3/8/2014	4/30/2015	BCBA exp 1/1/2015
Kornacki	Rosemary	12/12/2015	4/30/2017	
Swartz	Robert D.	7/25/2013	4/30/2017	
Vacancy			4/30/2016	Bruce Wilberding's unexpired term.
Vassallo	Joseph J.	12/6/2013	4/30/2015	

Nominations to the Brownfield Redevelopment Authority:

Term Expires: 4/30/2016

Term currently held by: Vacancy – Bruce Wilberding’s unexpired term (resigned 4/11/2014)

Term Expires: 4/30/2017

Term currently held by: Dan Brake

Interested Applicants:

Last Name	First Name	App Resume Expire	Notes 1
Noble	Carolyn	10/10/2015	

Yes:

No:

b) **City Council Nominations:**

Suggested Resolution
Resolution #2014-11-

Moved by
Seconded by

RESOLVED, That Troy City Council hereby **FORWARDS** the following nominated person(s) to serve on the Boards and Committees as indicated to the next Regular City Council Meeting for action:

Liquor Advisory Committee

Appointed by Council
7 Regular Members
3 Year Term

Current Members:

Last Name	First Name	App Res Expire	Appointment Expire	Notes
Easterbrook	David	12/2/2015	1/31/2015	
Ehlert	Max	11/15/2013	1/31/2015	
Godlewski	W. Stan	12/14/2012	1/31/2017	
Gorcyca	David	12/6/2015	1/31/2017	
Hall	Patrick	12/12/2014	1/31/2016	
Huber	Robert	3/1/2015	7/31/2015	STUDENT
Kaltsounis	Andrew	12/13/2014	1/31/2016	
Oberski	Jeff			Police Dept.
Payne	Timothy	2/8/2014	1/31/2015	
Vacancy			7/31/2015	STUDENT

Nomination to the Liquor Advisory Committee:

Term Expires: 7/31/2015

Term currently held by: Vacancy (Student)

Interested Applicants:

Last Name	First Name	App Resume Expire	Notes
Bluhm	David	10/21/2015	STUDENT currently serving on P&R Board
Boudon	Frank	5/15/2015	STUDENT currently serving on Planning Comm.
Comiskey	Ann	3/18/2016	
Gottlieb	Steve	11/8/2015	
Kaltsounis	Andrew	10/15/2016	

Yes:

No:

I-3 No Closed Session Requested

J. CONSENT AGENDA:

J-1a Approval of “J” Items NOT Removed for Discussion

Suggested Resolution

Resolution #2014-11-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented with the exception of Item(s) _____, which shall be **CONSIDERED** after Consent Agenda (J) items, as printed.

Yes:

No:

J-1b Address of “J” Items Removed for Discussion by City Council

J-2 Approval of City Council Minutes

Suggested Resolution

Resolution #2014-11-

RESOLVED, That Troy City Council hereby **APPROVES** the following Minutes as submitted:

- a) City Council Minutes-Draft – November 10, 2014

J-3 Proposed City of Troy Proclamations: None Submitted

J-4 Standard Purchasing Resolutions:

- a) **Standard Purchasing Resolution #4: Oakland County Cooperative Purchasing Agreement – Neptune Water Meter and Parts**

Suggested Resolution

Resolution #2014-11-

RESOLVED, That Troy City Council hereby **APPROVES** a three-year contract to purchase Neptune water meters, equipment and replacement parts on an as needed basis from *Michigan Meter Technology Group Inc, of Madison Heights, MI* through the Oakland County Cooperative Purchasing Program at prices as listed in Attachment A, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, contract to expire October 31, 2017.

J-5 Suggested Resolution Requesting a Study Session be Scheduled on Monday, December 1, 2014 to Review City Council Applicants

Suggested Resolution
Resolution #2014-11-

RESOLVED, That Troy City Council hereby **SCHEDULES** a Special Study Session for Monday, December 1, 2014, for the purpose of reviewing applications for City Council appointment.

J-6 Request for Acceptance of Four Permanent Easements from Detroit Meeting Rooms, Inc. – Sidwell #88-20-06-352-030, 031, and 032

Suggested Resolution
Resolution #2014-11-

RESOLVED, That City Council hereby **ACCEPTS** two permanent easements for sanitary sewer and two permanent easements for water mains from Detroit Meeting Rooms, Inc., owner of the property having Sidwell #88-20-06-352-030 to 032.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the easements with Oakland County Register of Deeds, copies of which shall be **ATTACHED** to the original Minutes of this meeting.

J-7 Request for Acceptance of a Permanent Easement from Alan Group Properties, LLC – Sidwell #88-20-26-728-031

Suggested Resolution
Resolution #2014-11-

RESOLVED, That City Council hereby **ACCEPTS** a permanent easement for roadway, sidewalk and public utilities from Alan Group Properties, LLC, owner of the property having Sidwell #88-20-26-428-031.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the easement with Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

J-8 Request for Acceptance of a Permanent Easement from John and Jeanette L. Abbott – Sidwell #88-20-18-127-006

Suggested Resolution
Resolution #2014-11-

RESOLVED, That City Council hereby **ACCEPTS** a permanent easement for storm sewer from John and Jeanette L. Abbott, owners of the property having Sidwell #88-20-18-127-006.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the easement with the Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

J-9 Request for Acceptance of a Permanent Easement from Troy Hotels, Inc. – Sidwell #88-20-35-326-012

Suggested Resolution
Resolution #2014-11-

RESOLVED, That City Council hereby **ACCEPTS** a permanent easement for water mains from Troy Hotels, Inc., owner of the property having Sidwell #88-20-35-326-021.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the easement with Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

J-10 Request for Acceptance of Two Permanent Easements from Michigan United Holdings, Inc. – Sidwell #88-20-23-353-025

Suggested Resolution
Resolution #2014-11-

RESOLVED, That City Council hereby **ACCEPTS** two permanent easements for sidewalks and storm sewers & surface drainage from Michigan United Holdings, Inc., owner of the property having Sidwell #88-20-23-353-025.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED** to record the easements with Oakland County Register of Deeds, copies of which shall be **ATTACHED** to the original Minutes of this meeting.

J-11 Acceptance of Consulting Engineer's Proposal for SAW Grant Work

Suggested Resolution
Resolution #2014-11-

WHEREAS, The Troy City Council authorized city staff, with assistance from Troy's General Consulting Engineer, Hubbell, Roth and Clark, Inc. (HRC), to prepare and submit an application for a Stormwater Asset Management and Wastewater (SAW) Grant; and

WHEREAS. The City of Troy has received notification of a SAW Grant award from the Michigan Department of Environmental Quality (MDEQ) in the amount of \$1,999,943 plus a City of Troy match of \$444,425 for a total of \$2,444,368; and

WHEREAS, The City of Troy, based upon the experience and qualifications of its General Consulting Engineer, Hubbell, Roth and Clark, Inc., has requested a proposal from HRC for professional engineering services required to complete the SAW Grant Project; and

WHEREAS, The proposal received from HRC has been reviewed by City Management and found acceptable for performing the necessary work required by the Grant;

NOW, THEREFORE, BE IT RESOLVED, That the proposal submitted by Hubbell, Roth and Clark, Consulting Engineers for professional engineering services estimated at \$1,616,736, and force account work estimated at \$827,632, is hereby **APPROVED**.

BE IT FURTHER RESOLVED, That the combined total cost of professional engineering and force account work **SHALL NOT EXCEED** the total project cost of \$2,444,368.

J-12 DiMario v City of Troy, et al Lawsuit

Suggested Resolution
Resolution #2014-11-

RESOLVED, That the City Attorney is hereby **AUTHORIZED** and **DIRECTED** to represent the City of Troy in any and all claims and damages in the matter of *DiMario v. City of Troy, et al. (Oakland County Circuit Court Case No. 14-143902 CH)*. Furthermore, the City Attorney is **AUTHORIZED** to pay necessary costs and fees in the defense of the action.

K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:

K-1 Announcement of Public Hearings:

- a) December 1, 2014 – Re-Programming Community Development Block Grant (CDBG) Program Year 2013 Funds

K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted

L. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:

M. COUNCIL REFERRALS:

Items Advanced to the City Manager by Individual City Council Members for Placement on the Agenda

M-1 No Council Referrals Advanced

N. COUNCIL COMMENTS:

N-1 No Council Comments Advanced

O. REPORTS:

O-1 Minutes – Boards and Committees:

- a) Animal Control Appeal Board-Final – September 24, 2014
 - b) Building Code Board of Appeals-Final – October 1, 2014
 - c) Planning Commission Special/Study-Final – October 28, 2014
 - d) Animal Control Appeal Board-Draft – November 5, 2014
-

O-2 Department Reports:

- a) Remnant Parcel Sale Update
 - b) Troy Nature Society Strategic Planning Process Update Report
 - c) City of Troy Incentive Plan for Volunteer Fire Fighters – GASB Statement No. 67 Plan Reporting and Accounting Schedules – June 30, 2014
 - d) City of Troy Incentive Plan for Volunteer Fire Fighters 34th Annual Actuarial Valuation – Revised – December 31, 2013
 - e) City of Troy Employees Retirement System Fiftieth Annual Actuarial Valuation – December 31, 2013
 - f) City of Troy Employees Retirement System GASB Statement No. 67 Plan Reporting and Accounting Schedules – June 30, 2014
-

O-3 Letters of Appreciation:

- a) To Mayor Dane Slater from Bruce Aaronson, Signs by Tomorrow Regarding Excellent Service from Code Enforcement, Specifically Paul Evans, Zoning and Compliance Specialist
 - b) To Brian Kischnick and Beth Tashnick from Marioara Cera (Mimi) Regarding an Interview for a School Project
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O-4 Proposed Proclamations/Resolutions from Other Organizations: None Submitted

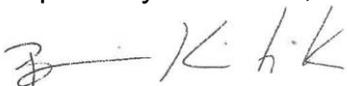
O-5 Notice of Hearing for the Electric Customers of DTE Electric Company Case No. U-17680

O-6 Letter from WOW Cable Regarding Rate Changes

P. COMMENTS ON ITEMS ON OR NOT ON THE AGENDA FROM MEMBERS OF THE PUBLIC OUTSIDE OF TROY (NOT RESIDENTS OF TROY AND NOT FROM TROY BUSINESSES):**Q. CLOSED SESSION:**

Q-1 No Closed Session**R. ADJOURNMENT:**

Respectfully submitted,



Brian Kischnick, City Manager

FUTURE CITY COUNCIL PUBLIC HEARINGS:

PROPOSED SPECIAL CITY COUNCIL MEETINGS AND STUDY SESSIONS:

December 1, 2014 Review City Council Applicants

SCHEDULED SPECIAL CITY COUNCIL MEETINGS:

December 15, 2014 Troy’s Brand Update – Media Genesis

January 12, 2015 2014 Big Beaver Move Across Troy Symposium Findings

February 9, 2015..... Automation Alley Tour and Update

April 27, 2015..... Budget Special Study Session

April 29, 2015..... Budget Special Study Session

SCHEDULED REGULAR CITY COUNCIL MEETINGS:

November 24, 2014 Regular Meeting

December 1, 2014 Regular Meeting

December 15, 2014 Regular Meeting

2015 SCHEDULED REGULAR CITY COUNCIL MEETINGS:

January 12, 2015 Regular Meeting

January 26, 2015 Regular Meeting

February 9, 2015..... Regular Meeting

February 23, 2015..... Regular Meeting/Liquor Violation Hearings

March 9, 2015..... Regular Meeting/Liquor Violation Hearings

March 23, 2015 Regular Meeting

April 13, 2015..... Regular Meeting

April 20, 2015..... Regular Meeting

May 11, 2015 Regular Meeting

May 18, 2015 Regular Meeting

June 8, 2015 Regular Meeting

Jun 22, 2015 Regular Meeting

July 6, 2015..... Regular Meeting

July 20, 2015..... Regular Meeting

August 10, 2015..... Regular Meeting

August 24, 2015..... Regular Meeting

September 14, 2015 Regular Meeting

September 28, 2015 Regular Meeting

October 12, 2015 Regular Meeting

October 26, 2015 Regular Meeting

November 9, 2015 Regular Meeting

November 23, 2015 Regular Meeting

December 7, 2015 Regular Meeting

December 14, 2015 Regular Meeting

**PROCLAMATION
AMERICA RECYCLES 2014**

WHEREAS, The world has changed a lot in the past century. From individually packaged food servings to disposable diapers, more garbage is generated now than ever before. The average American discards 7.5 pounds of garbage every day. Our garbage, our solid waste stream, all goes to landfills, where it's compacted and buried; and

WHEREAS, To focus the nation's attention on the importance of recycling, businesses, industries, government agencies, nonprofit organizations, and individuals have joined together to celebrate **America Recycles 2014** and are encouraging their employees, staff, customers, membership, and all citizens to pledge to buy more recycled-content products starting today; and

WHEREAS, Participating in **America Recycles 2014** is one way our citizens can help raise awareness about the need to reduce waste by reusing, recycling and buying recycled products; and

WHEREAS, The more we recycle, the less garbage winds up in our landfills and incineration plants. By reusing aluminum, paper, glass, plastics and other materials, we can save production and energy costs, and reduce by up to 75% the negative impacts that the extraction and processing of virgin materials has on the environment. Plastics, made from precious and nonrenewable petroleum, and aluminum, which is mined from bauxite, are especially important to recycle; and

WHEREAS, Recycling helps protect our resources, our environment, and our quality of life. The entire loop: Reduce, Reuse, Recycle is completed when we buy products made from recycled material; and

WHEREAS, From July 2013 to June 2014, the City of Troy recycled 4,683 tons of glass, paperboard, cardboard, newspaper, metal, tin, and plastic and 9,743 tons of compost; and

WHEREAS, State and community leaders need to spread the word about the excellent programs they have established, the growth of markets for recyclable materials, and the importance of buying recycled products;

NOW, THEREFORE BE IT RESOLVED, that the City of Troy City Council hereby proclaims **America Recycles 2014** in Troy, Michigan, and urges all Troy residents to **Reduce, Reuse and Recycle**;

BE IT FURTHER RESOLVED, That **America Recycles 2014** is celebrated year-round to encourage people to recycle and buy products made from recycled materials. The theme for **America Recycles 2014** is "I Want to be Recycled."

Presented this 24th day of November 2014.



CITY COUNCIL AGENDA ITEM

Date: November 20, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development

Subject: Update and Timeline for the Extension of the Troy Local Development Finance Authority (LDFA) and Automation Alley SmartZone, Presented by Richard Carlisle, Carlisle/Wortman Associates

History

The Michigan Economic Development Corporation accepted and approved the cities of Troy and Southfield application for a 15-year extension of the Joint LDFA, Troy LDFA, Southfield LDFA and Automation Alley SmartZone. The existing LDFAs are to sunset in 2018, while the extension will move the sunset date to 2033. This partnership will extend LDFA tax capture for an additional 15 years. Therefore, providing funding for Automation Alley operations and public infrastructure improvements that serve the Automation Alley SmartZone.

To qualify for the extension Troy and Southfield have agreed to host a Satellite SmartZone in the City of Port Huron and Kimball Township. This Satellite is known as the St. Clair Innovation and Technology SmartZone (SCCiTech). MEDC has required certain conditions as part of the 15 year extension:

1. Monthly reporting for the term of the TIF capture for companies served by the SmartZone: companies created, jobs created, and investment in companies by source.
2. Regional collaboration with SCCiTech.
3. Annual reports for the term of the TIF capture reporting on the progress of the regional collaboration.
4. Summary of TIF performance against the original plan in the extension request to MEDC.

To implement the 15 year extension the Joint LDFA, Troy LDFA and Southfield LDFA must amend their Development Plans and Tax Increment Financing Plan by June 30, 2015. Richard Carlisle is coordinating with both cities and the LDFAs to amend the Plans. Attached to this memorandum is a timeline of the necessary steps that need to be accomplished to amend all of the Plans. Mr. Carlisle will provide a short presentation at the November 24, 2014 City Council meeting to present the timeline and answer any questions.

Attachment

MMAGENDA ITEMS\11.24.1 – Update and Timeline for the Extension of the Troy Local Development Finance Authority (LDFA) and automation Alley SmartZone, Presented by Richard Carlisle, Carlisle/Wortman Associates

**Procedures for Amendment of Boundaries and/or
Joint LDFA Development and Tax Increment Finance Plans
Cities of Troy and Southfield**

AMENDMENT OF PLAN

The following formal steps are required to amend the Development and Tax Increment Financing Plan. The amendment for the 15-year extension must be completed by June 30, 2015.

<u>Task</u>	
A) Prepare Draft Plan	December 15, 2014
1) Meet with MEDC staff	
2) Complete draft Amended Development and Tax Increment Financing Plan	
3) Submit for review	
B) Review of draft Amended Development and Tax Increment Financing Plan	
<u>Staff/Legal Review</u>	
1) Submit draft Amended Development and TIF Plan to respective City staffs of Southfield and Troy.	December 15, 2014
2) Submit Draft Amended Development and TIF Plan to respective City Attorneys of Southfield and Troy for review.	December 15, 2014
3) All review comments due.	January 1, 2015
<u>LDFA/Joint LDFA Review</u>	
1) Revise Amended Development and TIF Plan as necessary and submit to LDFA Boards for review and comments.	January 15, 2015
2) Meeting of respective LDFA Boards. If both LDFA Boards find that the Amended Plan achieves the purposes of the LDFA Act, Plan is submitted to the Joint LDFA for approval.	January 30, 2015
3) Meeting of Joint LDFA Board. Upon approval of the Amended Plan by the Joint LDFA, the Plan is submitted to the City of Southfield	January 30, 2015

and the City of Troy City Councils

C) Taxing Jurisdiction Input

- 1) Prior to the public hearing, affected taxing jurisdictions shall be given a reasonable opportunity for review and comment on the Draft Amended Plan.
- 2) Taxing jurisdictions may also present their recommendation of the public hearing.

January 30 - February 28,
2015

D) Notice of Public Hearing

- 1) Upon receipt of the Amended Development and TIF Plan, a public hearing before the respective City Councils of Southfield and Troy shall be scheduled.
- 2) Notice of the public hearing shall be published twice in a newspaper of general circulation; the first notice shall not be less than 20 days prior to the date of the hearing. Notice shall also be mailed by certified mail to governing body of affected taxing jurisdictions.

March 1, 2015

The notice shall contain the following information:

- (a) A description of the property to which the plan applies in relation to highways, streets, streams, or otherwise.
- (b) A statement that maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, area available for public inspection at a place designated in the notice, and that all aspects of the development plan will be open for discussion at the public hearing.
- (c) Other information that the City Councils of Southfield and Troy consider appropriate.

E) Public Hearing and Adoption

- 1) City Councils Southfield and Troy shall conduct the public hearing. Interested persons have the right to be heard and shall also receive written comments regarding the Plan.
- 2) Upon conclusion of the public hearing, the City Councils Southfield and Troy adopt the Plan by resolution.

May 1, 2015

- 3) The procedure, adequacy of notice, and findings with respect to purpose and captured assessed value shall be conclusive unless contested in a court of competent jurisdiction within 60 days after adoption of the resolution adopting the plan. An amendment, adopted by resolution, to a conclusive plan shall likewise be conclusive unless contested within 60 days after adoption of the resolution adopting the amendment. If a resolution adopting an amendment to the plan is contested, the resolution adopting the plan is not open to contest.

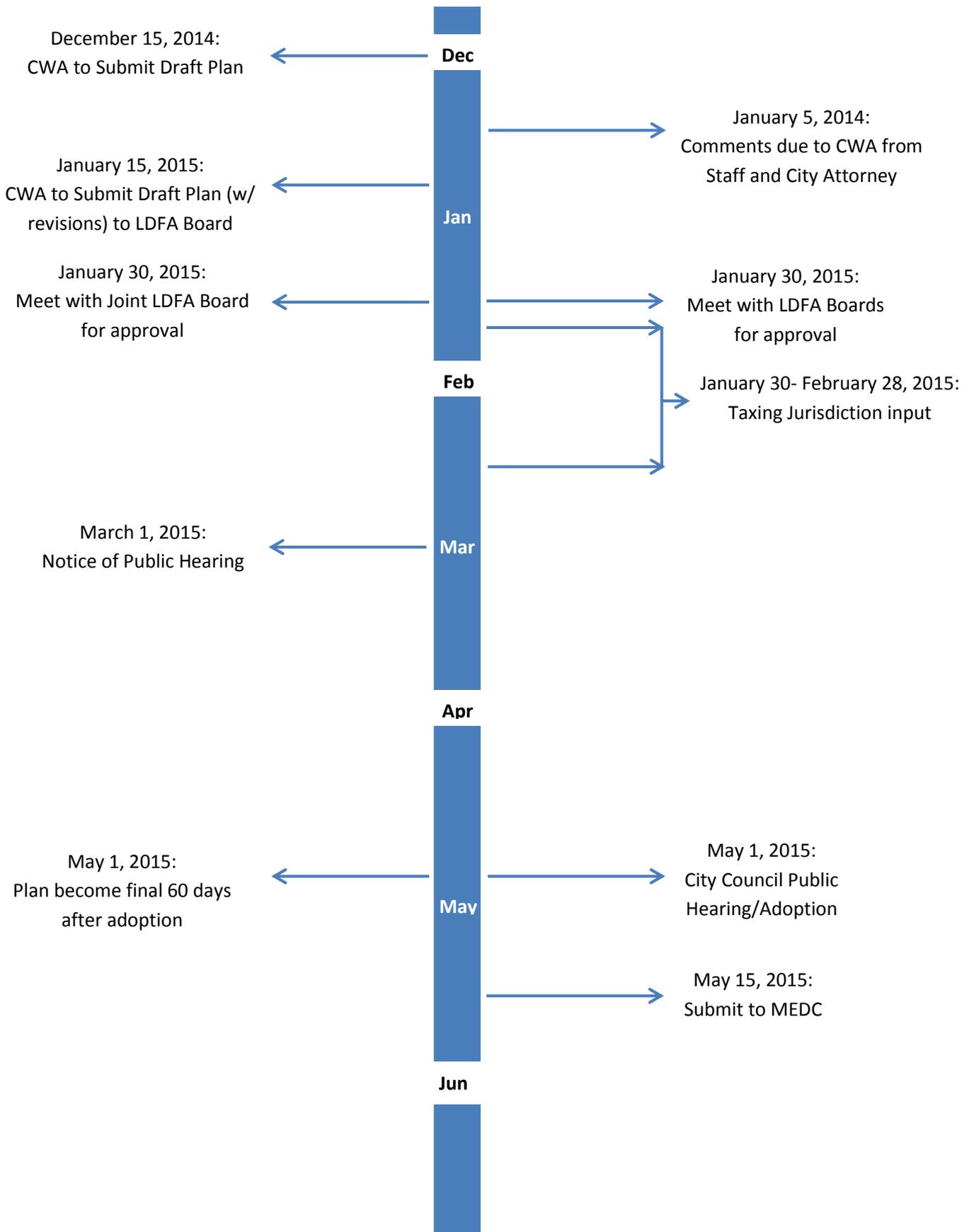
F) Plan Becomes Effective

G) Submit Plan to MEDC

May 1, 2015

No later than June 30,
2015

Timeline to Amend LDFA Plan



Father James Grau from St. Anastasia Catholic Church performed the Invocation. The Pledge of Allegiance to the Flag was given.

A. CALL TO ORDER:

A Regular Meeting of the Troy City Council was held on Monday, November 10, 2014, at City Hall, 500 W. Big Beaver Rd. Mayor Pro Tem Henderson called the meeting to order at 7:30 PM.

B. 1. ROLL CALL:

Mayor Dane Slater – Arrived at 8:11 PM.
 Jim Campbell
 Wade Fleming
 Dave Henderson
 Ellen Hodorek
 Ed Pennington
 Doug Tietz

B. 2. 2014-2015 CITY COUNCIL:

a) Appointment of Mayor Pro Tem

Rules of Procedure for the City Council addresses the appointment of Mayor Pro Tem as follows:

1. APPOINTMENT OF MAYOR PRO TEM

The selection of Mayor Pro Tem shall rotate annually in the following order: Henderson, Campbell, Pennington, Hodorek, Fleming, Tietz

Resolution #2014-11-140
 Moved by Fleming
 Seconded by Hodorek

RESOLVED, That Troy City Council hereby **APPOINTS** Council Member Campbell to serve as Mayor Pro Tem for the City Council of the City of Troy for a term scheduled to expire at 7:30 PM on Monday, November 9, 2015.

Yes: Campbell, Fleming, Henderson, Hodorek, Pennington, Tietz
 No: None
 Absent: Slater

MOTION CARRIED

The Meeting **RECESSED** at 7:33 PM.

The Meeting **RECONVENED** at 7:34 PM.

b) Adoption of City Council Rules of Procedure

Resolution #2014-11-141

Moved by Fleming

Seconded by Henderson

RESOLVED, That Troy City Council hereby **ADOPTS** the Rules of Procedure of the City Council of the City of Troy as recorded by the City Clerk in the Minutes of this meeting.

Yes: Fleming, Henderson, Hodorek, Pennington, Tietz, Campbell

No: None

Absent: Slater

MOTION CARRIED

c) Adoption of Code of Ethics for City Council

Resolution #2014-11-142

Moved by Henderson

Seconded by Fleming

RESOLVED, That Troy City Council hereby **ADOPTS** the Code of Ethics of the City Council of the City of Troy as recorded by the City Clerk in the Minutes of this meeting.

Yes: Henderson, Hodorek, Pennington, Tietz, Campbell, Fleming

No: None

Absent: Slater

MOTION CARRIED

d) Adoption of Code of Ethics for Boards and Committees

Resolution #2014-11-143

Moved by Hodorek

Seconded by Pennington

RESOLVED, That Troy City Council hereby **ADOPTS** the Code of Ethics for Boards and Committees of the City of Troy as recorded by the City Clerk in the Minutes of this meeting.

Yes: Hodorek, Pennington, Tietz, Campbell, Fleming, Henderson

No: None

Absent: Slater

MOTION CARRIED

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

C-1 On Behalf of the City of Troy Employees' Casual for a Cause Program for the Months of March and April, 2014, Community Affairs Director Cindy Stewart will Present a Check in the Amount of \$886 to Dr. Tim Coldiron, Founder and Executive Director, Promise Village (*Introduced by: Cindy Stewart, Community Affairs Director*)

C-2 On Behalf of the City of Troy Employees' Casual for a Cause Program for the Months of May and June, 2014, Community Affairs Director Cindy Stewart will Present a Check in the Amount of \$742 to Robin Beltramini, Chairperson, and Leonette Ciepielowski, Past Chairperson, Troy Youth Assistance (*Introduced by: Cindy Stewart, Community Affairs Director*)

C-3 Troy Youth Assistance Annual Report (*Presented by Robin Beltramini, Chairperson*)

C-4 Lights of Hope (*Introduced by: Barbara Knight*)

D. CARRYOVER ITEMS:

D-1 No Carryover Items

E. PUBLIC HEARINGS:

E-1 Industrial Development District (IDD) for Toyoda Gosei NA Corp., 1400 Stephenson (*Introduced by: Nino Licari, City Assessor*)

The Mayor Pro Tem opened the Public Hearing for public comment.

The Mayor Pro Tem closed the Public Hearing after receiving no public comment.

Resolution #2014-11-144

Moved by Fleming

Seconded by Henderson

WHEREAS, Pursuant to PA 198 of 1974, as amended, the Troy City Council has the authority to establish Industrial Development Districts (IDD's) within the City of Troy; and

WHEREAS, Toyoda Gosei NA Corp. has petitioned the Troy City Council to establish an Industrial Development District (IDD) on its property located in the City of Troy, hereinafter described; and

WHEREAS, Construction, acquisition, alteration, or installation of a proposed facility had not commenced at the time of filing the request to establish the district; and

WHEREAS, Written notice was given by mail to all owners of real property located within the district, and to the public by newspaper advertisement in the newspaper of record, and public posting of the hearing on the establishment of the district; and

WHEREAS, On November 10, 2014, a public hearing was held at which all owners of real property within the proposed Industrial Development District (IDD) and all residents and taxpayers of the City of Troy were afforded an opportunity to be heard thereon; and

WHEREAS, The Troy City Council deems it to be in the public interest of the City of Troy to establish the Industrial Development District (IDD) as proposed;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **ESTABLISHES** an Industrial Development District (IDD) for property known as 1400 Stephenson, Troy, MI. 48083, Parcel #88-20-35-126-024, in accordance with City Council Policy Resolution #2010-08-173.

BE IT FINALLY RESOLVED, That Troy City Council hereby **DIRECTS** the City Clerk to forward a certified copy of this resolution to the State Tax Commission, Treasury Building, P.O. Box 30471, Lansing, MI 48909-7971.

Yes: Pennington, Campbell, Fleming, Henderson, Hodorek

No: Tietz

Absent: Slater

MOTION CARRIED

The Meeting **RECESSED** at 8:05 PM.

The Meeting **RECONVENED** at 8:12 PM.

E-2 Industrial Facilities Exemption Certificate (IFEC) for Toyoda Gosei NA Corp., 1400 Stephenson (Introduced by: Nino Licari, City Assessor)

The Mayor opened the Public Hearing for public comment.

The Mayor closed the Public Hearing after receiving no public comment.

Resolution #2014-11-145

Moved by Campbell

Seconded by Pennington

WHEREAS, After due notice and proper hearing, the City Council of the City of Troy on November 10, 2014, established an Industrial Development District (IDD) for property known as 1400 Stephenson, Troy, MI 48083, Parcel # 88-20-35-126-024; and

WHEREAS, An Application has been submitted by Toyoda Gosei NA Corp. for an Industrial Facilities Exemption Certificate (IFEC) for personal property at 1400 Stephenson, Troy, MI 48083 for nine (9) years after completion; and

WHEREAS, After due and proper notice by the City Clerk, the Troy City Council, on November 10, 2014, held a Public Hearing giving opportunity for comment by all taxing units as to the possibility that the granting of an Industrial Facilities Exemption Certificate (IFEC) for Toyoda Gosei NA Corp. at 1400 Stephenson, Troy, MI 48083 may have the effect of substantially

impeding the operation of the taxing unit, or impairing the financial soundness of the taxing unit; and

WHEREAS, The aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Troy, after granting this certificate will not exceed 5% of an amount equal to the sum of the SEV of the City of Troy, plus the SEV of real and personal property thus exempted;

NOW, THEREFORE, BE IT RESOLVED, That Troy City Council has **FOUND THAT THE GRANTING** of an Industrial Facilities Exemption Certificate (IFEC) for Toyoda Gosei NA Corp., at 1400 Stephenson, Troy, MI 48083 shall not substantially impede the operation of the City of Troy or the other taxing units, **NOR HAS IT BEEN FOUND THAT THE GRANTING** of the Industrial Facilities Exemption Certificate (IFEC) will impair the financial soundness of the City of Troy, or the other taxing units which levy taxes on said property.

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** the application to for an Industrial Facilities Exemption Certificate (IFEC) for Toyoda Gosei NA Corp., at 1400 Stephenson, Troy, MI 48083, Parcel # 88-20-35-126-024, for personal property for a term of Nine (9) years after completion, **CONTINGENT** upon the execution of a Letter of Agreement between the City of Troy and Toyoda Gosei NA Corp., and the payment of the fees in accordance with Public Act 198 of 1974, as amended.

BE IT FURTHER RESOLVED, That the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the Letter of Agreement between the City of Troy and Toyoda Gosei NA Corp., a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FINALLY RESOLVED, That the City Clerk is hereby **AUTHORIZED TO COMPLETE** the Application and **TRANSMIT** same to the State Tax Commission, Treasury Building, P.O. Box 30471, Lansing, MI 48909-7971

Yes: Slater, Campbell, Fleming, Henderson, Hodorek, Pennington
No: Tietz

MOTION CARRIED

F. PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:

Jonathan Yacoub	Spoke in favor of extending the hours of operation for smoking lounges.
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G. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT:

H. POSTPONED ITEMS:

H-1 2015 Council Meeting Schedule

Resolution #2014-11-146
Moved by Campbell
Seconded by Henderson

RESOLVED, That Troy City Council **SHALL HOLD** Regular Meetings in 2015 according to the following schedule at 7:30 PM:

- Monday, January 12 & 26
- Monday, February 9 & 23
- Monday, March 9 & 23
- Monday, April 13 & 20
- Monday, May 11 & 18
- Monday, June 8 & 22
- Monday, July 6 & 20
- Monday, August 10 & 24
- Monday, September 14 & 28
- Monday, October 12 & 26
- Monday, November 9 & 23
- Monday, December 7 & 14

BE IT FURTHER RESOLVED, That Troy City Council **SHALL HOLD** Special Study Sessions for the purpose of budget discussions in 2015 according to the following schedule at 6:00 PM:

- Monday, April 27
- Wednesday, April 29

BE IT FURTHER RESOLVED, That Troy City Council **SHALL HOLD** Regular Liquor Violation Hearing Meetings in 2015 according to the following schedule at 6:00 PM:

- Monday, February 23
- Monday, March 9

BE IT FINALLY RESOLVED, That Troy City Council **MAY SCHEDULE** other Special Meetings as needed.

Yes: All-7
No: None

MOTION CARRIED

I. REGULAR BUSINESS:

I-1 Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – Animal Control Appeal Board

a) Mayoral Appointments: None

b) City Council Appointments:

Resolution #2014-11-147
Moved by Henderson
Seconded by Fleming

RESOLVED, That Troy City Council hereby **APPOINTS** the following nominated person(s) to serve on the Boards and Committees as indicated:

Animal Control Appeal Board

Appointed by Council
5 Regular Members
3 Year Term

Term Expires: 9/30/2017

P. Terry Knight

Term currently held by: Vacancy-Steve Toth resigned 10/15/2014

Yes: All-7
No: None

MOTION CARRIED

I-2 Board and Committee Nominations: a) Mayoral Nominations – Brownfield Redevelopment Authority; b) City Council Nominations – Liquor Advisory Committee

a) Mayoral Nominations:

City Council took no action on this Item.

b) City Council Nominations:

City Council took no action on this Item.

I-3 No Closed Session Requested

I-4 Winter Maintenance Agreement – Road Commission for Oakland County (Introduced by: Tim Richnak, DPW Director)

Resolution #2014-11-148
Moved by Henderson
Seconded by Campbell

RESOLVED, That the 2014-2015 Winter Maintenance Agreement between the Road Commission for Oakland County and the City of Troy for Snow and Ice Control of county roads, which are described and outlined in Exhibit A, is hereby **APPROVED** and the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the necessary documents; a copy of this agreement, which is authorized by the provisions of 1951 PA 51 (MCL 247.651 et seq.), shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-7
No: None

MOTION CARRIED

I-5 Recommendation: Eighteen Month Review of the Amendments to Troy City Code Chapter 77, Smoking Lounges Hours of Operation (Introduced by: Gary Mayer, Chief of Police and Lori Grigg Bluhm, City Attorney)

Resolution #2014-11-149
Moved by Slater
Seconded by Henderson

RESOLVED, That the Troy City Council shall **TAKE NO ACTION** on the request to **AMEND** Chapter 77 of the City of Troy Ordinances, as recommended by City Administration.

Yes: All-7
No: None

MOTION CARRIED

I-6 Approval to Submit Application for EPA Funding – Sylvan Glen Phase 2 (Introduced by: Steve Vandette, City Engineer)

Resolution #2014-11-150
Moved by Henderson
Seconded by Campbell

RESOLVED, That Troy City Council hereby **APPROVES** submittal of an application to the EPA for the Sylvan Glen Phase 2 project and barring any unforeseen circumstances, the EPA projects being able to make an award of \$375,000 in calendar year 2014 towards the project.

BE IT FURTHER RESOLVED, That upon approval of the application and successful implementation of the award of the grant, City Council **DIRECTS** City of Troy Staff to work with the EPA in developing the project and moving to the construction phase in 2015.

Yes: All-7
No: None

MOTION CARRIED

I-7 ICCA Funding Formula (Introduced by: Cindy Stewart, Community Affairs Director)

Resolution #2014-11-151
Moved by Hodorek
Seconded by Pennington

THIS AMENDATORY AGREEMENT is made this tenth day of November, 2014, by and between and among the municipalities and other political subdivisions of the State of Michigan (hereinafter "Parties" or "Members") who are or who become signatures hereto.

WITNESSETH:

WHEREAS, The parties hereto did on November 10, 2014 enter into an Intergovernmental CATV Agreement; and

WHEREAS, Pursuant to the terms of Article XVI. Amendments of said Agreement, the parties specifically retained the right to modify said Agreement; and

WHEREAS, The parties presently desire to modify and amend the original Intergovernmental CATV Agreement as is hereinafter set forth;

This section of the current Intergovernmental Cable TV Agreement (VI. F) will be replaced with the section below it as follows:

"F. Payments to Authority – Pay to the Authority a proportionate share of such amount, if any, required by the Authority to enable the Authority to meet its operating costs and expenses; provided, however, it is the intent of the Parties, and shall be the intent of the Authority, that the Authority's operating costs and expenses, to the greatest extent possible, be paid by the franchisee. For purposes of this section, a Member's "proportionate share", prior to construction of the System, shall be equal to the ratio which such Member's number of dwelling units bears to the total number of dwelling units of all Members based on 1980 census figures of the Oakland County Planning Division, and subsequent to construction of the System, shall be equal to the ratio which such Member's number of subscribers bears to the total number of subscribers of all Members."

NEW SECTION:

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

"VI. Responsibilities of Members -

F. Payments to Authority- Pay to the Authority a membership fee to enable the Authority to meet its operating costs and expenses. The fee will be established by the ICCA Board of Directors and approved by each member community. The fee will be due annually on December 31 of each year. It shall be the policy of the Intergovernmental Cable Communications Authority to report to each community the level of unassigned fund balance at the end of each yearly operating cycle, as determined by outside audit counsel. The ICCA will be required to convey all audit information to each member community within 30 days of audit approval. The Authority will seek to maintain a level of fund balance sufficient for operations as per the recommendation of audit counsel, however, not more than 125% of annual audited operations. Changes in membership fees shall be based upon the currently adopted fee schedule for each member community. Annual increases, if necessary, shall be no higher than the annual rate of

inflation as measured by the Consumers Price Index provided for property tax calculations or 3%, whichever is less.

ICCA MEMBER COMMUNITY	AVERAGE OF 2011 FRANCHISE FEE AND POPULATION	BASE FEE	Annual Membership Fee
Auburn Hills	1,340	1,000	2,340
Berkley	1,050	1,000	2,050
Clawson	760	1,000	1,760
Ferndale	1,240	1,000	2,240
Hunt Woods	480	1,000	1,480
Oakland Twp	1,050	1,000	2,050
Pleasant Ridge	190	1,000	1,190
Rochester	860	1,000	1,860
Rochester Hills	4,300	1,000	5,300
Royal Oak	3,910	1,000	4,910
Troy	3,920	1,000	4,920
TOTAL FEE	19,100	11,000	30,100

Membership fee will be due by December 31, 2014 and each December 31st thereafter to fund the ICCA Authority.”

All other provisions contained in the original Intergovernmental CATV Agreement dated November 10, 2014, including all amendments, are hereby affirmed and the parties hereto have executed this Agreement as of the day and year first written above.

In the Presence of:

CITY OF TROY

By: _____

Its: _____

Yes: All-7
 No: None

MOTION CARRIED

J. CONSENT AGENDA:

J-1a Approval of “J” Items NOT Removed for Discussion

Resolution #2014-11-152
 Moved by Fleming

Seconded by Henderson

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented.

Yes: All-7

No: None

J-1b Address of “J” Items Removed for Discussion by City Council

J-2 Approval of City Council Minutes

Resolution #2014-11-152-J-2

RESOLVED, That Troy City Council hereby **APPROVES** the following Minutes as submitted:

- a) City Council Minutes-Draft – October 20, 2014
- b) Special City Council Minutes-Draft – October 22, 2014

J-3 Proposed City of Troy Proclamations: None Submitted

J-4 Standard Purchasing Resolutions:

- a) **Standard Purchasing Resolution 4: State of Michigan – MiDEAL Program – Fleet Vehicles/Equipment – Brush Chipper**

Resolution #2014-11-152-J-4a

RESOLVED, That Troy City Council hereby **APPROVES** a contract to purchase one (1) 2014 Brush Bandit 255XP Chipper from *Bandit Industries, Inc., of Remus, MI*, through the State of Michigan MiDEAL Program for an estimated total cost of \$40,126.00 less trade-in allowance of \$7,000.00 or better for the 2002 Chipper for an estimated net total cost of \$33,126.00.

- b) **Standard Purchasing Resolution 2: Sole Bidder Meeting Specifications – Energy Management Improvements – 52-4 District Court**

Resolution #2014-11-152-J-4b

RESOLVED, That Troy City Council hereby **APPROVES** a contract to furnish all labor, materials and equipment to install new Energy Management Improvements at the 52-4 District Court to the sole bidder meeting specifications, *Mechanical Control & Maintenance, Inc. of Sterling Heights, MI*, for an estimated total cost of \$142,990.00, not to exceed budgetary limitations; at the unit prices contained in the bid tabulation opened October 9, 2014; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor’s submission of properly executed contract documents, including insurance certificates and all other specified requirements.

c) **Standard Purchasing Resolution 4: Macomb County Cooperative Purchasing Agreement – Fleet Vehicles**

Resolution #2014-11-152-J-4c

RESOLVED, That Troy City Council hereby **APPROVES** a contract to purchase two (2) 2015 Ford F-250 4X4 Super Cab Pickups and one (1) 2015 Ford 4X4 Escape from *Signature Ford Lincoln of Owosso, MI*, for an estimated total cost of \$76,686.00 as per the Macomb County Cooperative Purchasing Agreement and Contract ID Number 51-13.

d) **Standard Purchasing Resolution 2: Low Bidders Meeting Specifications– Snow Removal Services**

Resolution #2014-11-152-J-4d

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide seasonal requirements to *Advanced Landscape & Builders Supply Co. of Troy, Michigan* for Proposal A, *MVP Environmental of Troy, Michigan* for Proposals B, C, and D, *DiPonio Contracting, Inc. of Shelby Township, Michigan* for Front End Loader with 5 and 3 yard capacities and Truck with 10 foot Snowplow in Proposal E, *Florence Cement Company of Shelby Township, MI* for Truck with 8” Snowplow and 20,000 GVW Road Grader in Proposal E; at unit prices contained in the bid tabulation opened October 23, 2014, with the option to renew for one (1) additional season and the separate quote received from Florence Cement Company of Shelby Township, MI on October 29, 2014; a copy of which shall be **ATTACHED** to the original Minutes of this meeting; with the contract expiring April 30, 2016.

BE IT FURTHER RESOLVED, That Troy City Council hereby **AUTHORIZES** City of Troy Administration to extend prices established in Proposal E to additional vendors meeting requirements under emergency conditions for snow and ice removal.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor’s submission of properly executed contract documents, including insurance certificates and all other specified requirements.

e) **Standard Purchasing Resolution 2: Sole Bidder Meeting Specifications – Audio, Visual, and Lighting Upgrades at the Troy Community Center Banquet Rooms**

Resolution #2014-11-152-J-4e

RESOLVED, That Troy City Council hereby **AWARDS** a contract to furnish all equipment, material, and labor to upgrade audio, visual, and lighting in Banquet Rooms 304 and 305 at the City of Troy Community Center to the sole bidder meeting specifications, *Advanced Lighting and Sound of Troy, MI* for an estimated total cost of \$56,188.44, as contained in the bid tabulation opened October 30, 2014; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the contract is **CONTINGENT** upon contractor’s submission of properly executed bid and contract documents, including insurance certificates, and all other specified requirements.

f) **Standard Purchasing Resolution 2: Sole Bidder Meeting Specifications – Liquid Calcium Chloride**

Resolution #2014-11-152-J-4f

RESOLVED, That Troy City Council hereby **AWARDS** a one-year contract to provide seasonal requirements for Liquid Calcium Chloride with the option to renew for one additional year to the low bidder, *Liquid Calcium Chloride Sales, Inc. of Kawkawlin, MI* for an estimated total cost of \$40,180.00, at the unit prices contained in the bid tabulation opened October 30, 2014; a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with the contract expiring November 30, 2016.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon the contractor's submission of properly executed bid and proposal documents, including insurance certificates and all other specified requirements.

J-5 Bid Waiver – Purchase of All American Fire Hose

Resolution #2014-11-152-J-5

WHEREAS, *Apollo Fire Equipment of Romeo, MI* is the exclusive authorized distributor for All American Fire Hose in the State of Michigan; and

WHEREAS, The City of Troy Fire Department personnel has conducted extensive research and field testing of supply hoses on the market and has concluded that All American Fire Hose is superior over other comparable hoses, compresses and packs into a smaller space and is the most durable;

NOW, THEREFORE, BE IT RESOLVED, That Troy City Council hereby **WAIVES** formal bidding procedures and **AUTHORIZES** the City of Troy to purchase 2,775 feet of 5" Kryptonite fire hose and 200 feet of National 8D 1 3/4" attack hose from the exclusive authorized distributor in Michigan, *Apollo Fire Equipment of Romeo, MI* for an estimated total cost of \$21,699.75.

J-6 Bid Waiver – High and Low Pressure Air Lift Bags

Resolution #2014-11-152-J-6

WHEREAS, *First Due Fire Supply Company of Mason, MI* is the exclusive authorized distributor for Paratech Maxiforce Airbags in the State of Michigan; and

WHEREAS, The City of Troy Fire Department has been using Paratech Maxiforce Airbags for the last 12 years and has invested extensive training to use these airbags it is recommended that the Paratech bags continue to be purchased for standardization purposes;

NOW, THEREFORE, BE IT RESOLVED, That Troy City Council hereby **WAIVES** formal bidding procedures and **AUTHORIZES** the City of Troy to award a contract to purchase

Paratech Maxiforce Airbags to the exclusive authorized distributor in Michigan, *First Due Fire Supply Co of Mason, MI* for an estimated total cost of \$23,791.60.

J-7 Bid Waiver – Professional Services – Police Department Promotional Testing Services

Resolution #2014-11-152-J-7

WHEREAS, *EMPCO, Inc.* has been providing testing and hiring services to the City's Fire Department for 24 years; and has provided this service to several other surrounding municipalities (Resolution #2011-11-261); and

WHEREAS, *EMPCO, Inc.* meets departmental needs and complies with Act 78 Commission requirements, including the requirements to be fair and impartial.

THEREFORE, BE IT RESOLVED, That formal bidding procedure for this professional service is hereby **WAIVED**, since the public interest is best served by contracting with *EMPCO, Inc.*

BE IT FINALLY RESOLVED, The Chief of Police is **AUTHORIZED TO EXECUTE** a contract on behalf of the City, authorizing *EMPCO, Inc.* to conduct the Police Department promotional testing in accordance with the attached proposal.

J-8 Suggested Resolution Requesting a Study Session be Scheduled on Monday, December 15, 2014 to Receive an Update from Media Genesis Regarding Troy's Brand

Resolution #2014-11-152-J-8

RESOLVED, That Troy City Council hereby **SCHEDULES** a Study Session for the purpose of receiving an update from Media Genesis regarding Troy's brand on Monday, December 15, 2014 at 6:00 PM in the City Council Boardroom of Troy City Hall, 500 W. Big Beaver Rd., Troy, MI 48084.

J-9 Suggested Resolution Requesting a Study Session be Scheduled on Monday, January 12, 2015 to Discuss the Findings of the September 30th & October 1st, 2014 Big Beaver Move Across Troy Symposium

Resolution #2014-11-152-J-9

RESOLVED, That Troy City Council hereby **SCHEDULES** a Study Session for the purpose of reviewing the findings from the September 30th & October 1st, 2014 Big Beaver Move Across Troy Symposium on Monday, January 12, 2015 at 6:00 PM in the City Council Boardroom of Troy City Hall, 500 W. Big Beaver Rd., Troy, MI 48084.

J-10 Suggested Resolution Requesting a Study Session on Monday, February 9th, 2014 at Automation Alley for a Tour and Update by Ken Rogers, Executive Director

Resolution #2014-11-152-J-10

RESOLVED, That Troy City Council hereby **SCHEDULES** a Study Session for the purpose of receiving a facility tour and Automation Alley Update from Ken Rogers, Executive Director, on Monday, February 9, 2015 at 6:00 PM at Automation Alley, 2675 Bellingham, Troy, MI 48083.

J-11 Request for Acceptance of a Warranty Deed and Four Permanent Easements for Chatwal Estates Site Condominium – Sidwell #88-20-15-476-037, 038, 021

Resolution #2014-11-152-J-11

RESOLVED, That City Council hereby **ACCEPTS** a warranty deed for right of way, and four permanent easements for public utilities, landscaping and non-access greenbelt, emergency ingress/egress, storm sewer and surface drainage from Mondrian Properties Chatwal, LLC, owner of the properties having Sidwell #88-20-15-476-037, 038 & 021.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the warranty deed and permanent easements with the Oakland County Register of Deeds; copies of which shall be **ATTACHED** to the original Minutes of this meeting.

J-12 Request for Acceptance of a Warranty Deed and Four Permanent Easements for Alpine Meadows Site Condominium – Sidwell #88-20-20-402-016, 017, 018, 030, 032

Resolution #2014-11-152-J-12

RESOLVED, That City Council hereby **ACCEPTS** a warranty deed for right of way, and four permanent easements storm sewers, sanitary sewers, public utilities, and water mains from GFA Alpine Meadows, LLC, owner of the properties having Sidwell #88-20-20-402-016, 017, 018, 030 & 032.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the warranty deed and permanent easements with the Oakland County Register of Deeds; copies of which shall be **ATTACHED** to the original Minutes of this meeting.

J-13 Request for Acceptance of a Warranty Deed and Four Permanent Easements for Hunters Park Site Condominium – Sidwell #88-20-12-301-003

Resolution #2014-11-152-J-13

RESOLVED, That City Council hereby **ACCEPTS** two warranty deeds for a public road and detention purposes, and four permanent easements for public utilities, storm sewers, water mains, and sanitary sewers from Mondrian Properties Hunters Park, LLC, owner of the property having Sidwell #88-20-12-301-003.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the warranty deeds and permanent easements with the Oakland County Register of Deeds; copies of which shall be **ATTACHED** to the original Minutes of this meeting.

J-14 Interlocal Agreement for the Special Investigations Unit (SIU)

Resolution #2014-11-152-J-14

WHEREAS, The Troy Police Department Special Investigations Unit (SIU) is a cooperative initiative comprised of officers from Troy, Bloomfield Township, and Auburn Hills; and

WHEREAS, The Birmingham Police Department has expressed an interest in dedicating a police officer to SIU; and

WHEREAS, An Amended Interlocal Agreement will outline the purpose, responsibilities, and liability of each of the participating agencies.

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** the attached Amended Interlocal Agreement and Binder for Participation in the Troy Police Department Special Investigations Unit.

BE IT FURTHER RESOLVED, That Troy City Council hereby **AUTHORIZES** the Chief of Police to sign the Amended Interlocal Agreement and Binder on behalf of the City of Troy; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

J-15 2014-15 Budget Amendment No. 3 – Customer Friendly City Hall Initiative – City Manager’s Office

Resolution #2014-11-152-J-15

RESOLVED, The Troy City Council hereby **APPROVES** the 2014-15 Budget Amendment No. 3 “Customer Friendly City Hall Initiative (City Manager’ Office)” as submitted, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:

K-1 Announcement of Public Hearings: None Submitted

K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted**L. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:****M. COUNCIL REFERRALS:**

Items Advanced to the City Manager by Individual City Council Members for Placement on the Agenda

M-1 No Council Referrals Advanced**N. COUNCIL COMMENTS:**

N-1 No Council Comments Advanced

Council Member Henderson spoke about the Movember Foundation, an organization committed to raising awareness and changing the face of men's health. Men can grow their "mo" during the month of November to show support and raise funds and awareness for men's health programs. You may go to <http://us.movember.com/donate> and enter "Troy Michigan Police Department Team" to donate.

Mayor Pro Tem Campbell announced the Veterans Day Ceremony scheduled for Tuesday, November 11, 2014, in front of City Hall, 500 W. Big Beaver Rd., Troy, MI 48084. This event honors all who have served this country.

Mayor Slater congratulated Council Member Fleming on being elected to the Oakland County Board of Commissioners.

O. REPORTS:

O-1 Minutes – Boards and Committees:

- a) Traffic Committee Minutes-Draft – September 27, 2014
- b) Planning Commission-Final – October 14, 2014
- c) Brownfield Redevelopment Authority-Draft – October 21, 2014
- d) Joint Local Development Finance Authority Troy Subcommittee–Draft – October 27, 2014
- e) Planning Commission Special/Study-Draft – October 28, 2014
Noted and Filed

O-2 Department Reports: None Submitted

- a) Troy Nature Society Financial Statements for the Year Ended June 30, 2014
- b) Financial Report for the Quarter Ended September 30, 2014
- c) 2014 Year to Date Calls for Police Service Report
- d) 2014 Third Quarter Litigation Report
- e) Building Department Activity Report – October, 2014
Noted and Filed

O-3 Letters of Appreciation:

- a) To Mark Miller from Jill Lajdziak, QEK, Regarding Wonderful Customer Service
- b) To Brent Savidant from Jill Lajdziak, QEK, Regarding Wonderful Customer Service
- c) To Cathy Russ from Julie Stebbins Regarding Library Staff Participation at a Troy School District Event
- d) To Antonio Cicchetti from Cindy
- e) To Tim Richnak from Chris and Chelsey Farrar Regarding Outstanding Assistance from DPW Employees
Noted and Filed

O-4 Proposed Proclamations/Resolutions from Other Organizations: None Submitted

O-5 Procedure for Filling Vacancy in Office
Noted and Filed

P. COMMENTS ON ITEMS ON OR NOT ON THE AGENDA FROM MEMBERS OF THE PUBLIC OUTSIDE OF TROY (NOT RESIDENTS OF TROY AND NOT FROM TROY BUSINESSES):

Q. STUDY ITEMS:

Q-1 No Study Items

R. CLOSED SESSION:

R-1 No Closed Session

S. ADJOURNMENT:

The Meeting **ADJOURNED** at 8:53 PM.

Mayor Dane Slater

M. Aileen Bittner, CMC
City Clerk



CITY COUNCIL AGENDA ITEM

November 19, 2014

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager
Timothy L. Richnak, Public Works Director

Subject: Standard Purchasing Resolution 4: Award – Oakland County Cooperative Purchasing Agreement – Neptune Water Meters & Parts

History

- The City uses Neptune water meters, reading equipment and parts throughout the City of Troy water system.
- It has been determined that the Neptune water meters outperform the competition in measuring flow rates, and by standardizing to one brand the City has been able to simplify employee training on parts and repairs, and reduce inventories for meters and replacement parts.
- Troy City Council approved a two (2) year contract to purchase Neptune water meter and replacement parts from Rio Supply/Michigan Meter Technology Group Inc., of Madison Heights, MI through the Oakland County Cooperative Purchasing Program. (Resolution 2013-01-010-J-4a).
- The Oakland County Cooperative Contract expired September 30, 2014.

Purchasing

- Michigan Meter Technology Group Inc. is the low total awarded bidder for the Oakland County Cooperative Contract for Neptune water meters, equipment and replacement parts.
- The Oakland County Cooperative Contract #004276, is a three (3) year contract expiring October 31, 2017.

Financial

Funds are currently available in the following Water Division Operating Accounts to purchase water meters and replacement parts on as needed basis.

<u>Account Number</u>	<u>Account Name</u>	<u>Funds currently available</u>
591.537.545.7740.010	Water Meters & Tap-Ins	\$100,000.00
591.537.543.7740.010	Maintenance of Meters	\$200,000.00

Recommendation

City Management recommends entering into a contract to purchase new Neptune water meters, equipment and replacement parts on an as needed basis with *Michigan Meter Technology Group Inc, of Madison Heights, MI* at unit prices listed in Attachment A as per the Oakland County Cooperative Purchasing Program Contract #004276.

Bid Award 14-15:\ Award Standard Purchasing Resolution 4 Neptune Water Meters Parts_Memo

Attachment "C"
Oakland County Purchasing
Solicitation Specifications
Solicitation Event ID: 003084
Neptune Water Meters and Installation
Due Date: 10/07/2014 by 3:00 PM

Line	Description ⁽¹⁾	Year 1	Year 2	Year 3
1	Neptune R900 Wall Meter Interface Unit (Bulk) Quantity 1-999	\$ 85.38	\$ 87.94	\$ 90.58
2	Neptune R900 Wall Meter Interface Unit (Bulk), Qty: 1000-4999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 82.89	\$ 85.38	\$ 87.94
3	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 5000 - 9999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 79.70	\$ 82.10	\$ 84.56
4	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 10,000-19,999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 76.64	\$ 78.94	\$ 81.31
5	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 20,000-29,999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 73.69	\$ 75.90	\$ 78.18
6	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 30,000-39,000. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 70.86	\$ 72.98	\$ 75.17
7	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 40,000 +. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 68.13	\$ 70.18	\$ 72.28
8	Neptune R900 Installation Only - Sequential Order	\$ 13.86	\$ 14.28	\$ 14.70
9	Neptune R900 Installation Only - Non Sequential Order	\$ 18.48	\$ 19.03	\$ 19.61
10	Neptune R900 Installation with New Wire. NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 46.20	\$ 47.59	\$ 49.01
11	Neptune R900 Installation and Register Change Out. NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 51.98	\$ 53.53	\$ 55.14
12	Complete Meter Change Out (includes mounting hardware, seals and gaskets). NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 54.29	\$ 55.91	\$ 57.59
13	Neptune R900 Pit Meter Interface Unit w/6' of wire	\$ 86.93	\$ 89.54	\$ 92.23
14	Cable (from meter to meter Interface Unit) per 1'	\$ 0.12	\$ 0.12	\$ 0.13
15	Advantage II, Probe/ARBv - Complete	\$ 1,810.00	\$ 1,864.30	\$ 1,920.23
16	Advantage II, Probe/ARBv - Complete Annual Maintenance Fee	\$ 168.00	\$ 173.04	\$ 178.23
17	Custom Report Generator	\$ 1,093.75	\$ 1,126.56	\$ 1,160.36
18	Additional seats for Client / Server Applications	\$ 262.50	\$ 270.38	\$ 278.49
19	Factory On-Site Training and Implementation (two days)	\$ 3,990.00	\$ 4,109.70	\$ 4,232.99
20	Ethernet Cradle and Power Adapter	\$ 493.50	\$ 508.31	\$ 523.55

Attachment "C"
Oakland County Purchasing
Solicitation Specifications
Solicitation Event ID: 003084
Neptune Water Meters and Installation
Due Date: 10/07/2014 by 3:00 PM

Line	Description ⁽¹⁾	Year 1	Year 2	Year 3
21	if the client/server application is implemented. Local training provided by the	\$ 262.50	\$ 270.38	\$ 278.49
22	Neptune Water Parts List - Effective October 1, 2014 - see edit comments *	Provided	Provided	Provided
23	Box Neptune Receptacle ARB# 10228-000	\$ 6.30	\$ 6.49	\$ 6.68
24	Register T-10 Pro Read 3BD CF, Size 5/8", 3/4", 1", 1 1/2", 2"	\$ 50.37	\$ 51.88	\$ 53.43
25	Register T-10 Pro Read PIT 3BD CF, Size 5/8", 3/4", 1", 1 1/2", 2"	\$ 62.36	\$ 64.23	\$ 66.16
26	WRC 5/8" Meter Buy Back (per meter)	\$ 2.50	\$ 2.58	\$ 2.65
27	WRC 1" Meter Buy Back (per meter)	\$ 4.00	\$ 4.12	\$ 4.24
28	WRC 1 1/2" Meter Buy Back (per meter)	\$ 12.00	\$ 12.36	\$ 12.73
29	WRC 2" Meter Buy Back (per meter)	\$ 16.00	\$ 16.48	\$ 16.97
30	5/8" by 3/4" Disc Meter ED2B12R6F7 Auto/Detect	\$ 82.83	\$ 85.31	\$ 87.87
31	5/8" by 3/4" Disc Meter ED2B12R6F7 Ecoder	\$ 94.82	\$ 97.66	\$ 100.59
32	5/8" by 3/4" Disc Meter ED2B12R6F7 Ecoder I D/L	\$ 164.37	\$ 169.30	\$ 174.38
33	3/4" by 1" Disc Meter ED2E12R6F7 Auto/Detect	\$ 107.46	\$ 110.68	\$ 114.00
34	3/4" by 1" Disc Meter ED2E12R6F7 Ecoder	\$ 119.45	\$ 123.03	\$ 126.73
35	3/4" by 1" Disc Meter ED2E12R6F7 Ecoder I D/L	\$ 189.00	\$ 194.67	\$ 200.51
36	3/4" by 3/4" Disc Meter ED2C12R6F7 Auto/Detect	\$ 107.46	\$ 110.68	\$ 114.00
37	3/4" by 3/4" Disc Meter ED2C12R6F7 Ecoder	\$ 119.45	\$ 123.03	\$ 126.73
38	3/4" by 3/4" Disc Meter ED2C12R6F7 Ecoder I D/L	\$ 189.00	\$ 194.67	\$ 200.51
39	1" Disc Meter ED2F12R6F7 Auto/Detect	\$ 153.82	\$ 158.43	\$ 163.19
40	1" Disc Meter ED2F12R6F7 Ecoder	\$ 165.81	\$ 170.79	\$ 175.91
41	1" Disc Meter ED2F12R6F7 Ecoder I D/L	\$ 235.36	\$ 237.72	\$ 240.09
42	1-1/2" Disc Meter Oval Flange ED2H11R6F7 Auto/Detect	\$ 334.18	\$ 344.20	\$ 354.53
43	1-1/2" Disc Meter Oval Flange ED2H11R6F7 Ecoder	\$ 346.17	\$ 356.55	\$ 367.25
44	1-1/2" Disc Meter Oval Flange ED2H11R6F7 Ecoder I D/L	\$ 415.72	\$ 419.88	\$ 424.08
45	2" Disc Meter Oval Flange ED2J11R6F7 Auto/Detect	\$ 447.40	\$ 460.83	\$ 474.65
46	2" Disc Meter Oval Flange ED2J11R6F7 Ecoder	\$ 459.40	\$ 473.18	\$ 487.37
47	2" Disc Meter Oval Flange ED2J11R6F7 Ecoder I D/L	\$ 528.95	\$ 534.24	\$ 539.58
48	2" Truflo Compound EC2AR6F7 Auto/Detect	\$ 1,399.50	\$ 1,441.48	\$ 1,484.73
49	2" Truflo Compound EC2AR6F7 Ecoder	\$ 1,399.50	\$ 1,441.48	\$ 1,484.73
50	2" Truflo Compound EC2AR6F7 Ecoder I D/L	\$ 1,579.97	\$ 1,595.77	\$ 1,611.73
51	3" Truflo Compound EC3BR6F7 Auto/Detect	\$ 1,873.22	\$ 1,929.42	\$ 1,987.30
52	3" Truflo Compound EC3BR6F7 Ecoder	\$ 1,873.22	\$ 1,929.42	\$ 1,987.30
53	3" Truflo Compound EC3BR6F7 Ecoder I D/L	\$ 2,053.70	\$ 2,074.24	\$ 2,094.98
54	4" Truflo Compound EC3CR6F7 Auto/Detect	\$ 2,533.37	\$ 2,609.37	\$ 2,687.66
55	4" Truflo Compound EC3CR6F7 Ecoder	\$ 2,533.37	\$ 2,609.37	\$ 2,687.66
56	4" Truflo Compound EC3CR6F7 Ecoder I D/L	\$ 2,713.85	\$ 2,740.99	\$ 2,768.40
57	6" Truflo Compound EC3DR6F7 Auto/Detect	\$ 3,843.39	\$ 3,958.69	\$ 4,077.45
58	6" Truflo Compound EC3DR6F7 Ecoder	\$ 3,843.39	\$ 3,958.69	\$ 4,077.45

* Most Current Neptune Parts List will be in effect. Current Version is U676-16

Attachment "C"
Oakland County Purchasing
Solicitation Specifications
Solicitation Event ID: 003084
Neptune Water Meters and Installation
Due Date: 10/07/2014 by 3:00 PM

Line	Description ⁽¹⁾	Year 1	Year 2	Year 3
59	6" Truflo Compound EC3DR6F7 Ecoder I D/L	\$ 4,023.86	\$ 4,064.10	\$ 4,104.74
60	4" F/S Turbine ET5C1R6F7 Auto/Detect	\$ 3,697.47	\$ 3,808.40	\$ 3,922.65
61	4" F/S Turbine ET5C1R6F7 Ecoder	\$ 3,717.47	\$ 3,829.00	\$ 3,943.87
62	4" F/S Turbine ET5C1R6F7 Ecoder I D/L	\$ 3,807.71	\$ 3,845.79	\$ 3,884.25
63	6" F/S Turbine ET5D1R6F7 Auto/Detect	\$ 5,856.00	\$ 6,031.68	\$ 6,212.63
64	6" F/S Turbine ET5D1R6F7 Ecoder	\$ 5,876.00	\$ 6,052.28	\$ 6,233.85
65	6" F/S Turbine ET5D1R6F7 Ecoder I D/L	\$ 4,023.86	\$ 4,064.10	\$ 4,104.74
66	2" HPTurbine ET4AR6F7 Auto/Detect	\$ 575.61	\$ 592.88	\$ 610.66
67	2" HPTurbine ET4AR6F7 Ecoder	\$ 575.61	\$ 592.88	\$ 610.66
68	2" HPTurbine ET4AR6F7 Ecoder I D/L	\$ 665.85	\$ 672.51	\$ 679.23
69	3" HPTurbine ET4BR6F7 Auto/Detect	\$ 783.97	\$ 807.49	\$ 831.71
70	3" HPTurbine ET4BR6F7 Ecoder	\$ 783.97	\$ 807.49	\$ 831.71
71	3" HPTurbine ET4BR6F7 Ecoder I D/L	\$ 874.21	\$ 882.95	\$ 891.78
72	4" HPTurbine ET4CR6F7 Auto/Detect	\$ 1,170.62	\$ 1,205.74	\$ 1,241.91
73	4" HPTurbine ET4CR6F7 Ecoder	\$ 1,170.62	\$ 1,205.74	\$ 1,241.91
74	4" HPTurbine ET4CR6F7 Ecoder I D/L	\$ 1,260.86	\$ 1,273.47	\$ 1,286.20
75	6" HPTurbine ET4DR6F7 Auto/Detect	\$ 2,141.77	\$ 2,206.02	\$ 2,272.20
76	6" HPTurbine ET4DR6F7 Ecoder	\$ 2,141.77	\$ 2,206.02	\$ 2,272.20
77	6" HPTurbine ET4DR6F7 Ecoder I D/L	\$ 2,232.01	\$ 2,254.33	\$ 2,276.87
78	8" HPTurbine ET4ER6F7 Auto/Detect	\$ 2,826.30	\$ 2,911.09	\$ 2,998.42
79	8" HPTurbine ET4ER6F7 Ecoder	\$ 2,826.30	\$ 2,911.09	\$ 2,998.42
80	8" HPTurbine ET4ER6F7 Ecoder I D/L	\$ 2,916.54	\$ 2,945.70	\$ 2,975.16
81	3" Strainer Kit	\$ 10.00	\$ 10.30	\$ 10.61
82	4" Strainer Kit	\$ 15.00	\$ 15.45	\$ 15.91
83	6" Strainer Kit	\$ 20.00	\$ 20.60	\$ 21.22
84	8" Strainer Kit	\$ 25.00	\$ 25.75	\$ 26.52
85	3" Bronze Flange Kit	\$ 450.00	\$ 463.50	\$ 477.41
86	4" Bronze Flange Kit	\$ 625.00	\$ 643.75	\$ 663.06
87	6" Bronze Flange Kit	\$ 1,000.00	\$ 1,030.00	\$ 1,060.90
88	3" Gasket Only	\$ 3.00	\$ 3.09	\$ 3.18
89	4" Gasket Only	\$ 4.00	\$ 4.12	\$ 4.24
90	6" Gasket Only	\$ 6.00	\$ 6.18	\$ 6.37
91	8" Gasket Only	\$ 8.00	\$ 8.24	\$ 8.49
92	8" Tee Handle Curb Key	\$ 58.00	\$ 59.74	\$ 61.53
93	36" Super Hayes Fork Wrench	\$ 47.00	\$ 48.41	\$ 49.86
94	7/8" X 5' Auger	\$ 68.00	\$ 70.04	\$ 72.14
95	3' Super Pentagon Wrench	\$ 44.00	\$ 45.32	\$ 46.68
96	36" Manhole Hooks	\$ 29.00	\$ 29.87	\$ 30.77
97	R-900 v-3 Gateway J.R Mobile Data Collector Complete	\$ 12,000.00	\$ 12,360.00	\$ 12,730.80

Attachment "C"
Oakland County Purchasing
Solicitation Specifications
Solicitation Event ID: 003084
Neptune Water Meters and Installation
Due Date: 10/07/2014 by 3:00 PM

Line	Description ⁽¹⁾	Year 1	Year 2	Year 3
98	Mobile Data Collector Complete Annual Maintenance Fee	\$ 951.00	\$ 979.53	\$ 1,008.92
99	4" HP Protectus F/S Stainless Steel EP7C1R6F7 Auto/Detect	\$ 5,456.37	\$ 5,620.06	\$ 5,788.67
100	4" HP Protectus F/S Stainless Steel EP7C1R6F7 Ecoder	\$ 5,456.37	\$ 5,620.06	\$ 5,788.67
101	4" HP Protectus F/S Stainless Steel EP7C1R6F7 Ecoder I D/L	\$ 5,636.85	\$ 5,693.22	\$ 5,750.15
102	6" HP Protectus F/S Stainless Steel EP7D1R6F7 Auto/Detect	\$ 7,392.11	\$ 7,613.87	\$ 7,842.29
103	6" HP Protectus F/S Stainless Steel EP7D1R6F7 Ecoder	\$ 7,392.11	\$ 7,613.87	\$ 7,842.29
104	6" HP Protectus F/S Stainless Steel EP7D1R6F7 Ecoder I D/L	\$ 7,572.59	\$ 7,648.31	\$ 7,724.80
105	8" HP Protectus F/S Stainless Steel EP7E1R6F7 Auto/Detect	\$ 9,478.75	\$ 9,763.11	\$ 10,056.01
106	8" HP Protectus F/S Stainless Steel EP7E1R6F7 Ecoder	\$ 9,478.75	\$ 9,763.11	\$ 10,056.01
107	8" HP Protectus F/S Stainless Steel EP7E1R6F7 Ecoder I D/L	\$ 9,659.23	\$ 9,755.82	\$ 9,853.38
108	3" Bronze Flange Kit - NSF61 No Lead Bronze	\$ 450.00	\$ 463.50	\$ 477.41
109	4" Bronze Flange Kit - NSF61 No Lead Bronze	\$ 625.00	\$ 643.75	\$ 663.06
110	6" Bronze Flange Kit - NSF61 No Lead Bronze	\$ 1,000.00	\$ 1,030.00	\$ 1,060.90
111	3/4" Brass Corp Plug (CSP-3-A) - NSF61 No Lead Bronze	\$ 7.21	\$ 7.43	\$ 7.65
112	1" Brass Corp Plug (CSP-4-A) - NSF61 No Lead Bronze	\$ 10.50	\$ 10.82	\$ 11.14
113	1" Comp Curb Stop (B44-444) - NSF61 No Lead Bronze	\$ 93.35	\$ 96.15	\$ 99.04
114	1" Comp Coupling (C44-444) - NSF61 No Lead Bronze	\$ 19.58	\$ 20.17	\$ 20.77
115	1" X 3/4" AWWA Bushing (BBAA-43) - NSF61 No Lead Bronze	\$ 11.81	\$ 12.16	\$ 12.53
116	2" X 1.5" AWWA Bushing (BBAA-76) - NSF61 No Lead Bronze	\$ 38.92	\$ 40.09	\$ 41.29
117	2" X 1" AWWA Bushing (BBAA-74) - NSF61 No Lead Bronze	\$ 52.19	\$ 53.76	\$ 55.37
118	R-900 Gateway Data Collector V3 GPRS (RF antenna and power option ordered separately) 13130-000	\$ 6,295.72	\$ 6,484.59	\$ 6,679.13
119	R-900 Data Collector Gateway V3 - Ethernet (RF antenna and power option ordered separately) 13130-100	\$ 6,295.72	\$ 6,484.59	\$ 6,679.13
120	R-900 Gateway - 130W Solar Collector System Assembly - small pole version (2"- 4" poles) Zones A, B, C 13139-001	\$ 2,997.96	\$ 3,087.90	\$ 3,180.54
121	R-900 Gateway - 130W Solar Collector System Assembly - large pole version (5" - 16") Zones A, B, C 13139-002	\$ 2,997.96	\$ 3,087.90	\$ 3,180.54
122	R-900 Gateway - 220W Solar Collector System Assembly - small pole version (2"- 4") Zone D,E 13068-100	\$ 3,897.35	\$ 4,014.27	\$ 4,134.70
123	R-900 Gateway - 220W Solar Collector System Assembly - large pole version (5"- 16") Zone D, E 13068-000	\$ 3,897.35	\$ 4,014.27	\$ 4,134.70
124	13070-000	\$ 1,798.78	\$ 1,852.74	\$ 1,908.32
125	R-900 Gateway UPS - outdoor system assembly wall version 13070-100	\$ 1,798.78	\$ 1,852.74	\$ 1,908.32
126	R-900 Gateway RF antenna 13146-100	\$ 371.00	\$ 382.13	\$ 393.59
127	R-900 Gateway stand, ballast roof mount 13068-001	\$ 719.51	\$ 741.10	\$ 763.33
128	R-900 Gateway rubber pad, roof mount stand 12955-001	\$ 239.84	\$ 247.03	\$ 254.44
129	R-900 Gateway pole antenna mounting bracket 13085-001	\$ 71.95	\$ 74.11	\$ 76.33
130	R-900 Gateway antenna 25" standoff bracket 13088-001	\$ 239.84	\$ 247.03	\$ 254.44

Attachment "C"
Oakland County Purchasing
Solicitation Specifications
Solicitation Event ID: 003084
Neptune Water Meters and Installation
Due Date: 10/07/2014 by 3:00 PM

Line	Description ⁽¹⁾	Year 1	Year 2	Year 3
131	R-900 Gateway wall antenna mounting bracket 13134-000	\$ 71.95	\$ 74.11	\$ 76.33
132	ARB N Sight host software kit 13011-000	\$ 2,398.37	\$ 2,470.32	\$ 2,544.43
133	001	\$ 300.00	\$ 309.00	\$ 318.27
134	ARB N Sight system implementation	\$ 6,290.00	\$ 6,478.70	\$ 6,673.06
135	ARB N Sight host software - annual maintenance	\$ 599.59	\$ 617.58	\$ 636.11
136	ARB N Sight host software - 3 years of maintenance	\$ 1,798.78	\$ 1,852.74	\$ 1,908.32
137	R-900 Gateway data collector - annual maintenance	\$ 951.00	\$ 979.53	\$ 1,008.92
138	Trimble Nomad 900B (bluetooth only) - first year of maintenance included	\$ 2,303.00	\$ 2,372.09	\$ 2,443.25
139	Trimble Nomad Maintenance - annually	\$ 300.00	\$ 309.00	\$ 318.27
140	Trimble Nomad Maintenance - 3 years of maintenance	\$ 900.00	\$ 927.00	\$ 954.81
141	Trimble Nomad Charging and Communications Cable	\$ 395.00	\$ 406.85	\$ 419.06
142	Timble Nomad Power Cable	\$ 99.00	\$ 101.97	\$ 105.03
143	R900 Bluetooth Beltclip Receiver	\$ 2,040.00	\$ 2,101.20	\$ 2,164.24
144	1-1/2" Disc Meter Screw End ED2H21R6F8 Auto/Detect	\$ 334.18	\$ 344.20	\$ 354.53
145	1-1/2" Disc Meter Screw End ED2H21REF2 Ecoder	\$ 346.17	\$ 356.55	\$ 367.25
146	1-1/2" Disc Meter Screw End ED2H21RDF2 Ecoder I D/L	\$ 415.72	\$ 419.88	\$ 424.08
147	2" Disc Meter Screw End ED2J21R6F8 Auto/Detect	\$ 447.40	\$ 460.83	\$ 474.65
148	2" Disc Meter Screw End ED2J21REF2 Ecoder	\$ 459.40	\$ 473.18	\$ 487.37
149	2" Disc Meter Screw End ED2J21RDF1 Ecoder I D/L	\$ 528.95	\$ 534.24	\$ 539.58
150	1-1/2" Str. Meter Coupling x MIP C38-66-2.875 NL Lead Free	\$ 39.94	\$ 41.14	\$ 42.37
151	2" Meter Coupling x 2" MIPT C38-77-NL Lead Free	\$ 54.23	\$ 55.86	\$ 57.53
152	1-1/2" Rubber Gasket GT-131	\$ 1.50	\$ 1.55	\$ 1.59
153	2" Rubber Gasket GT-135	\$ 2.30	\$ 2.37	\$ 2.44

⁽¹⁾ For all items included in this contract, price increases for years 4 and 5 (if the contract is extended) shall not exceed 5%.



CITY COUNCIL AGENDA ITEM

Date: November 14, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Acceptance of Four Permanent Easements from Detroit Meeting Rooms, Inc., Sidwell #88-20-06-352-030 to 032

History

As part of the development of a property located in the southwest ¼ of Section 06, on Square Lake Road east of Adams and the I-75 overpass, the Engineering department has received two permanent easements for sanitary sewer and two permanent easements for water mains from Detroit Meeting Rooms, Inc., owner of the property having Sidwell #88-20-06-352-030 to 032.

The format and content of these easements is consistent with easements previously accepted by City Council.

Financial

The consideration amount on each document is \$1.00

Recommendation

City Management recommends that City Council accept the attached permanent easements consistent with our policy of accepting easements for development and improvement purposes.



#20-06-352-030 to 032 / DETROIT MEETING ROOMS



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

PERMANENT EASEMENT

Sidwell #86-20-06-352-030 to C32

DETROIT MEETING ROOMS, INC., a Michigan corporation, Grantor(s), whose address is 2144 Grenadier, Troy, MI 48098, for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace sanitary sewers, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART OF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed one signature(s) this 24th day of July A.D. 2014.

DETROIT MEETING ROOMS, INC.,
a Michigan corporation

By [Signature] (L.S.)
* John Reid
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24th day of July, 2014, by John Reid, President of DETROIT MEETING ROOMS, INC., a Michigan corporation on behalf of said corporation.



MANDY BROWN
Notary Public, State of Michigan
County of Oakland
My Commission Expires June 24, 2016
Acting in the County of Oakland

Mandy Brown
*
Notary Public, Oakland County, Michigan
My Commission Expires June 24, 2016
Acting in _____ County, _____

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT A

SANITARY SEWER EASEMENT - DESCRIPTIONS

PROPERTY DESCRIPTION

LAND SITUATED IN THE CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, DESCRIBED AS: BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET; AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET FROM SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET; THENCE ON A CURVE TO THE LEFT, HAVING A RADIUS OF 736.62 FEET, CENTRAL ANGLE OF 38 DEGREES 42 MINUTES 18 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 74 DEGREES 15 MINUTES 38 SECONDS WEST, 488.20 FEET; THENCE NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 61.35 FEET; THENCE NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 61.35 FEET; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 410.41 FEET; THENCE SOUTH 01 DEGREES 52 MINUTES 28 SECONDS EAST, 9.00 FEET; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 140.38 FEET; THENCE SOUTH 05 DEGREES 25 MINUTES 09 SECONDS WEST, 246.46 FEET TO THE POINT OF BEGINNING.

SANITARY SEWER EASEMENT DESCRIPTION

A SANITARY SEWER EASEMENT, BEING PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, MEASURING 20-FOOT WIDE AND CENTERED ON THE SANITARY SEWER MAIN AS CONSTRUCTED ACROSS PARCEL 20-06-352-032; SAID CENTERLINE BEING DESCRIBED AS BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET; AND CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET, AND ON A CURVE TO THE LEFT, HAVING A RADIUS OF 736.62 FEET, CENTRAL ANGLE OF 2 DEGREES 2 MINUTES 30 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 55 DEGREES 55 MINUTES 44 SECONDS WEST, 26.25 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 66 DEGREES 24 MINUTES 5 SECONDS EAST 93.71 FEET TO THE POINT OF ENDING.

SAID EASEMENT CONTAINS 1,858 S.F., OR 0.04 ACRES.

BASIS OF BEARING

THE NORTH AND SOUTH 1/4 SECTION LINE OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST.



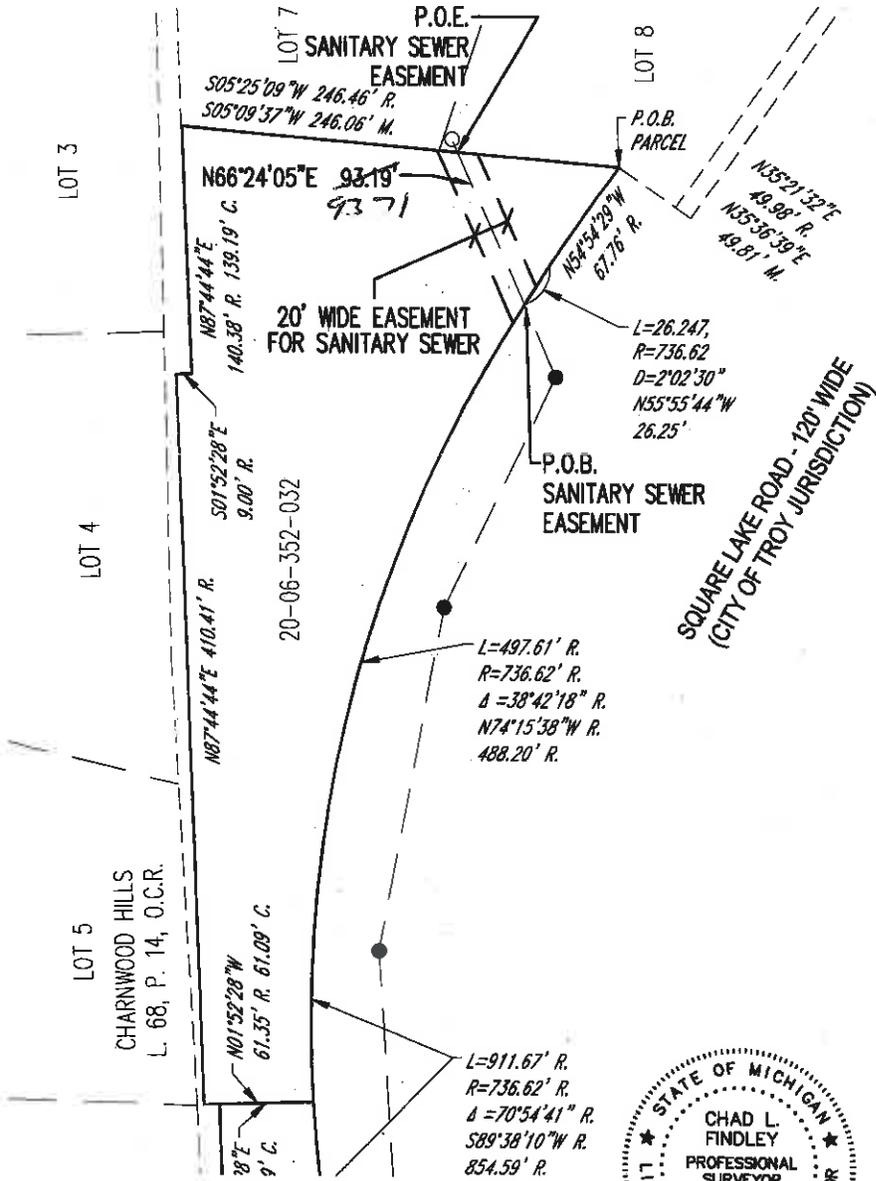
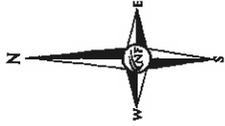
NOWAK & FRAU ENGINEERS PREPARED FOR:

46777 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8257

DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
NONE	5-27-14	JN	H560	2 of 2
	Rev 6-27-14			

EXHIBIT A SANITARY SEWER EASEMENT



Chad Findley



NOWAK & FRAUS ENGINEERS PREPARED FOR:
46777 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 632-7931
FAX. (248) 632-8257

DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
1" = 80'	5-27-14	JN	H560	1 of 2
	Rev 6-27-14			

PERMANENT EASEMENT

Sidwell #88-20-06-352-03D to 032

DETROIT MEETING ROOMS, INC., a Michigan corporation, Grantor(s), whose address is 2144 Grenadier, Troy, MI 48098, for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace sanitary sewers, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART OF

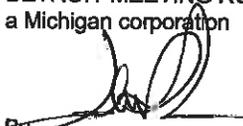
and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned herunto affixed one signature(s) this 24th day of July A.D. 2014.

DETROIT MEETING ROOMS, INC.,
a Michigan corporation


By _____ (L.S.)
* John Reid
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24th day of July, 2014, by John Reid, President of DETROIT MEETING ROOMS, INC., a Michigan corporation on behalf of said corporation.



MINDY BROWN
Notary Public, State of Michigan
County of Oakland
My Commission Expires June 24, 2016
Acting in the County of Oakland

Mindy Brown
*
Notary Public, Oakland County, Michigan
My Commission Expires June 24, 2016
Acting in _____ County, _____

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT A

SANITARY SEWER EASEMENT - DESCRIPTIONS

PROPERTY DESCRIPTION

LAND SITUATED IN THE CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

PARCEL 20-06-352-030:

PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, DESCRIBED AS: BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET AND NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET AND ON A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE 70 DEGREES 54 MINUTES 41 SECONDS, CHORD BEARING AND DISTANCE SOUTH 89 DEGREES 38 MINUTES 10 SECONDS WEST, 854.59 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE OF 06 DEGREES 04 MINUTES 29 SECONDS, CHORD BEARING AND DISTANCE OF SOUTH 51 DEGREES 08 MINUTES 36 SECONDS WEST, 78.06 FEET; THENCE SOUTH 48 DEGREES 06 MINUTES 21 SECONDS WEST, 71.90 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY I-75; THENCE NORTH 74 DEGREES 16 MINUTES 24 SECONDS WEST, 21.42 FEET ALONG SAID NORTH RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY I-75; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY ON A CURVE TO THE RIGHT WITH A RADIUS OF 22,809.32 FEET, CENTRAL ANGLE 02 DEGREES 00 MINUTES 48 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 73 DEGREES 16 MINUTES 00 SECONDS WEST, 801.46 FEET TO A POINT, SAID POINT BEING NORTH 01 DEGREES 57 MINUTES 10 SECONDS WEST, 779.60 FEET AND NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 37.97 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 6; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 560.00 FEET; THENCE SOUTH 64 DEGREES 45 MINUTES 55 SECONDS EAST, 379.06 FEET TO THE POINT OF BEGINNING.

PARCEL 20-06-352-031:

PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, DESCRIBED AS: BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET AND NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET AND ON A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE 38 DEGREES 42 MINUTES 18 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 74 DEGREES 15 MINUTES 38 SECONDS WEST, 488.20 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE OF 32 DEGREES 12 MINUTES 23 SECONDS, CHORD BEARING AND DISTANCE OF SOUTH 70 DEGREE 17 MINUTES 02 SECONDS WEST, 408.63 FEET; THENCE NORTH 64 DEGREES 45 MINUTES 55 SECONDS WEST, 379.06 FEET; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 726.41 FEET; THENCE SOUTH 01 DEGREES 52 MINUTES 28 SECONDS EAST, 52.35 FEET TO THE POINT OF BEGINNING.



NOWAK & FRANK ENGINEERS PREPARED FOR:
 46777 WOODWARD AVE.
 PONTIAC, MI 48342-5032
 TEL. (248) 532-7931
 FAX. (248) 532-8237

DETROIT MEETING ROOMS
 37900 MOUND ROAD
 STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
NONE	5-27-14	JN	H560	2 of 3

Rev 6-27-14

EXHIBIT A
SANITARY SEWER EASEMENT - DESCRIPTIONS

SANITARY SEWER EASEMENT DESCRIPTION

A SANITARY SEWER EASEMENT, BEING PART OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, MEASURING 20-FEET WIDE AND CENTERED ON THE SANITARY SEWER MAIN AS CONSTRUCTED ACROSS PARCEL 20-06-352-031 AND 20-06-352-030; SAID CENTERLINE OF EASEMENT BEING MORE PARTICULARLY DESCRIBED AS COMMENCING AT THE SOUTH $\frac{1}{4}$ CORNER OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST, THENCE NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST 45.11 FEET ALONG THE NORTH-SOUTH $\frac{1}{4}$ LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET AND NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET AND ON A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE 38 DEGREES 42 MINUTES 18 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 74 DEGREES 15 MINUTES 38 SECONDS WEST, 488.20 FEET, AND CONTINUING ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE OF 27 DEGREES 36 MINUTES 48 SECONDS, CHORD BEARING AND DISTANCE OF SOUTH 72 DEGREES 34 MINUTES 49 SECONDS WEST, 351.58 FEET TO THE POINT OF BEGINNING; THENCE NORTH 41 DEGREES 34 MINUTES 37 SECONDS WEST, 30.63 FEET; THENCE SOUTH 51 DEGREES 37 MINUTES 38 SECONDS WEST 103.61 FEET TO THE POINT OF ENDING.

SAID EASEMENT CONTAINS 2,686 S.F., OR 0.06 ACRES.

BASIS OF BEARING

THE NORTH AND SOUTH $\frac{1}{4}$ SECTION LINE OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST.



NOWAK & FRAUS ENGINEERS PREPARED FOR:

46777 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8257

DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
NONE	5-27-14	JN	H560	3 of 3
	Rev 6-27-14			

PERMANENT EASEMENT

Sidwell #83-20-06-352-030 to 032

DETROIT MEETING ROOMS, INC., a Michigan corporation, Grantor(s), whose address is 2144 Grenadier, Troy, MI 48098, for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace water mains, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART OF

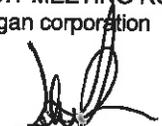
and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed one signature(s) this 24th day of July A.D. 2014.

DETROIT MEETING ROOMS, INC.,
a Michigan corporation

By  _____ (L.S.)
* John Reid
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24th day of July, 2014, by John Reid, President of DETROIT MEETING ROOMS, INC., a Michigan corporation on behalf of said corporation.



MINDY BROWN
Notary Public, State of Michigan
County of Oakland
My Commission Expires June 24, 2016
Acting in the County of Oakland

Mindy Brown
*
Notary Public, Oakland County, Michigan
My Commission Expires June 24, 2016
Acting in _____ County, _____

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT A

WATER SUPPLY EASEMENT - DESCRIPTIONS

PROPERTY DESCRIPTION

LAND SITUATED IN THE CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, DESCRIBED AS: BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET, AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET; THENCE ON A CURVE TO THE LEFT, HAVING A RADIUS OF 736.62 FEET, CENTRAL ANGLE OF 38 DEGREES 42 MINUTES 18 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 74 DEGREES 15 MINUTES 38 SECONDS WEST, 488.20 FEET; THENCE NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 61.35 FEET; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 410.41 FEET; THENCE SOUTH 01 DEGREES 52 MINUTES 28 SECONDS EAST, 9.00 FEET; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 140.38 FEET; THENCE SOUTH 05 DEGREES 25 MINUTES 09 SECONDS WEST, 246.46 FEET TO THE POINT OF BEGINNING.

WATER SUPPLY EASEMENT DESCRIPTION

A WATER SUPPLY EASEMENT BEING PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST, MEASURING 20-FOOT WIDE AND CENTERED ON THE WATER MAIN AS CONSTRUCTED ACROSS PARCEL 20-06-352-032; SAID CENTERLINE OF EASEMENT BEING MORE PARTICULARLY DESCRIBED AS BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE, AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET; AND CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED, NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET, AND ON A CURVE TO THE LEFT, HAVING A RADIUS OF 736.62 FEET, CENTRAL ANGLE OF 38 DEGREES 25 MINUTES 00 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 56 DEGREES 36 MINUTES 59 SECONDS WEST, 43.92 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE NORTH 66 DEGREES 24 MINUTES 5 SECONDS EAST 111.69 FEET TO THE POINT OF ENDING.

SAID EASEMENT CONTAINS 2,212 S.F., OR 0.05 ACRES.

BASIS OF BEARING

THE NORTH AND SOUTH 1/4 SECTION LINE OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST.

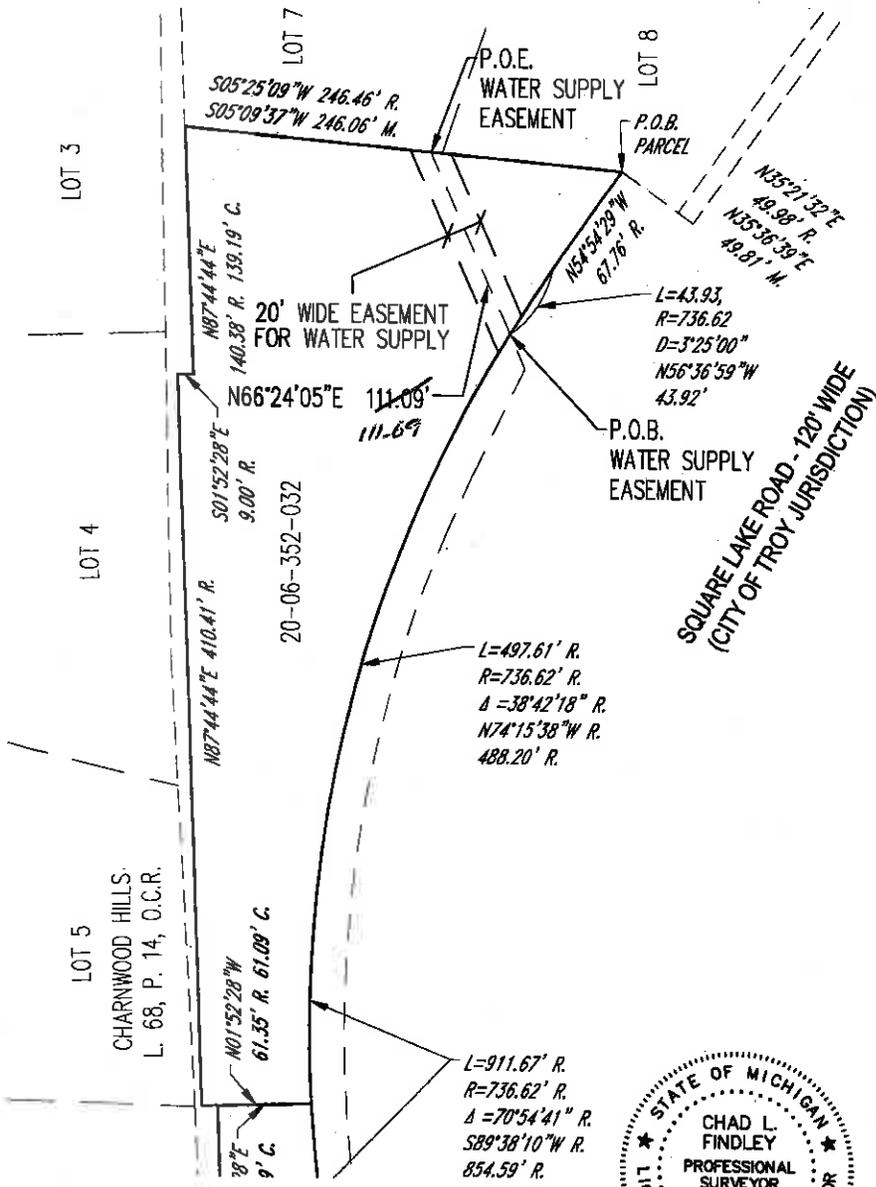
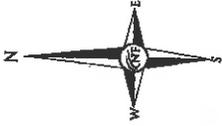


NOWAK & FRANK ENGINEERS PREPARED FOR
4677 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8257

DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
NONE	5-27-14	JN	H560	2 of 2

EXHIBIT A WATER SUPPLY EASEMENT



Chad Findley



NOWAK & FRAUS ENGINEERS PREPARED FOR:
 46777 WOODWARD AVE.
 PONTIAC, MI 48342-5032
 TEL. (248) 552-7931
 FAX. (248) 532-8237

DETROIT MEETING ROOMS
 37900 MOUND ROAD
 STERLING HEIGHTS, MI

SCALE: 1" = 80'
 DATE: 5-27-14
 DRAWN: JN
 JOB NO.: H560
 SHEET: 1 of 2

PERMANENT EASEMENT

Sidwell #88-20-06-352-030 to 032

DETROIT MEETING ROOMS, INC., a Michigan corporation, Grantor(s), whose address is 2144 Grenadier, Troy, MI 48098, for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace water mains, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART OF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed one signature(s) this 24TH day of July A.D. 2014.

DETROIT MEETING ROOMS, INC.,
a Michigan corporation

By [Signature] (L.S.)
* John Reid
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24th day of July, 2014, by John Reid, President of DETROIT MEETING ROOMS, INC., a Michigan corporation on behalf of said corporation.



MINDY BROWN
Notary Public, State of Michigan
County of Oakland
My Commission Expires July 24, 2016
Acting in the County of Oakland

Mindy Brown
*
Notary Public, Oakland County, Michigan
My Commission Expires June 24, 2016
Acting in _____ County, _____

Prepared by: Larysa Figoi
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT A

WATER SUPPLY EASEMENT - DESCRIPTIONS

PROPERTY DESCRIPTION

LAND SITUATED IN THE CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, DESCRIBED AS: BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET AND NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET AND ON A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE 70 DEGREES 54 MINUTES 41 SECONDS, CHORD BEARING AND DISTANCE SOUTH 89 DEGREES 38 MINUTES 10 SECONDS WEST, 854.59 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE OF 06 DEGREES 04 MINUTES 29 SECONDS, CHORD BEARING AND DISTANCE OF SOUTH 51 DEGREES 08 MINUTES 36 SECONDS WEST, 78.06 FEET; THENCE SOUTH 48 DEGREES 06 MINUTES 21 SECONDS WEST, 71.90 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY I-75; THENCE NORTH 74 DEGREES 16 MINUTES 24 SECONDS WEST, 21.42 FEET ALONG SAID NORTH RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY I-75; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY ON A CURVE TO THE RIGHT WITH A RADIUS OF 22,809.32 FEET, CENTRAL ANGLE 02 DEGREES 00 MINUTES 48 SECONDS, CHORD BEARING AND DISTANCE OF NORTH 73 DEGREES 16 MINUTES 00 SECONDS WEST, 801.46 FEET TO A POINT, SAID POINT BEING NORTH 01 DEGREES 57 MINUTES 10 SECONDS WEST, 779.60 FEET AND NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 37.97 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 6; THENCE NORTH 87 DEGREES 44 MINUTES 44 SECONDS EAST, 560.00 FEET; THENCE SOUTH 64 DEGREES 45 MINUTES 55 SECONDS EAST, 379.06 FEET TO THE POINT OF BEGINNING.

WATER SUPPLY EASEMENT DESCRIPTION

A WATER SUPPLY EASEMENT BEING PART OF THE SOUTHWEST 1/4 OF SECTION 6, TOWN 2 NORTH, RANGE 11 EAST, MEASURING 20-FOOT WIDE AND CENTERED ON THE WATER MAIN AS CONSTRUCTED ACROSS PART OF PARCEL 20-06-352-030; SAID CENTERLINE OF EASEMENT BEING MORE PARTICULARLY DESCRIBED AS BEGINNING AT A POINT THAT IS NORTH 01 DEGREES 52 MINUTES 28 SECONDS WEST, 45.11 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 6 AND NORTH 83 DEGREES 38 MINUTES 39 SECONDS WEST, 185.32 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SQUARE LAKE ROAD, SO-CALLED AND CONTINUING NORTH 73 DEGREES 00 MINUTES 51 SECONDS WEST, 155.59 FEET ALONG SAID RIGHT-OF-WAY LINE AND CONTINUING NORTH 58 DEGREES 15 MINUTES 20 SECONDS WEST, 171.19 FEET AND CONTINUING NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 454.81 FEET AND CONTINUING NORTH 35 DEGREES 21 MINUTES 32 SECONDS EAST, 49.98 FEET AND NORTH 54 DEGREES 54 MINUTES 29 SECONDS WEST, 67.76 FEET AND ON A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE 70 DEGREES 54 MINUTES 41 SECONDS, CHORD BEARING AND DISTANCE SOUTH 89 DEGREES 38 MINUTES 10 SECONDS WEST, 854.59 FEET AND CONTINUING ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 736.62 FEET, CENTRAL ANGLE OF 3 DEGREES 33 MINUTES 30 SECONDS, CHORD BEARING SOUTH 52 DEGREES 24 MINUTES 25 SECONDS WEST, 45.74 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 6 TO THE POINT OF BEGINNING; THENCE NORTH 73 DEGREES 50 MINUTES 59 SECONDS WEST 218.59 FEET TO POINT "A"; THENCE CONTINUING NORTH 73 DEGREES 50 MINUTES 59 SECONDS WEST 45.95 FEET TO THE POINT OF ENDING; THENCE FROM SAID POINT "A" SOUTH 16 DEGREES 9 MINUTES 1 SECOND WEST 27.00 FEET TO THE POINT OF ENDING.

SAID EASEMENT CONTAINS 5,639 S.F., OR 0.13 ACRES.

BASIS OF BEARING

THE NORTH AND SOUTH 1/4 SECTION LINE OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 11 EAST.

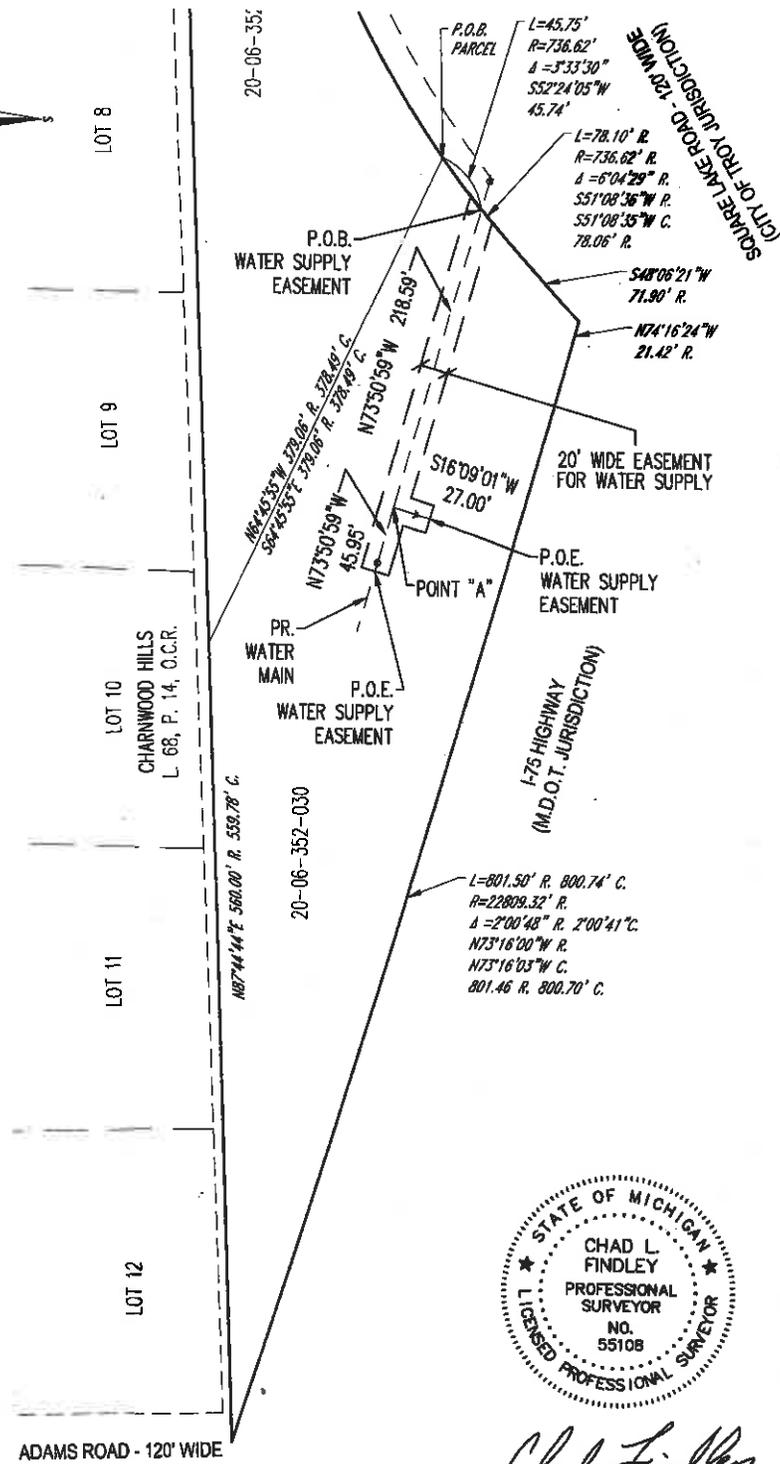
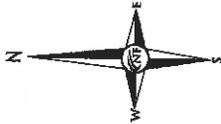


NOWAK & FRAL ENGINEERS PREPARED FOR:
4677 WOODWARD AVE
PONTIAC, MI 48342-5032
TEL. (248) 332-7931
FAX. (248) 332-8257

DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE	DATE	DRAWN	JOB NO.	SHEET
NONE	5-27-14	JN	H560	2 of 2

EXHIBIT A WATER SUPPLY EASEMENT



Chad Findley



NOWAK & FRAU ENGINEERS
4677 WOODWARD AVE.
PONTIAC, MI 48342-5032
TEL. (248) 502-7931
FAX. (248) 502-8257

PREPARED FOR:
DETROIT MEETING ROOMS
37900 MOUND ROAD
STERLING HEIGHTS, MI

SCALE: 1" = 100'
DATE: 5-27-14
DRAWN: JN
JOB NO.: H560
SHEET: 1 of 2



CITY COUNCIL AGENDA ITEM

Date: November 14, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Acceptance of a Permanent Easement from Alan Group Properties, LLC,
Sidwell #88-20-26-428-031

History

As part of the development of a property located in the southeast $\frac{1}{4}$ of Section 26, at the southeast corner of Bellingham and Bristol roads, the Engineering department has received a permanent easement for roadway, sidewalk and public utilities from Alan Group Properties, LLC, owner of the property having Sidwell #88-20-26-428-031.

The format and content of this easement is consistent with easements previously accepted by City Council.

Financial

The consideration amount on this document is \$1.00

Recommendation

City Management recommends that City Council accept the attached permanent easement consistent with our policy of accepting easements for development and improvement purposes.



Sidwell #20-26-428-031 - ALAN GROUP PROPERTIES

540 0 270 540 Feet



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

PERMANENT EASEMENT

Sidwell #88-26-26-428-031 (part of)
Resolution #

ALAN GROUP PROPERTIES, LLC, a Michigan limited liability company, whose address is 32600 Stephenson Highway, Suite B, Madison Heights, MI 48071 for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace **roadway, sidewalk and public utilities**, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The centerline of any new street shall be aligned with the centerline of the existing street. Any new roadway construction will be limited to a maximum 30 feet width back of curb to back of curb.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed (1) signature(s) this 30 day of July A.D. 2014.

ALAN GROUP PROPERTIES, LLC
a Michigan limited liability company

By  (L.S.)
Bradley Chojnacki
Its Managing Member

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 30 day of July, 2014, by Bradley Chojnacki, Managing Member of ALAN GROUP PROPERTIES, LLC, a Michigan limited liability company on behalf of said company.

RENAY ANN RYTLEWSKI
Notary Public, State of Michigan
County of Macomb
My Commission Expires Aug 28, 2017
Acting in the County of Oakland


Notary Public, Macomb County, Michigan
My Commission Expires 08/28/17
Acting in Oakland County, Michigan

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

EXHIBIT "A"

EASEMENT FOR ROADWAY SIDEWALK AND PUBLIC UTILITIES

AN EASEMENT FOR ROADWAY, SIDEWALK AND PUBLIC UTILITIES OVER AND ABOVE THE FOLLOWING DESCRIBED LAND:

LOTS 125, 126, 127, 128; LOTS 175, 176, 177 AND 178, JOHN R GARDEN SUBDIVISION, AS RECORDED IN LIBER 31 OF PLATS, PAGE 8, OAKLAND COUNTY, MICHIGAN RECORDS, EXCEPT THE NORTH 10 FEET OF LOTS 125 THROUGH 128, BOTH INCLUSIVE, DEEDED TO THE CITY OF TROY IN QUIT CLAIM DEED RECORDED IN LIBER 6630, PAGE 455, AND EXCEPT PART OF LOT 125 DESCRIBED AS BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 125; THENCE DUE EAST 30.00 FEET ALONG THE SOUTH LINE OF BRINSTON STREET (50 FEET WIDE); THENCE SOUTH 45 DEGREES 02 MINUTES 31 SECONDS WEST 42.46 FEET TO A POINT ON THE EAST LINE OF BELLINGHAM; THENCE NORTH 00 DEGREES 05 MINUTES 00 SECONDS EAST 30.00 FEET TO THE POINT OF BEGINNING, DEEDED TO THE CITY OF TROY IN LIBER 6630, PAGE 453. ALSO INCLUDING 1/2 OF VACATED KELLEY STREET ADJACENT TO LOTS 175 THROUGH 178, BOTH INCLUSIVE.

SAID EASEMENT PARTICULARLY DESCRIBED AS:

BEGINNING AT A POINT DUE EAST 30.00 FEET ALONG THE SOUTH LINE OF BRINSTON STREET (50 FEET WIDE), AND SOUTH 45 DEGREES 02 MINUTES 31 SECONDS WEST 17.73 FEET ON THE EAST LINE OF BELLINGHAM FROM THE NORTHWEST CORNER OF SAID LOT 125; THENCE FROM SAID POINT OF BEGINNING, SOUTH 00 DEGREES 05 MINUTES WEST 242.50 FEET; THENCE WEST 90 DEGREES 00 MINUTES 00 SECNDS WEST 17.50 FEET TO A POINT ALONG THE EASTERLY RIGHT OF WAY LINE OF BELLINGHAM ROAD; THENCE NORTH 00 DEGREES 05 MINUTES EAST, 225.00 FEET; THENCE NORTH 45 DEGREES 02 MINUTES 31 SECONDS EAST 24.83 FEET TO THE POINT OF BEGINNING.

EXCEPTION
(LIBER 6630,
PAGE 453, O.C.R.)

NORTHWEST
CORNER
OF LOT 125

EXCEPTION: NORTH 10 FEET
OF LOTS 125 THROUGH 128
(LIBER 6630, PAGE 455, O.C.R.)

BRINSTON AVENUE
(FORMERLY PAULINE STREET,
60 FOOT WIDE, PUBLIC R/W)

N45°02'31"E
24.83'

S90°00'00"E(M&R) 144.23'(M)

POINT OF BEGINNING:
17.5 FOOT WIDE EASEMENT
FOR: ROADWAY, SIDEWALK
AND PUBLIC UTILITIES

LOT 125

LOT 126

LOT 127

LOT 128

PROPOSED 17.5' WIDE EASEMENT
FOR ROADWAY, SIDEWALK
AND PUBLIC UTILITIES



BELLINGHAM ROAD
(FORMERLY BARRINGTON ROAD,
25 FOOT WIDE, PUBLIC R/W)

N00°05'E 225.00'

S00°05'W 242.50'

LOT 178

LOT 177

LOT 176

LOT 175

1/2 VACATED KELLEY ROAD (50' WIDE)

N90°00'00"W
17.50'

N90°00'00"W(M&R) 163.55'(R)

GREENTECH
ENGINEERS, INC.
CIVIL ENGINEERS & LAND SURVEYORS

51111 W. Pontiac Trail
Wixom, MI 48393
Phone: (248) 668-0700
Fax: (248) 668-0701

CLIENT:
THE ALAN GROUP

EASEMENT

THE ALAN GROUP OFFICE BUILDING
SECTION: 26 TOWNSHIP: 2 N. RANGE: 11 E.
CITY OF TROY
OAKLAND COUNTY
MICHIGAN

DATE: 4-10-2014
DRAWN BY: DJL
CHECKED BY: DJL

0 15 30

FBK: -- 1
CH: JLM

SCALE HOR 1"=30 FT.
VER 1"=--- FT.

13-269



CITY COUNCIL AGENDA ITEM

Date: November 13, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Acceptance of a Permanent Easement from John and Jeanette L. Abbott
Sidwell #88-20-18-127-006

History

As part of the improvement of a parcel located in the northwest $\frac{1}{4}$ of Section 18 on Beach Road adjacent to Beach Road Park, the Engineering department received an easement for storm sewer from John and Jeanette L. Abbott, owners of the property having Sidwell #88-20-18-127-006. The storm sewer will service the new Beachview Estates development to the north.

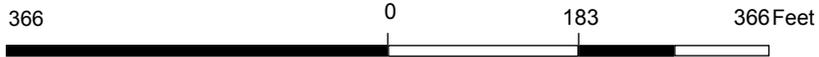
The format and content of this easement is consistent with easements previously accepted by City Council.

Financial

The consideration amount on this document is \$1.00

Recommendation

City Management recommends that City Council accept the attached easement, consistent with our policy of accepting easements for development and improvement purposes.



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

PERMANENT EASEMENT

Sidwell #88-20-18-127-006(pt of)
Resolution #

John Abbott and **JEANETTE L. ABBOTT**, husband and wife, Grantor(s), whose address is 4751 Beach Road, Troy, MI 48098, for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace **storm sewers**, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE "EXHIBIT A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed THEIR signature(s) this 24TH day of SEPTEMBER A.D. 2013.

By [Signature] (L.S.)
John Abbott

By [Signature] (L.S.)
Jeanette L. Abbott

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24TH day of SEPTEMBER, 2013, by John Abbott and **JEANETTE L. ABBOTT**, husband and wife.

CARLA M. COOPER
NOTARY PUBLIC, STATE OF MI
COUNTY OF MACOMB
MY COMMISSION EXPIRES Nov 8, 2014
ACTING IN COUNTY OF OAKLAND

[Signature]
Notary Public, _____ County, Michigan
My Commission Expires _____
Acting in _____ County, Michigan

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT "A"

LEGAL DESCRIPTION
20' WIDE STORM SEWER

LEGAL DESCRIPTION

(Per City of Troy Assessing Report)

PARCEL NO. 20-18-127-006

Town 2 North, Range 11 East, Section 18, Part of the Northwest Fractional 1/4, Beginning at a point distant S00°10'00"W, 1230.80 from the North 1/4 corner; thence S00°10'00"W, 120.63 feet; thence S87°13'00"W, 610.40 feet; thence N00°59'00"E, 153.99 feet; thence S89°40'00"E, 606.44 feet to the Point of Beginning. Containing 1.93 acres of land, more or less.

LEGAL DESCRIPTION

(Per Professional Engineering Associates)

20' WIDE STORM SEWER EASEMENT

A 20 foot wide storm sewer easement over part of Tax Parcel 20-18-127-006, being part of the Northwest 1/4 of Section 18, Town 2 North, Range 11, East, City of Troy, Oakland County, Michigan, the centerline of said easement being more particularly described as: Commencing at the North 1/4 corner of Section 18; thence along the north-south 1/4 line of said Section 18, S00°00'25"E, 1229.85 feet to the north line of said Tax Parcel, said line also being the south line of Tax Parcel 20-18-127-012; thence along said line, N89°52'48"W, 497.75 feet to the Point of Beginning; thence S10°24'10"W, 152.26 feet to the south line of said Tax Parcel 127-006 and the Point of Ending.

OK ✓

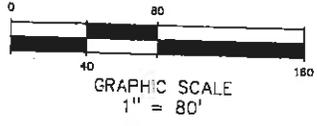
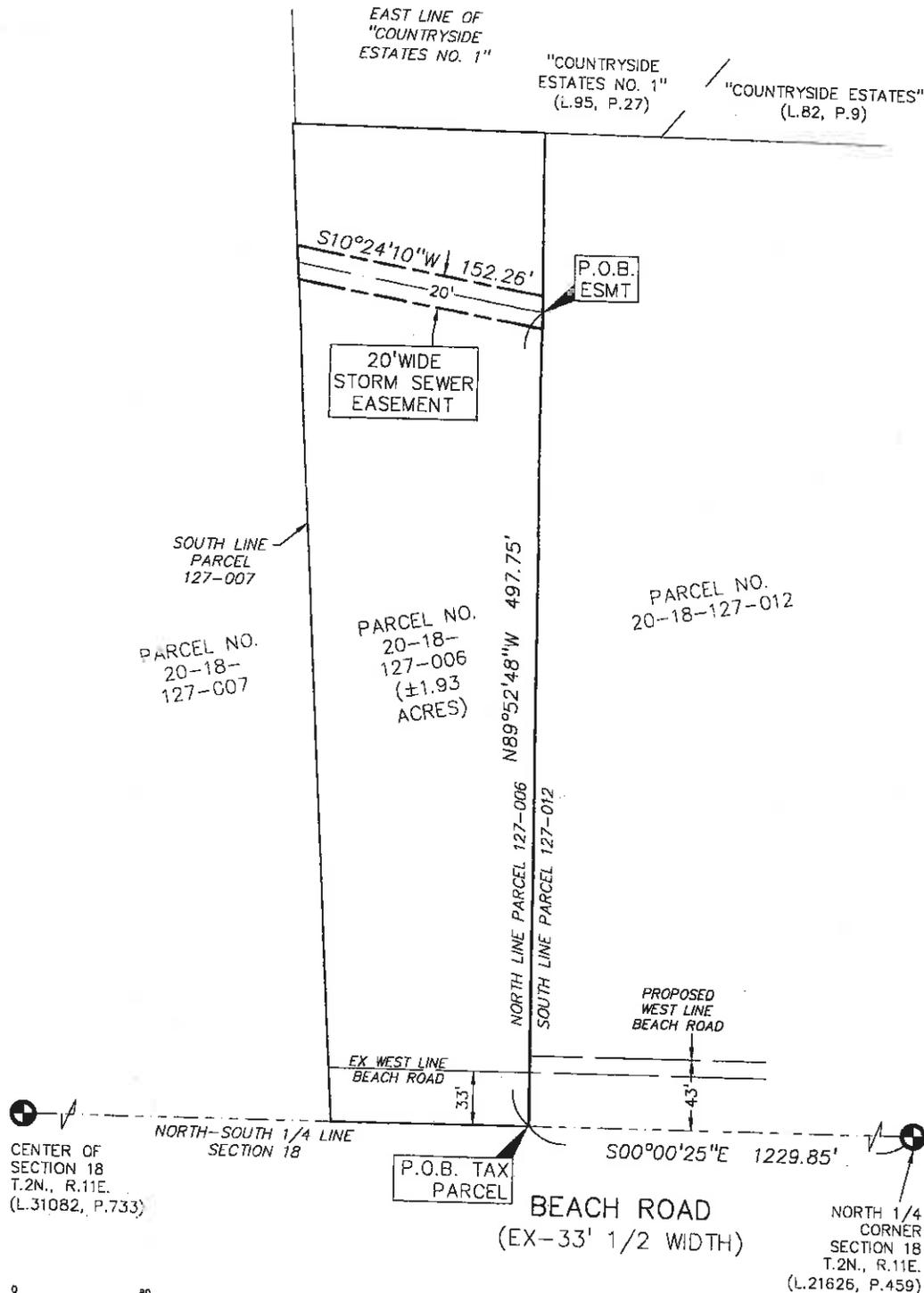
PROFESSIONAL
ENGINEERING
ASSOCIATES

CLIENT:
MONDRIAN PROPERTIES
50215 SCHOENHERR
SHELBY TOWNSHIP, MI 48315

SCALE: 1" = 80'	JOB No: 2011150
DATE: 4-19-13	DWG. No: 2 of 2

2430 Rochester Ct. Suite 100
Troy, MI 48063-1872
(249) 689-9090

SKETCH OF EASEMENT
20' WIDE STORM SEWER



PROFESSIONAL
ENGINEERING
ASSOCIATES

2430 Rochester Ct. Suite 100
Troy, MI 48063-1872
(248) 689-9090

CLIENT: MONDRIAN PROPERTIES 50215 SCHOENHERR SHELBY TOWNSHIP, MI 48315	SCALE: 1" = 80'	JOB No: 2011150
	DATE: 4-19-13	DWG. No: 1 of 1



CITY COUNCIL AGENDA ITEM

Date: November 14, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Acceptance of a Permanent Easement from Troy Hotels, Inc.
Sidwell #88-20-35-326-012

History

As part of the redevelopment of a commercial property located in the southwest $\frac{1}{4}$ of Section 35, on the west side of Stephenson Highway north of Fourteen Mile, the Engineering department has received a permanent easement for water main from Troy Hotels, Inc., owner of the property having Sidwell #88-20-35-326-012.

The format and content of this easement is consistent with easements previously accepted by City Council.

Financial

The consideration amount on this document is \$1.00

Recommendation

City Management recommends that City Council accept the attached permanent easement consistent with our policy of accepting easements for development and improvement purposes.



#88-20-35-326-012 - TROY HOTELS, INC.

690 0 345 690 Feet



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

PERMANENT EASEMENT

Sidwell #88-20-35-326-012 (part of)

TROY HOTELS, INC., a Michigan corporation, Grantor(s), whose address is 24725 Greenfield Road, Southfield, MI 48075 for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace water mains, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART OF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed hrs signature(s) this 2nd day of July A.D. 2014.

TROY HOTELS, INC.
a Michigan corporation

By  (L.S.)
* Akram Namou
Its President

STATE OF MICHIGAN)
COUNTY OF Oakland)

The foregoing instrument was acknowledged before me this 2nd day of July, 2014, by Akram Namou, President of Troy Hotels, Inc., a Michigan corporation, on behalf of the corporation.


*
Notary Public, Oakland County, Michigan
My Commission Expires 9-07-2014

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

EXHIBIT "A"

WATER MAIN EASEMENT

PART OF THE SOUTHWEST 1/4 OF SECTION 35, T-02-N, R-11-E, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE SOUTHWEST 1/4 CORNER OF SECTION 35; THENCE N87° 33' 17"E, 1684.46 FEET ALONG THE SOUTH LINE OF SAID SECTION 35 (14 MILE ROAD) TO A POINT ON THE WEST RIGHT OF WAY LINE OF STEPHENSON HIGHWAY (204 FEET WIDE); THENCE N02° 07' 02"W, 383.31 FEET ALONG SAID WEST RIGHT OF WAY LINE TO THE POINT OF BEGINNING; THENCE S87° 52' 58"W, 12.62 FEET; THENCE S76° 37' 58"W, 17.98 FEET; THENCE S87° 52' 58"W, 166.73 FEET; THENCE N47° 07' 02"W, 10.63 FEET; THENCE S87° 52' 58"W, 32.36 FEET; THENCE N02° 07' 02"W, 20.00 FEET; THENCE N87° 52' 58"E, 29.50 FEET; THENCE N02° 07' 02"W, 188.22 FEET; THENCE S87° 52' 58"W, 22.44 FEET; THENCE N02° 07' 02"W, 20.00 FEET; THENCE N87° 52' 58"E, 22.44 FEET; THENCE N02° 07' 02"W, 260.51 FEET; THENCE S87° 52' 58"W, 21.51 FEET; THENCE N02° 07' 02"W, 20.00 FEET; THENCE N87° 52' 58"E, 24.37 FEET; THENCE N42° 52' 58"E, 10.83 FEET; THENCE N87° 52' 58"E, 152.14 FEET; THENCE N65° 22' 58"E, 37.98 FEET; THENCE N87° 41' 27"E, 9.61 FEET; THENCE S02° 07' 02"E, 20.00 FEET; THENCE S87° 41' 27"W, 5.60 FEET; THENCE S65° 22' 58"W, 38.01 FEET; THENCE S87° 52' 58"W, 146.64 FEET; THENCE S02° 07' 02"E, 483.90 FEET; THENCE N87° 52' 58"E, 155.14 FEET; THENCE N76° 37' 58"E, 17.98 FEET; THENCE N87° 52' 58"E, 14.59 FEET; THENCE S02° 07' 02"E, 20.00 FEET TO THE POINT OF BEGINNING.

PROPERTY DESCRIPTION

LAND SITUATED IN THE CITY OF TROY, COUNTY OF OAKLAND, STATE OF MICHIGAN, DESCRIBED AS:

A PARCEL OF LAND IN THE SOUTHWEST 1/4 OF SECTION 35, TOWN 2 NORTH, RANGE 11 EAST, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, AND BEING MORE PARTICULARLY DESCRIBED AS:
COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 35; THENCE SOUTH 88 DEGREES 24 MINUTES 00 SECONDS EAST, FOR A DISTANCE OF 664.61 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 12 SECONDS EAST, FOR A DISTANCE OF 1019.84 FEET TO THE WESTERLY LINE OF STEPHENSON HIGHWAY, (204 FEET WIDE); THENCE NORTH 01 DEGREES 57 MINUTES 38 SECONDS EAST, ALONG SAID WESTERLY LINE, FOR A DISTANCE OF 358.88 FEET TO THE POINT OF BEGINNING; THENCE NORTH 88 DEGREES 35 MINUTES 27 SECONDS WEST, FOR A DISTANCE OF 351.11 FEET; THENCE NORTH 02 DEGREES 31 MINUTES 48 SECONDS EAST, FOR A DISTANCE OF 570.29 FEET; THENCE SOUTH 88 DEGREES 02 MINUTES 22 SECONDS EAST, FOR A DISTANCE OF 345.43 FEET TO THE AFOREMENTIONED WESTERLY LINE OF STEPHENSON HIGHWAY; THENCE SOUTH 01 DEGREES 57 MINUTES 38 SECONDS WEST, ALONG THE SAID WESTERLY LINE, FOR A DISTANCE OF 566.58 FEET TO THE POINT OF BEGINNING.

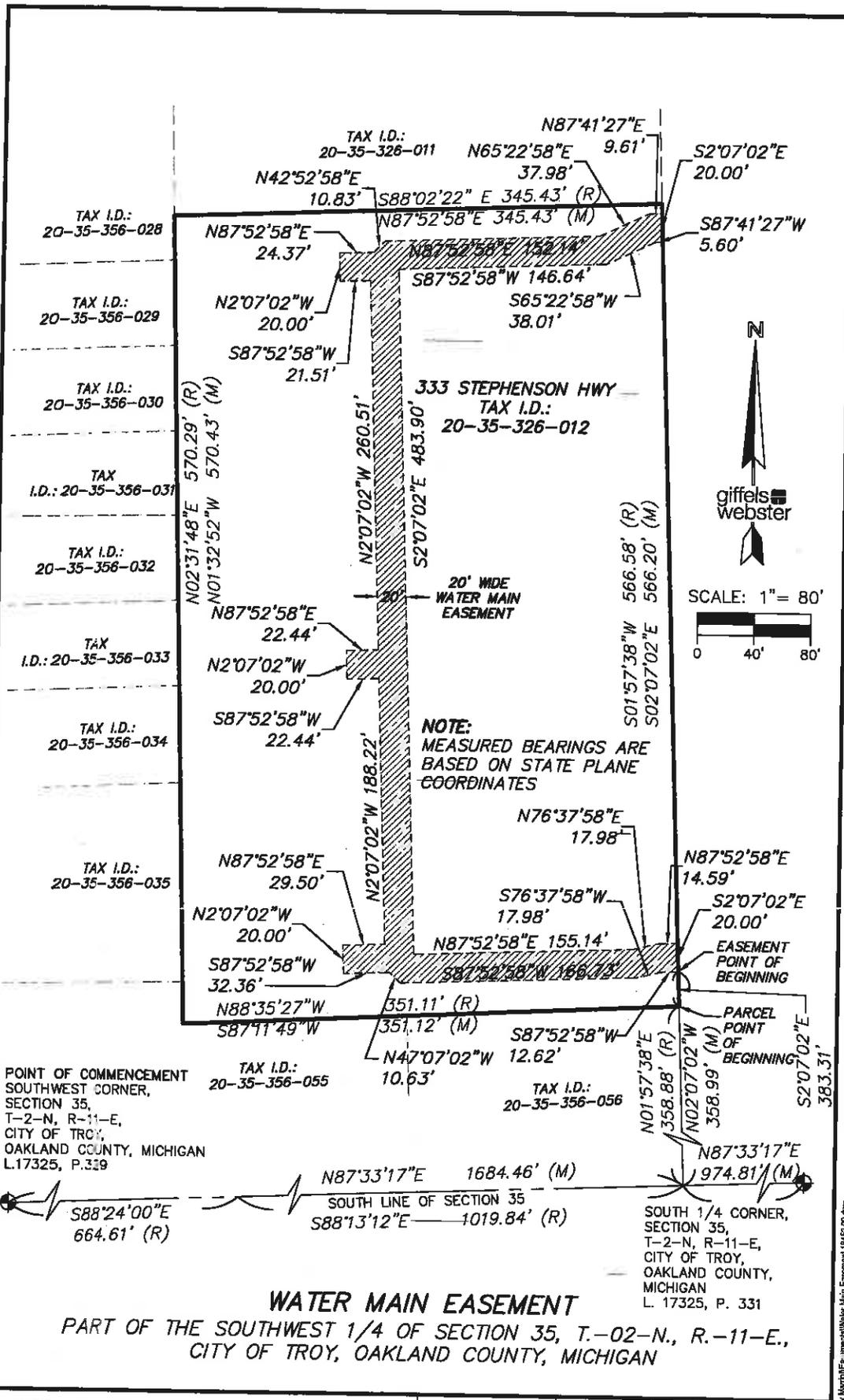
COMMONLY KNOWN AS: 333 W. STEPHENSON HIGHWAY
TAX ID: 20-35-326-012

AS FIELD SURVEYED DESCRIPTION

(TAX ID: 20-35-326-012)

PART OF THE SOUTHWEST 1/4 OF SECTION 35, T-02-N, R-11-E, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 35; THENCE N.87°33'17"E., 1684.46 FEET ALONG THE SOUTH LINE OF SAID SECTION 35 (14 MILE ROAD) TO A POINT ON THE WEST RIGHT OF WAY LINE OF STEPHENSON HIGHWAY (204 FEET WIDE); THENCE N.02°07'02"W., 358.99 FEET ALONG SAID WEST RIGHT OF WAY LINE TO THE POINT OF BEGINNING; THENCE S.87°11'49"W., 351.12 FEET; THENCE N.01°32'52"W., 570.43 FEET; THENCE N.87°52'58"E., 345.43 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STEPHENSON HIGHWAY; THENCE S.02°07'02"E., 566.20 FEET ALONG SAID WEST RIGHT OF WAY LINE TO THE POINT OF BEGINNING AND CONTAINING 4.543 ACRES.



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M:\181942\18452.00-Troy Main\Easement\Water Main Easement 18452.00.dwg

**giffels
 webster**

ENGINEERS LAND SURVEYORS
 PLANNERS LANDSCAPE ARCHITECTS
 28 W. ADAMS, SUITE 1200
 DETROIT, MICHIGAN 48226
 (313) 962-4442

DATE:	05/19/14	CHECKED BY:	CAA	DATE:	05/14	SCALE:	1" = 80'
DRAWN:	JWB					SHEET:	1 OF 2
DESIGN:						JOB No:	18452.00
SECTION:	35		T-02-N, R-11-E				



CITY COUNCIL AGENDA ITEM

Date: November 18, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Acceptance of Two Permanent Easements from Michigan United Holdings, Inc., Sidwell #88-20-23-353-025

History

As part of the development of a parcel located in the southwest ¼ of Section 23, east of Rochester Road and north of Big Beaver, the Engineering department has received two permanent easements for sidewalks and storm sewers & surface drainage from Michigan United Holdings, Inc., owner of the property having Sidwell #88-20-23-353-025.

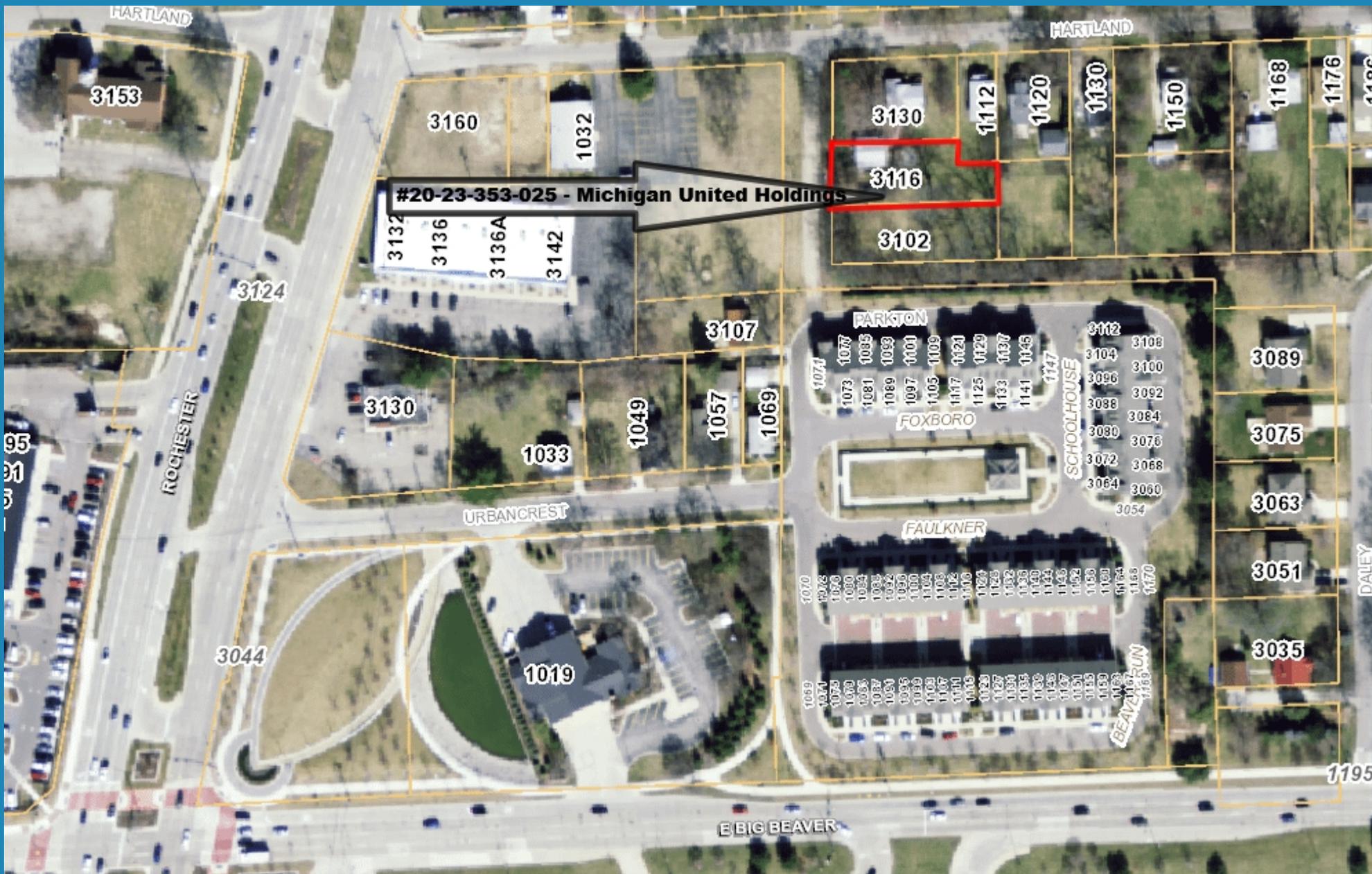
The format and content of these easements is consistent with easements previously accepted by City Council.

Financial

The consideration amount on each document is \$1.00

Recommendation

City Management recommends that City Council accept the attached permanent easements consistent with our policy of accepting easements for development and improvement purposes.



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

PERMANENT EASEMENT

Sidwell #88-20-23-353-025 (part of)
Resolution #

MICHIGAN UNITED HOLDINGS INC, a Michigan corporation, whose address is 16833 Shinnecock, Macomb Twp., MI 48042 for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace **sidewalks**. said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed (1) signature(s) this 18th day of November A.D. 2014.

MICHIGAN UNITED HOLDINGS, INC.
a Michigan corporation

By Cesare Pizzo (L.S.)
*Cesare Pizzo
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 18th day of November, 2014, by Cesare Pizzo, President of MICHIGAN UNITED HOLDINGS, INC., a Michigan corporation on behalf of said corporation.

Larysa Figol

LARYSA FIGOL
Notary Public, Oakland County, Michigan
Acting in Oakland County, Michigan
My Commission Expires 03/02/2018

Notary Public, _____ County, Michigan
My Commission Expires _____
Acting in _____ County, Michigan

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

EXHIBIT "A"

The West 5 feet of the following described property:

The South 25 feet of Lots 201, 202 & 203, also Lots 204 thru 207 inclusive except the South 60 feet, Supervisor's Plat of Beaver Run Subdivision No. 1, City of Troy, Oakland County, Michigan as Recorded in Liber 30, Page 44 of Plats, Oakland County Records.

PERMANENT EASEMENT

Sidwell #88-20-23-353-025 (part of)
Resolution #

MICHIGAN UNITED HOLDINGS INC., a Michigan corporation, whose address is 16833 Shinnecock, Macomb Twp., MI 48042 for and in consideration of the sum of: One and no/100 Dollar (\$1.00) paid by the CITY OF TROY, a Michigan municipal corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan, 48084 grants to the Grantee the right to construct, operate, maintain, repair and/or replace **storm sewers and surface drainage**, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed (1) signature(s) this 18th day of November A.D. 2014.

MICHIGAN UNITED HOLDINGS, INC.
a Michigan corporation

By Cesare Pizzo (L.S.)
*Cesare Pizzo
Its President

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 18th day of November, 2014, by Cesare Pizzo, President of MICHIGAN UNITED HOLDINGS, INC., a Michigan corporation on behalf of said corporation.

Larysa Figol
* _____

LARYSA FIGOL
Notary Public, Oakland County, Michigan
Acting in Oakland County, Michigan
My Commission Expires 03/02/2018

Notary Public, _____ County, Michigan
My Commission Expires _____
Acting in _____ County, Michigan

Prepared by: Larysa Figol
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

EXHIBIT "A"

The North 6 feet and the South 7 feet of the following described property:

The South 25 feet of Lots 201, 202 & 203, also Lots 204 thru 207 inclusive except the South 60 feet, Supervisor's Plat of Beaver Run Subdivision No. 1, City of Troy, Oakland County, Michigan as Recorded in Liber 30, Page 44 of Plats, Oakland County Records.



CITY COUNCIL ACTION ITEM

Date: November 17, 2014

To: Brian Kischnick, City Manager

From: Timothy L Richnak, Public Works Director
Steven Vandette, City Engineer

Subject: Acceptance of Consulting Engineer's Proposal for SAW Grant Work

History

City Council authorized staff to apply for a Stormwater Asset Management and Wastewater (SAW) Grant on November 25, 2013 (see attached Council Action Report J-07). Hubbell, Roth and Clark (HRC) consulting engineers was identified in the authorization request as the consultant that would help prepare the grant application.

City Manager Brian Kischnick received notice (attached) of a SAW Grant award, dated June 17, 2014, in the amount of \$1,999,943 from the Michigan Department of Environmental Quality (MDEQ). The amount of the grant, plus the City of Troy match of \$444,425, provides a total of \$2,444,368 for the project. This funding will be used to field inventory and rate the condition of the City's stormwater and wastewater systems, video inspect portions of both systems, integrate the new field data into the City's Geographic Information System (GIS) and create a Wastewater and Stormwater Asset Management Plan.

Hubbell, Roth and Clark, Inc. (HRC) was selected among the City's three (3) engineering consultants as the consultant best suited to help the City with the SAW grant work for the following reasons:

- HRC has the most knowledge of the City's Storm and Sanitary Sewer systems. HRC has done all the City's master planning for Storm, Water and Sanitary systems, having prepared numerous studies and master plans since the 1960's.
- There is a long history of technical compatibility between HRC and the City's surveying operations and GIS. A major element of the SAW grant is the integration of field data into the City's GIS.
- HRC has established an Asset Management Department specifically to provide the specialized services required for the SAW Grant Program.
- HRC staff has an in-depth knowledge of the SAW Program, gained through their participation on the MDEQ SAW Committee.
- The City's DPW and Engineering Departments have experience with HRC staff assigned to the SAW program through past work on projects with similar needs.



CITY COUNCIL ACTION ITEM

- The MDEQ guidelines for the SAW Program do not require solicitation for engineering services, thus allowing the city to choose the most qualified consultant that it feels is best suited to perform the work.

Following receipt of the grant award notice, HRC was asked to submit a proposal (attached) for the extensive professional engineering services, contract services, and equipment and software purchases required for the SAW Grant project. This proposal has been reviewed by Engineering and DPW staffs over the past several weeks. The final proposal document presented herein, has been deemed acceptable as it comprehensively identifies the scope of services needed and estimated costs for completion of all work within the financial limits of the Grant. The cost for engineering services are based on hourly rates contained in the City's General Engineering Consulting Contract with HRC.

Financial

HRC proposes to complete the storm sewer system tasks outlined in the proposal for a total estimated cost of \$995,489, including video inspection of sewers. In addition, \$226,657 is estimated for force account work, which includes such items as the purchase of GIS software and survey hardware that becomes City property, replacing 12 year old equipment in the Engineering Department, plus training and certification of City staff and work by DPW staff assisting HRC with locating buried manholes and integrating field data into the City's GIS.

HRC proposes to complete the sanitary sewer system tasks for a total estimated cost of \$621,247. This amount does not include video inspection of the sewers as this work is anticipated to be performed by our DPW staff. Video inspection, if City staff is not able to complete it during the 3-year grant timeframe, is included in the estimated cost of \$600,975 for force account work that also includes the same force account items listed above for the storm sewer system.

It should be noted that the final cost of HRC services and force account work can vary from the estimated costs contained in the proposal, but the combined total cost shall not exceed the total project cost of \$2,444,368.

Funds for Troy's match are included in the approved 3-year budget within the Drains and Sewer funds. The estimated consultant costs of \$1,616,736 are fully reimbursable under the SAW Grant. Both City and consultant costs are reimbursable up the grant limit of \$1,999,943. The City of Troy match of \$444,425 can be either a soft match for in-house services provided on the project or cash.

Recommendation

City Management recommends acceptance of the Proposal for Professional Engineering Services from Hubbell, Roth and Clark Inc. for the SAW Grant scope of services at an estimated cost of \$1,616,736.



PRINCIPALS

George E. Hubbell
Thomas E. Biehl
Walter H. Alix
Peter T. Roth
Keith D. McCormack
Nancy M. D. Faught
Daniel W. Mitchell
Jesse B. VanDeCreek
Roland N. Alix

SENIOR ASSOCIATES

Gary J. Tressel
Kenneth A. Melchior
Randal L. Ford
William R. Davis
Dennis J. Benoit

ASSOCIATES

Jonathan E. Booth
Michael C. MacDonald
Marvin A. Olane
Robert F. DeFrain
Marshall J. Grazioli
Thomas D. LaCross
James F. Burton
Donna M. Martin
Charles E. Hart

HUBBELL, ROTH & CLARK, INC.

OFFICE: 555 Hulet Drive
Bloomfield Hills, MI 48302-0360
MAILING: PO Box 824
Bloomfield Hills, MI 48303-0824
PHONE: 248.454.6300
FAX: 248.454.6312
WEBSITE: www.hrc-engr.com
EMAIL: info@hrc-engr.com

November 17, 2014

City of Troy
500 W. Big Beaver Road
Troy, Michigan 48084

Attn: Mr. Timothy Richnak, Public Works Director

Re: Proposal for Professional Engineering Services HRC Job No. 20140465
SAW Grant Scope

Dear Mr. Richnak:

In accordance with your request, Hubbell, Roth, & Clark, Inc. is pleased to submit the proposal for professional engineering services to define our services throughout the scope of your SAW Grant. This proposal outlines all HRC activities as outlined in the SAW Grant Application submitted by the City on December 2, 2013 and the agreement signed on May 8, 2014. The proposal also identifies tasks which the City will perform.

Hubbell, Roth, & Clark, Inc. has been very involved in the SAW program from its onset in 2013, including having members of our staff participate in the development of State guidance. HRC is currently assisting 23 communities with their SAW grant efforts. In addition, HRC has over 45 years of history working with the City on sanitary sewer and storm sewer projects, and has an intimate knowledge of the City's sanitary and storm system. HRC is also familiar with City staff and City procedures.

The City has procured funding for a Wastewater Asset Management Plan (WW AMP) and a Stormwater Asset Management Plan (SW AMP). The tasks are broken down on Stormwater versus Wastewater and will be tracked separately to enhance tracking, invoicing and disbursement requests.

This project will be a team of City staff and HRC staff. The grant amount has been maximized in order to best serve the City. At this time, a split between the City staff allocated time and HRC's staff allocated time has been estimated. If it is found that the City has more or less time available, HRC's estimated time and cost will be adjusted.

WASTE WATER ASSET MANAGEMENT PLAN

1. Project Initiation, Administration and Oversight (Throughout Project):

Under this task, HRC will provide oversight of the entire program to assure that the program is being completed on time, on budget, and in accordance with all grant requirements. This task will include kickoff and stakeholder meetings to establish the framework and goals for the WW AMP. This task will also include assisting with disbursement requests, preparing reports and presentations, and assisting City staff throughout the SAW process.

2. Asset Inventory and Data Collection

The City already has a robust sanitary sewer GIS which includes pipes and structures, and will be used for the remaining AMP tasks. Therefore, limited data collection will be completed as part of the WW AMP. The GIS will be reviewed, and HRC will work with the City's GIS staff to determine if additional fields need to be added in to complete the WW AMP. HRC will propose recommendations to enhance the GIS database to

incorporate the requirements of the SAW grant. While most of the fields needed for the AMP have already been populated by the City, HRC will assist as needed to enter the age of the system. In addition, the follow information will be entered:

- Condition
- Criticality
- Business Risk Evaluation “BRE” – equal to Condition x Criticality.

These fields are the primary requirement of the MDEQ for determining the asset value and are discussed in further detail in the “Condition Assessment” and “Assessment of Asset Criticality and Risk” sections of the grant application. Because the system is too large to field investigate all assets, the age, material, and location will be used to make assumptions about the pipe condition by extrapolating data.

3. Condition Assessment

This task will include the following items:

- City staff will use existing equipment to televise portions of the sanitary sewer system. Cleaning will be completed as necessary to perform condition assessment on the line. All videos will be rated using NASSCO PACP ratings and entered by City staff into the GIS.
- City staff will perform select manhole inspections using MACP ratings during the televising process.
- Pump station assessments will be based on recent inspections and completed upgrades. Field work may be required to verify assets.
- HRC will rate the major components of the sewer collection and treatment system, including extrapolating data for any assets that were not physically inspected based on other known attributes. This data will be entered in to the City’s GIS or Asset Management Software using the ratings indicated above.

4. Develop Level of Service Documentation

This task will include the following items:

- HRC will work with City staff to determine the desired level of service
 - Present the various levels of service available and the costs associated with them.
 - Level of service will be tied into state and federal requirements such as the SSO policy.
- HRC will attend a public meeting to present the study.

5. Assessment of Asset Criticality and Risk

This task will include the following items:

- Develop a risk assessment method based on quantitative and qualitative values associated with components (i.e. location of asset, service area, cost of repair, etc.)
- Rate each major component as to the risk of failure, or criticality (1-5)

- Review the failure history, and estimate the probability of failure (1-5)
- Determine remaining life and replacement value of assets.
- Perform the Business Risk Evaluation (BRE) by multiplying the probability of failure (condition) and the criticality rating (risk.)
- Work with the City to create a priority list of the most critical system assets.

6. Investment Prioritization and Future Planning

Using the results of the Business Risk Evaluation, the short and long-term investment required to achieve the desired level of service will be determined and prioritized.

- Review the current O&M plan and develop alternate strategies to extend useful life.
- Determine rehabilitation, repair and replacement costs. Determine replacement needs and prioritize future maintenance/capital improvements.

7. Long Term Funding Plan

HRC will work with the City staff and financial department to evaluate the impact of future liabilities/improvements on the sewer fund working capital. Consideration will be given to funding major projects with sewer fund working capital, grant funding or bond financing under a variety of bond interest and payback scenarios if required. The cost analysis will include the operation, maintenance and long term capital improvements of the sanitary sewer system. Major components of this task include:

- Developing a 20-year capital improvement plan
- Review the current rate structure
- Prepare a report summarizing the findings, including any funding needs to meet estimated expenses
- Determine amount required to fund first 10% of any improvements, and develop a 5-year plan to address remaining portion of improvements, as required by the SAW grant
- Present the findings to the City Council and staff

We will assist the City's financial department by improvement costs to help to determine the needed funding. Sewer revenues and working capital will need to cover 10% of the cost of the improvements within three (3) years of the grant agreement (prior to May 8, 2017).

8. Submission to MDEQ and Follow Up

The SAW grant requires a Certificate of Completeness be submitted to the MDEQ in order to close out the grant (see attached.) It requires that a summary of the WW AMP that identifies major assets be developed and made available to the MDEQ and public via a website for a minimum of 15 years. The Certificate of Completion for sanitary sewer systems also requires that funding sources such as the City's sewer working capital be identified to address the first 10% of any identified improvements, if found. The certification shall be adopted by the required grant completion date and also requires a five year plan to close the remaining gap.

- Develop document summarizing the AMP for submission to MDEQ and posting on the City's website that includes identification of major assets, while ensuring that information is presented in such a way that vulnerability of critical assets is minimized.
- Submit required Certificate of Completion and address any MDEQ comments or questions.
- Turn over completed GIS database, reports, any hardware or software purchased, and other required deliverables to the client.

HRC proposes to complete the tasks as outlined above for the sanitary sewer system at a total cost of \$621,247 as shown on the attached table. Because City staff has already completed much of the GIS work, this number may be decreased allowing for additional cleaning and televising by City staff or a televising contractor. It should be noted that an estimate was made for force account work of \$600,975, which includes \$366,222 for televising. This force account work is also for GIS work, meeting time, and other assistance. Please note, if City staff is not available, additional consultant time may be used to bring the total cost to \$1,222,222 as awarded by the grant. Similarly, if additional staff time is available to assist with this work, HRC's costs will go down and the City's portion of the project will increase. All expenses will be reimbursed approximately 83% (90% of first \$1M spent and 75% of second \$1M spent).

STORMWATER ASSET MANAGEMENT PLAN

1. Project Initiation, Administration and Oversight (Throughout Project):

Under this task, HRC will provide oversight of the entire program to assure that the program is being completed on time, on budget, and in accordance with all grant requirements. This task will include kickoff and stakeholder meetings to establish the framework and goals for the SW AMP. This task will also include assisting with disbursement requests, preparing reports and presentations, and assisting City staff throughout the SAW process.

2. Asset Inventory and Data Collection

While the City already has a robust sanitary GIS, the storm GIS is not fully developed. Therefore, the SAW money will be used to continue to develop this system and determine information so that the system can be properly operated and maintained moving forward. The tasks associated with this item include:

- Review the City of Troy's storm sewer GIS data received at the kickoff meeting.
- Propose recommendations to enhance the GIS database to incorporate the requirements of the SAW grant. It is anticipated that we will add fields to the GIS for:
 - Inspection Date
 - Condition
 - Criticality
 - Business Risk Evaluation ("BRE")

These last three fields are the primary requirement of the MDEQ for determining the asset value and are discussed in further detail in the “Condition Assessment” and “Assessment of Asset Criticality and Risk” sections of the grant application. We would also like to have a detailed review of each data field and verify the appropriate valid values to use in each field. As an example, in the “Drain_Gravity_Closed” feature class, there are three ID fields shown; AssetID, UnitID and UnitID2. If all three ID’s are needed for the City’s work order/ asset management software, that will be coordinated with the City as to the appropriate method for populating these fields.

- Review the City’s storm sewer plans for as-built information. HRC will determine if any plans are available from recent major mile road paving or utility projects. We would like to minimize disruption in the major road network of the City for the purpose of manhole locations.
- Organize field data collection/GPS crews to locate and collect limited asset condition information on the storm sewer system. It is anticipated that we will use up to 3-4 two-person crews concurrently with full-time office staff for downloading and processing data. We are basing our workload and budget estimates on the City staff being able to provide traffic control while work is being done in high traffic areas. The data collecting equipment will be purchased by the City. Input from the City surveyor will be used to review and select equipment in order to be sure that it meets future surveying needs.

The estimated number of storm sewer structure to GPS and inspect, based on the counts in the GIS, are:

8,500	Manholes
20,440	Inlets
2,163	Outfalls
77	Control Structures
228	Detention/Retention Ponds
10	Lift Stations

These numbers can be reduced based on the availability of plans with accurate elevations. It is our understanding that the City’s main goal for this task is to develop X, Y, and Z coordinates for the storm sewer system and also collect invert information on all storm sewer structures. While the structures are open to collect drops, photos will be taken of the inside of the structure, and that will be used to provide an overall condition. MACP condition assessment will be done on select structures.

- Develop the necessary electronic data collection forms to be used with either GPS or tablet style data collectors. Based upon the discussion at the Kickoff Meeting, the desired level of accuracy for the GPS was 0.1 foot for vertical “Z” elevations.
- Process the GPS/field data collected and load into the GIS for quality control and inclusion into the Geodatabase.
- Draw any additional structures and pipes located during the course of the field data collection. Pipes will be drawn in such a manner as to indicate their direction of flow.
- Populate the City’s Geodatabase with the attributes from the field data collection. This will include the new fields mentioned in task 2 above and the current

existing fields. As an example, for the “Drain_Gravity_Closed” feature class, fields to be updated will include AssetID, Last Edit Date, Last Update User, Placement Method, Asset Owner, Lifecycle Status, In Service Date, Upstream Invert, Downstream Invert, Drain Gravity Subtype, Material & Pipe Class, Cross Section Shape, Height, Width, Slope, Drain Name, additional ID’s as needed.

- Provide hardcopy and/or electronic maps and reports for quality control and status reports to the City Engineering and GIS staff on a regular monthly basis.

3. Condition Assessment

As noted above, the primary goal of the City is to map their storm sewer system, as limited records are currently available. However, the City will also perform limited condition assessment on the storm sewer system to get a representative idea of the condition of the system which can be extrapolated to the remainder of the system. We will complete the following tasks.

- Assist the City in contracting with a company to clean and televise sewer pipes and provide PACP ratings on a select number of pipes.
- Review the video and reports as provided by contractor for accuracy.
- Review existing videos that the City has and rate the pipes using the PACP system.
- Assess 8 of the 10 pump stations. Newer stations will not be included.
- Rate the major components of the storm sewer collection system, including extrapolating data for any assets that were not physically inspected.

4. Develop Level of Service Documentation

- Determine the desired level of service
- Meet with City staff to discuss the level of service
 - Present the various levels of service available and the costs associated with them.
- List State and Federal Requirements to be met for the system
 - Permit requirements
 - State SSO policy
- Prepare a brief summary of findings
- Prepare a “Level of Service Agreement” that outlines the system’s performance targets and goals.
- Attend a public meeting to present the study.

5. Assessment of Asset Criticality and Risk

- Develop a risk assessment method based on quantitative and qualitative values associated with components (i.e. location of asset, service area, cost of repair, etc.)
- Rate each major component as to the risk of failure, or criticality (1-5)
- Review the failure history, and estimate the probability of failure (1-5)
- Determine remaining life and replacement value of assets.
- Perform the Business Risk Evaluation (BRE) by multiplying the probability of failure (condition) and the criticality rating (risk.)

- Create a priority list of the most critical system assets.

6. Investment Prioritization and Future Planning

Using the results of the Business Risk Evaluation, the short and long-term investment required to achieve the desired level of service will be determined and prioritized.

- Review the current O&M plan and develop alternate strategies to extend useful life.
- Determine rehabilitation, repair and replacement costs. Determine replacement needs and prioritize future maintenance/capital improvements.

7. Long Term Funding Plan

Work with the client and financial department to evaluate the impact of future liabilities/improvements on the capital project fund. Consideration should be given to funding major projects with a combination of cash, grant funding and bond financing under a variety of bond interest and payback scenarios. The cost analysis will include the operation, maintenance and long term capital improvements of the storm sewer system. Major components of this task include:

- Developing a 20-year capital improvement plan
- Prepare a report summarizing the findings, including any funding needs to meet estimated expenses
- Present the findings to the City Council and staff.

The Consultant will assist the client's financial department by providing costs to help to determine the funding requirements.

8. Submission to MDEQ and Follow Up

The SAW grant requires a Certificate of Completeness be submitted to the MDEQ in order to close out the grant (see attached.) It requires that a summary of the SW AMP that identifies major assets be developed and made available to the MDEQ and public via a website for a minimum of 15 years.

- Develop document summarizing the AMP for submission to MDEQ and posting on the City's website that includes identification of major assets, while ensuring that information is presented in such a way that vulnerability of critical assets is minimized.
- Submit required Certificate of Completion and address any MDEQ comments or questions.
- Turn over completed GIS database, reports, any hardware or software purchased, and other required deliverables to the client.

HRC proposes to complete the tasks as outlined above for the storm sewer system at a total cost of \$944,267 as outlined in the original SAW grant application and shown on the attached table. In addition, \$51,222 will be spent on a televising contractor to assess the condition of a portion of the storm sewer. It should be noted that an estimate was made for

Mr. Timothy Richnak
November 17, 2014
HRC Job Number 20140465
Page 8 of 8

force account work of \$226,657 with the assumption that City would be participating and assisting in several tasks. Please note that if City staff time is not available for this project, additional consultant time may be included to bring the total project cost to \$1,222,146 as awarded by the grant. Similarly, if additional staff time is available to assist with this work, HRC's costs will go down and the City's portion of the project will increase. All expenses will be reimbursed approximately 83% (90% of first \$1M spent and 75% of second \$1M spent).

If you have any questions or require any additional information, please contact the undersigned.

Very truly yours,

HUBBELL, ROTH & CLARK, INC.



Walter Alix, P.E., P.S.
Vice President



Michael MacDonald, P.E.
Associate

KS

Attachment

pc: HRC; J. Miller, K. Stickel, File



**Department of Environmental Quality
SAW Grant
Wastewater Asset Management Plan
Certification of Project Completeness**

Completion Date _____
(no later than 3 years from executed grant date)

The _____ (*legal name of grantee*) certifies that all wastewater asset management plan (AMP) activities specified in SAW Grant No. _____ have been completed and the implementation requirements, per Part 52 of the Natural Resources and Environmental Protection Act, 1994, PA 451, as amended, are being met. Section 5204e(3) requires implementation of the AMP and that significant progress toward achieving the funding structure necessary to implement the AMP be made within 3 years of the executed grant. The Department of Environmental Quality (DEQ) defines significant progress to mean the adoption of an initial rate increase to meet a minimum of 10 percent of any gap in revenue needed to meet expenses, as identified in a 5-year plan to eliminate the gap. A copy of the 5-year plan to eliminate the gap must be submitted with this certification.

Attached to this certification is a summary of the AMP that identifies major assets. Copies of the AMP and/or other materials prepared through SAW Grant funding will be made available to the DEQ or the public upon request by contacting:

_____ at _____
Name Phone Number Email

Rate Methodology was submitted to DEQ on: _____
(within 2 ½ years from date of executed grant)

An initial rate increase of _____% of a \$_____ gap was adopted on _____

Signature of Authorized Representative (Original Signature Required) Date

Print Name and Title of Authorized Representative



**Department of Environmental Quality
SAW Grant
Stormwater Asset Management Plan
Certification of Project Completeness**

Completion Due Date _____
(no later than 3 years from executed grant date)

The _____ (*legal name of grantee*) certifies that all stormwater asset management plan (SWAMP) activities specified in SAW Grant No. _____ have been completed and the SWAMP, prepared with the assistance of SAW Grant funding, is being maintained. Part 52 of the Natural Resources and Environmental Protection Act, 1994, PA 451, as amended, requires implementation of the SWAMP within 3 years of the executed grant (Section 5204e(3)).

Attached to this certification is a summary of the SWAMP that identifies major assets. Copies of the SWAMP and/or other materials prepared through SAW Grant funding will be made available to the Department of Environmental Quality or the public upon request by contacting:

_____ at _____
Name Phone Number Email

Signature of Authorized Representative (Original Signature Required) Date

Print Name and Title of Authorized Representative

CITY OF TROY SAW
STORM/SEWER AMP FORCE ACCOUNT BREAKDOWN

Classification	City Hours											Force Account Costs	Consultant Costs	Total Costs	
	Superintendent of Water & Sewer*	Supervisor of Water & Sewer**	MSE - G*	MSE - F*	MSE - D*	MSE - C*	GIS Administrator	GIS Analyst	Director of Financial Services	Accountant	Vector Truck				Sewer Video Camera
Inventory	\$40.24	\$31.40	\$26.11	\$25.30	\$24.49	\$24.17	\$37.33	\$28.54	\$63.60	\$25.00			\$142,091	\$633,833	\$775,924
Condition assessment (excluding televising)	\$16.10	\$12.56	\$10.44	\$10.12	\$9.80	\$9.67	\$14.93	\$11.42	\$25.44	\$10.00			\$27,374	\$97,625	\$125,000
AM/GIS Software*	\$56.34	\$43.96	\$36.55	\$35.42	\$34.29	\$33.84	\$52.26	\$39.96	\$89.04	\$35.00			\$0	\$47,500	\$47,500
AM/GIS Training*													\$0	\$1,503	\$10,000
AM/GIS Hardware*													\$0	\$22,500	\$22,500
Cleaning & Televising															
Contracted costs															
Equip. rental costs															
Labor costs															
Level of Service															
Service agreement development															
Public meeting cost															
Training/certification															
For PACP				25	75	75									
For MACP				50	75	75									
Rate Structure Development costs															
Other	40	40							80	40			\$10,580	\$2,465	\$15,000
	40	40	40	40	40	40	40	40					\$226,657	\$995,489	\$1,222,146

Notes:
* Actual Rates plus Fringe
** Fringe Rates capped at 40%

Scope of Services
 Superintendent of Water & Sewer - Project Oversight, review of all documentation, meeting attendance, grant administration, assistance and input with engineering assessment, public involvement, level of service review
 Supervisor of Water & Sewer - Project Oversight, meeting attendance, assistance and input with engineering assessment, field assistance, public involvement, level of service review
 MSE G - Oversight on condition assessment, level of service, training
 MSE F - Assistance with condition assessment, training
 MSE D - Assistance with condition assessment, training
 MSE C - Assistance with condition assessment, training
 GIS Administrator - Oversight on GIS, assistance with development of GIS
 GIS Analyst - Assistance with development of GIS, research for record information
 Director of Financial Services - Rate structure development costs and level of service
 Accountant - Rate structure development
 City Vector Truck - For Sewer Cleaning with a Rental Rate of \$81.03/hour per State rental rate guidelines
 City Sewer Televising Camera - For Sewer Televising with a Rental Rate of \$70.23/hour per State rental rate guidelines



CITY COUNCIL ACTION REPORT

Date November 18, 2013

TO: Brian Kischnick, City Manager

FROM: Timothy L. Richnak, Public Works Director
Steve Vandette, City Engineer

SUBJECT: Authorization to Request Reimbursement – MDEQ SAW Grant

History

The Michigan Department of Environmental Quality (MDEQ) has released a Stormwater Asset Management (SAW) grant opportunity to local governments. The grant is intended to assist local governments in managing storm and wastewater. The MDEQ has appropriated \$450 million dollars for these projects and allows local governments to apply for an amount not to exceed \$2 million. The first \$1 million requires the local government to match 10% of the funding and the second \$1 million requires a 25% local match. The project and matching funds must be completed within three years of the grant award.

The Streets and Drains Division's application will include developing an asset management system that records the size and flow direction of the city's 700 miles of stormwater drains. The Water and Sewer Division's application will include an asset management plan that references video of the sewer to its GPS coordinates. Both these tasks take equipment and labor, which are eligible expenses. The city's engineering consultant firm Hubbell, Roth & Clark, Inc (HRC) is familiar with the SAW grant process and will be the engineer for these projects.

Policy Considerations:

Maintaining accurate infrastructure records allows the city to prepare for capital repair projects and allows the city to plan maintenance to the infrastructure effectively.

Options:

City Management recommends moving forward with the MDEQ SAW Grant application to the full \$2 million, which will require the city to have a total local match of \$444,444.44 with a total funding assemblage of \$2,444,444.44. The local match is budgeted in both the Streets and Drains, and Water and Sewer Divisions over the next three years.



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



DAN WYANT
DIRECTOR

June 17, 2014

Mr. Brian Kischnick, City Manager
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Mr. Kischnick:

SUBJECT: Stormwater, Asset Management, and Wastewater (SAW) Grant Program
City of Troy
Wastewater and Stormwater Asset Management Plans
SAW Grant Project Number 1097-01

Congratulations on your award of a SAW Grant for the above-referenced project. Enclosed is one original signed copy of your SAW Grant Agreement. Also, enclosed is a copy of the SAW Grant Disbursement Request (DR) form and Disbursement Instructions.

You may immediately request a disbursement for any previously-incurred eligible costs (since January 2, 2013). The first and final DR must be submitted by mail and signed by the authorized representative (subsequent DRs can be emailed to me or faxed to our office at 517-373-4797). Each DR must be accompanied by complete supporting documentation (invoices or proof of payment) of incurred costs. DRs can be submitted at any time, but only one per calendar month will be processed. DRs will be processed and paid on or after the 15th day of each month. Each DR must also include a brief status report on the SAW Grant activities completed to date.

The approved budget period for your grant-funded activities closes at the end of April 2017. Project scope or end date changes need Department of Environmental Quality (DEQ) approval in advance.

Your SAW Grant requires the following "deliverable" be provided to the DEQ within 3 years of your grant agreement date: Certifications of Project Completeness.

Work with Water Resources Division (WRD) staff to prepare your stormwater management plans, asset management plans, and innovative technology projects. Again, congratulations on your SAW Grant award. I appreciate your interest in improving water quality in your community. Should you have any questions, please contact me at the phone number listed below, e-mail at ferrisj6@michigan.gov, or by mail at DEQ, P.O. Box 30241, Lansing, Michigan 48909-7741.

Sincerely,

Jessica Ferris, Project Manager
Revolving Loan Section
Office of Drinking Water and Municipal Assistance
517-284-5405

Enclosures

Mr. Brian Kischnick

Page 2

June 17, 2014

cc: Mr. Michael McDonald, Hubbell Roth & Clark, Bloomfield Hills
Mr. Joe Fielek, Department of Treasury, MFA
Mr. Alan J. Lambert, Assistant Attorney General, Office of the Attorney General
Mr. Dan Beauchamp, DEQ-WRD, Southeast Michigan District Office
Ms. Debbie Martinson, DEQ-ODWMA



Michigan Finance Authority

Stormwater, Asset Management, and Wastewater (SAW) GRANT AGREEMENT

This Grant Agreement ("Agreement") is made as of May 8, 2014, among the Michigan Department of Environmental Quality, Office of Drinking Water and Municipal Assistance (the "DEQ"), the Michigan Finance Authority (the "Authority") (the DEQ and the Authority are, collectively, the "State") and the City of Troy, County of Oakland ("Grantee") in consideration for providing grant assistance to the Grantee.

The purpose of this Agreement is to provide funding for the project named below. The State is authorized to provide grant assistance pursuant to the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Legislative appropriation of funds for grant disclosure is set forth in 2013 Public Act 59.

The Grantee shall be required to repay the grant made under this Agreement (the "Grant"), within 90 days of being informed by the State to do so, under certain conditions, as set forth in Section XVIII. Program Specific Requirements: SAW Grant.

Award of a Grant under this Agreement and completion of the activities identified in Exhibit A does not guarantee loan assistance from the State Revolving Fund, Strategic Water Quality Initiatives Fund, or Stormwater, Asset Management or Wastewater.

GRANTEE INFORMATION:

Brian Kischnick, City Manager
Name/Title of Authorized Representative
500 W. Big Beaver Rd.
Address
Troy, MI 48084
Address
(248) 524-3330
Telephone number
b.kischnick@troymi.gov
E-mail address

GRANT INFORMATION:

Project Name: Wastewater and Stormwater Asset Management Plans
Project #: 1097-01
Amount of Grant: \$1,999,943.00
Amount of Match: \$444,425.00
Project Total: \$2,444,368.00 (grant plus match)
Start Date: 1/2013 End Date: 4/2017

DEQ REPRESENTATIVE:

Sonya T. Butler, Chief
Name/Title
525 West Allegan St., PO Box 30473
Address
Lansing, MI 48909-7973
Address
(517) 373-2161
Telephone number
Butlers2@michigan.gov
E-mail address

AUTHORITY REPRESENTATIVE:

Joseph L. Fielek, Executive Director, MFA
Name/Title
430 W. Allegan St., Austin Building
Address
Lansing, MI 48922
Address
(517) 335-0994
Telephone number
treas_bondfinance@michigan.gov
E-mail address

The individuals signing below certify by their signatures that they are authorized to sign this Grant Agreement on behalf of their respective parties, and that the parties will fulfill the terms of this Agreement, including the attached Exhibit A, and use this Grant only as set forth in this Agreement.

GRANTEE

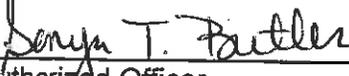


Signature of Grantee

May 8, 2014
Date

Brian Kischnick, City Manager
Name and title (typed or printed)

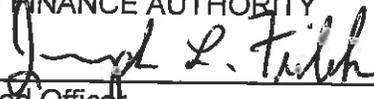
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY



Its Authorized Officer

May 8, 2014
Date

MICHIGAN FINANCE AUTHORITY



Its Authorized Officer

May 8, 2014
Date

I. PROJECT SCOPE

This Agreement shall be in addition to any other contractual undertaking by the Grantee contained in the Resolution authorizing the Grant (the "Resolution").

This Agreement, including its exhibit(s), constitutes the entire agreement between the DEQ, the Authority, and the Grantee.

(A) The scope of this Grant is limited to the activities specified in Exhibit A (the "Project"), and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the Project identified in Exhibit A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

II. AGREEMENT PERIOD

This Agreement shall take effect on the date that it has been signed by all parties (the "Effective Date"). The Grantee shall complete the Project in accordance with all the terms and conditions specified in this Agreement no later than the End Date shown on page one. **Only costs incurred on or after January 2, 2013 and between the Start Date and the End Date shall be eligible for payment under this Grant.**

III. CHANGES

Any decreases in the amount of the Grantee's compensation, significant changes to the Project, or extension of the End Date, shall be requested by the Grantee in writing, and approved in writing by the State in advance. The State reserves the right to deny requests for changes to the Agreement including its Exhibit A. No changes can be implemented without approval by the State.

IV. GRANTEE PAYMENTS AND REPORTING REQUIREMENTS

The Grantee shall meet the reporting requirements specified in Section XVIII of this Agreement.

V. GRANTEE RESPONSIBILITIES

(A) The Grantee agrees to abide by all local, state, and federal laws, rules, ordinances and regulations in the performance of this Grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this Grant is not a guarantee of permit approval by the state.

(C) The Grantee shall be solely responsible to pay all taxes, if any, that arise from the Grantee's receipt of this Grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services furnished by its subcontractors under this Agreement. The State will consider the Grantee to be the sole point of contact concerning contractual matters, including payment resulting from this Grant. The Grantee or its subcontractor shall, without additional grant award, correct or revise any errors, omissions, or other deficiencies in designs, drawings, specifications, reports, or other services.

(E) The DEQ's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The DEQ's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Grantee acknowledges that it is a crime to knowingly and willfully file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the Grant.

VI. ASSIGNABILITY

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

VII. NON-DISCRIMINATION

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

VIII. UNFAIR LABOR PRACTICES

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL423.321 *et seq.*

IX. LIABILITY

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, any subcontractor, or anyone employed by the Grantee.

(B) All liability as a result of claims, demands, costs, or judgments arising out of activities to be carried out by the State in the performance of this Agreement is the responsibility of the State and not the responsibility of the Grantee if the liability is materially caused by any State employee or agent.

(C) In the event that liability arises as a result of activities conducted jointly by the Grantee and the State in fulfillment of their responsibilities under this Agreement, such liability is held by the Grantee and the State in relation to each party's responsibilities under these joint activities.

(D) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

X. CONFLICT OF INTEREST

No government employee or member of the legislative, judicial, or executive branches or member of the Grantee's governing body, its employees, partner, agencies or their families shall have benefit financially from any part of this Agreement.

XI. AUDIT AND ACCESS TO RECORDS

See Section XVIII (C).

XII. INSURANCE

(A) The Grantee shall maintain insurance or self insurance that will protect it from claims that may arise from the Grantee's actions under this Agreement or from the actions of others for whom the Grantee may be held liable.

(B) The Grantee must comply with applicant workers' compensation laws while engaging in activities authorized under this Agreement.

XIII. OTHER SOURCES OF FUNDING

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement shall not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings or to immediately refund to the State, the total amount representing such duplication of funding.

XIV. COMPENSATION

(A) A breakdown of Project costs covered under this Agreement is identified in Exhibit A. The State will pay the Grantee a total amount not to exceed the amount on page one of this Agreement, in accordance with Exhibit A, and only for expenses incurred. All other costs over and above the Grant amount, necessary to complete the Project, are the sole responsibility of the Grantee.

(B) The Grantee is committed to the match amount on page one of this Agreement, in accordance with Exhibit A. The Grantee shall expend all local match committed to the Project by the End Date of this Agreement.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

XV. CLOSEOUT

(A) A determination of Project completion shall be made by the DEQ after the Grantee has met any match obligations and satisfactorily completed the activities and provided products and deliverables described in Exhibit A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments or funds in excess of the costs allowed by this Agreement.

XVI. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, or other lack of funding upon request by Grantee or upon mutual agreement by the State and Grantee. The State reserves the right to provide just and equitable compensation to the Grantee for all satisfactory work completed under this Agreement.

XVII. TERMINATION

(A) This Agreement may also be terminated by the State for any of the following reasons upon 30 days written notice to the Grantee:

(1) If the Grantee fails to comply with the terms and conditions of the Agreement or with the requirements of the authorizing legislation cited on page 1 or the rules promulgated thereunder, or with other applicable law or rules.

(2) If the Grantee knowingly and willfully presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.

(3) If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.

(4) During the 30-day written notice period, the State shall also withhold payment for any findings under subparagraphs 1 through 3, above.

(5) If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.

(B) The State may immediately terminate this Agreement without further liability if the Grantee, or any agent of the Grantee, or any agent of any subagreement, is:

(1) Convicted of a criminal offense incident to the application for or performance of a state, public, or private contract or subcontract;

(2) Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;

(3) Convicted under state or federal antitrust statutes;

(4) Convicted of any other criminal offense which, in the sole discretion of the State, reflects on the Grantee's business integrity; or

(C) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

XVIII. PROGRAM-SPECIFIC REQUIREMENTS: SAW REPAYABLE GRANT

(A) General Representations. The Grantee represents and warrants to, and agrees with, the Authority and DEQ, as of the date hereof as follows:

(1) Grant funds shall be expended only to cover costs for the development of an Asset Management Plan, Stormwater Management Plan, innovative wastewater or stormwater technology, construction costs for disadvantaged communities, or for planning, design and user charge development.

(2) Grant funds used for administrative activities or activities performed by municipal employees shall be limited to work that is directly related to the Project and is conducted by employees of the Grantee.

(3) The Grantee has full legal right, power and authority to execute this Agreement, and to consummate all transactions contemplated by this Agreement, the Resolution, and any and all other agreements relating thereto. The Grantee has duly authorized and approved the execution and delivery of this Agreement, the performance by the Grantee of its obligations contained in this Agreement, and this Agreement is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(4) The Resolution has been duly adopted by the Grantee, acting through its executive(s) or governing body, is in full force and effect as of the date hereof, and is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(5) The execution and delivery of this Agreement by the Grantee, and the fulfillment of the terms and conditions of, and the carrying out of the transactions contemplated by the Resolution and this Agreement do not and will not conflict with or constitute on the part of the Grantee a breach of, or a default under any existing law (including, without limitation, the Michigan Constitution), any court or administrative regulation, decree or order or any agreement, indenture, mortgage, obligation, lease or other instrument to which the Grantee is subject or by which it is bound and which breach or default would materially affect the validity or binding effect of the Grant, or result in a default or lien on any assets of the Grantee. No event has occurred or is continuing which with the lapse of time or the giving of notice, or both, would constitute a default by the Grantee under the Resolution or this Agreement.

(6) No consent or approval of, or registration or declaration with, or permit from, any federal, state or other governmental body or instrumentality, is or was required in connection with enactment by the Grantee of the Resolution, or execution and delivery by the Grantee of this Agreement which has not already been obtained,

nor is any further election or referendum of voters required in connection therewith which has not already been held and certified and all applicable referendum periods have expired.

(7) Proceeds of the Grant will be applied (i) to the financing of the Project or a portion thereof as set forth in the Resolution and Exhibit A or (ii) to reimburse the Grantee for a portion of the cost of the Project. The Grantee will expend the proceeds of each disbursement of the Grant for the governmental purpose for which the Grant was issued.

(8) The attached Exhibit A contains a summary of the estimated cost of the Project, which the Grantee certifies is a reasonable and accurate estimate.

(9) The Grantee reasonably expects (i) to fulfill all conditions set forth in this Agreement to receive and to keep the Grant, and (ii) that no event will occur as set forth in this Agreement which will require the Grantee to repay the Grant.

(B) Repayment of Grant. The Grantee shall repay the Grant, within 90 days of being informed to do so, with interest calculated from the date Grant funds are first drawn at a rate not to exceed 8% per year, to be determined by the Authority, to the Authority for deposit into the SWQIF.

"(a) A grant recipient (shall) proceed with a project for which grant funding is provided within 3 years after the department approves the grant (executed grant agreement). For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.

(b) The grant recipient (shall) repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided."

SAW grant recipients for wastewater system asset management plans are required to make significant progress on the funding structure. Significant progress is defined as a 5-year plan to eliminate the gap with a minimum initial rate increase to close at least 10 percent of the funding gap. The first rate increase must be implemented within three years of the executed grant. The applicant will need to certify that all grant activities have been completed at the end of three years. Asset management plans for stormwater systems are to be implemented. Stormwater management grant recipients must develop a stormwater management plan. Innovative project grant recipients must proceed with full implementation or certify that the project is not financially or technically feasible.

(C) Covenants and Certifications.

(1) The Grantee has the legal, managerial, institutional, and financial capability to plan, design, and build the Project, or cause the Project to be built, and cause all facilities eventually constructed to be adequately operated.

(2) The Grantee certifies that no undisclosed fact or event, or pending litigation, will materially or adversely affect the Project, the prospects for its completion, or the Grantee's ability to make timely repayments of the grant if any of the two (2) conditions identified under Section XVIII(B) occur.

(3) The Grantee agrees to provide the minimum appropriate local match for grant-eligible costs and disburse match funds to service providers concurrent with grant disbursements.

(4) The Grantee agrees to maintain complete books and records relating to the grant and financial affairs of the Project in accordance with generally accepted accounting principles ("GAAP") and generally accepted government auditing standards ("GAGAS").

(5) The Grantee agrees that all municipal contracts related to the Project will provide that the contractor and any subcontractor may be subject to a financial audit and must comply with GAAP and GAGAS.

(6) The Grantee agrees to provide any necessary written authorizations to the DEQ and the Authority for the purpose of examining, reviewing, or auditing the financial records of the Project. The applicant also agrees to require similar authorizations from all contractors, consultants, property owners or agents with which the applicant negotiates an agreement.

(7) The Grantee agrees that all pertinent records shall be retained and available to the DEQ and the Authority for a minimum of three years after satisfactory completion of the Project and final payment. If litigation, a claim, an appeal, or an audit is begun before the end of the three-year period, records shall be retained and available until the three years have passed or until the action is completed and resolved, whichever is longer.

(8) The Grantee agrees to ensure that planning and design activities of the Project are conducted in compliance with the requirements of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, its Administrative Rules; and all applicable state and federal laws, executive orders, regulations, policies, and procedures.

(9) The Grantee agrees that the Project shall proceed in a timely fashion and will exercise its best efforts to satisfy the program requirements as identified under Section XVIII(B) within three years of award of the SAW Grant from the Strategic Water Quality Initiatives Fund in accordance with Section 5204(e) of the Natural Resources and Environmental Protection Act 1994, PA 451, as amended.

(10) The Grantee acknowledges that acceptance of a wastewater asset management grant will subsequently affect future NPDES permits to include asset management language as applicable.

(D) Grantee Reimbursements and Deliverables

The Grantee may request grant disbursements no more frequently than monthly, using the Disbursement Request Form provided by the DEQ. Upon receipt of a disbursement request, the DEQ will notify the Authority, which will in turn disburse grant funds equal to 75 percent, 90 percent, or 100 percent of eligible costs, whichever percentage is applicable, that have been adequately documented. The forms provided by the State will include instructions on their use and shall be submitted to the DEQ representative at the address on page 1. All required supporting documentation (invoices) for expenses must be included with the disbursement request form. The Grantee is responsible for the final submittal of all documents prepared under this Grant and included in the Project Scope identified in Exhibit A.

(E) Miscellaneous Provisions.

(1) Applicable Law and Nonassignability. This Agreement shall be governed by the laws of the State of Michigan.

(2) Severability. If any clause, provision or section of this Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections.

(3) Execution of Counterparts. This Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute one and the same document.

XIX. USE OF MATERIAL

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the DEQ funded all or a portion of its development.

XX. SUBCONTRACTS

The State reserves the right to deny the use of any consultant, contractor, associate or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

XXI. ANTI-LOBBYING

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

XXII. IRAN SANCTIONS ACT

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses as outlined in Michigan Compiled Law 129.312

XXIII. DEBARMENT AND SUSPENSION

By signing this Agreement, the Grantee certifies to the best of its knowledge and belief that it, its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.
- (2) Have not within a 3-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a 3-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

SAW Grant Program

Exhibit A

Grantee: City of Troy

Project Name: Wastewater and Stormwater Asset Management Plans

DEQ Approved Grant Amount: \$1,999,943 (One Million Nine Hundred Ninety-nine Thousand Nine Hundred Forty-three Dollars)

Time Period for Eligible Costs: Start Date January 2013

End Date April 2017

Description of Approved Project Scope:

Preparation of wastewater and stormwater asset management plans.

DEQ Approved Project Costs	
1. Project Planning Costs	\$0
2. Design Engineering Costs	\$0
3. User Charge System Development Costs	\$0
4. Wastewater Asset Management Plan Costs	\$1,222,222
5. Stormwater Asset Management Plan Costs	\$1,222,146
6. Stormwater Management Plan Costs	\$0
7. Innovative Wastewater and Stormwater Technology Costs	\$0
8. Disadvantaged Community Construction Costs	\$0
9. Eligible Cost Subtotal	\$2,444,368
10. LESS Local Match (if applicable)	\$444,425
11. Requested SAW Grant Amount (Line 9 minus Line 10)	\$1,999,943



CITY COUNCIL AGENDA ITEM

TO: Members of the Troy City Council
FROM: Lori Grigg Bluhm, City Attorney *LG*
 Nicole MacMillan, City Attorney Assistant *NM*
DATE: November 18, 2014
SUBJECT: DiMario v. City of Troy, et al. Lawsuit

The City has recently been served with a copy of the enclosed lawsuit, filed by Susan and Joseph DiMario. Count One of the lawsuit is an adverse possession claim, under which the DiMarios claim that they are entitled to the disputed land because they have used and occupied the land in a visible, exclusive, and continuous fashion for seventeen years. Count Two of the lawsuit is an acquiescence claim, where the DiMarios allege that they are entitled to the disputed land because they have used the land in a manner that was obvious to all interested parties, yet the interested parties failed to object to the DiMario's use of the land.

This case has been filed in Oakland County Circuit Court, and assigned to Judge Chabot. The City of Troy and all other persons/entities with a property ownership interest in the disputed land are named as Defendants, including Oakland County Treasurer, D&T Construction, and Emerald Lakes Pointe Associates.

The disputed land is adjoined to the DiMario's home on 1619 Delta Drive, Troy, Michigan 48085, which is located south of South Boulevard and west of John R. Road. The City of Troy has retained an easement on the disputed land for storm drains. There is also a conservation easement on the northern portion of the disputed land, which protects the natural habitat, and prohibits any building on that portion of the land.

The DiMarios are not claiming any rights against the City of Troy's easements. Instead, the City of Troy has been named as a defendant out of an abundance of caution. The real dispute in this case is between the DiMarios and the titleholder of the disputed land. However, we will represent the City and ensure protection of the easements.

A resolution authorizing our office to defend the City's interest in this matter is proposed for your consideration. Please let us know if you have any questions about this new lawsuit.

This case has been designated as an eFiling case. To review a copy of the Notice of Mandatory eFiling visit www.oakgov.com/clerkrod/efiling.

Approved, SCAO

Original - Court
1st copy - Defendant

2nd copy - Plaintiff
3rd copy - Return

STATE OF MICHIGAN JUDICIAL DISTRICT 6th JUDICIAL CIRCUIT COUNTY PROBATE	SUMMONS AND COMPLAINT	CASE NO. 2014-143962-CH
--	------------------------------	-----------------------------------

Court address

1200 N. Telegraph Rd., Pontiac, Michigan 48341

Court telephone no.

(248) 858-0344

Plaintiff's name(s), address(es), and telephone no(s).
Suzett DiMarco and Robert DiMarco
1619 Della Drive
Troy, Michigan 48065

Defendant's name(s), address(es), and telephone no(s).
D&T Construction, Emerald Lakes Rosters Association,
City of Troy, Oakland County Treasurer

Plaintiff's attorney, bar no., address, and telephone no.
Jonathan Tappan (P22195)
Jonathan W. Tappan, PLLC
2849 Somerset Blvd., #102
Troy, Michigan 48064
(248) 622-0206

SUMMONS NOTICE TO THE DEFENDANT: In the name of the people of the State of Michigan you are notified:

- You are being sued.
- YOU HAVE 21 DAYS** after receiving this summons to file a written answer with the court and serve a copy on the other party or take other lawful action with the court (28 days if you were served by mail or you were served outside this state). (MCR 2.111(C))
- If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued NOV 05 2014	This summons expires FEB 04 2015	Court clerk Lisa Brown
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*This summons is hereby being served on or before its expiration date.
This document must be filed by the seat of the court.

COMPLAINT Instruction: The following is information that is required to verify the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.

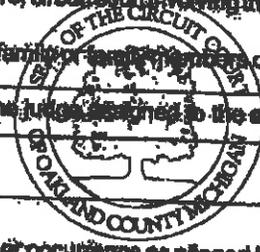
Family Division Cases

There is no other pending or resolved action within the jurisdiction of the family division of circuit court involving the family or family members of the parties.

An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.

The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.



General Civil Cases

There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint.

A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in _____ Court.

The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.

VENUE

Plaintiff(s) residence (include city, township, or village) Troy, Michigan	Defendant(s) residence (include city, township, or village) Shelby Township, Livonia, Troy and Pontiac, Michigan
Place where action arose or business conducted Troy, Michigan	

Date: 11/5/14 Signature of attorney/plaintiff: _____

If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you fully participate in court proceedings, please contact the court immediately to make arrangements.

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This case has been designated as an eFiling case. To review a copy of the Notice of Mandatory eFiling visit www.oakgov.com/clerkrod/efiling.

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

SUSAN DIMARIO and JOSEPH DIMARIO,

Plaintiff,

Case No.: 14-143902CH

v.

Hon.: JDG CHABOT

D&T CONSTRUCTION, EMERALD LAKES
POINTE ASSOCIATES, CITY OF TROY,
OAKLAND COUNTY TREASURER,

Defendants.

JONATHAN W. TAPPAN (P72195)
Jonathan W. Tappan, PLLC
Attorney for Plaintiffs
2549 Somerset Blvd. #102
Troy, Michigan 48084
Phone: (248) 622-0206
Email: tappanj@comcast.net

There has been no other civil action arising out of the same transaction or occurrence as alleged in this Complaint.

COMPLAINT TO QUIET TITLE

NOW COME SUSAN DIMARIO AND JOSEPH DIMARIO (the "DiMarios"), husband and wife, by and through their attorney, Jonathan Tappan, and state as follows for their complaint against the Defendants:

VENUE, JURISDICTION & THE PARTIES

1. Plaintiffs Susan DiMario and Joseph DiMario are a married couple and are individuals who reside in the City of Troy, Oakland County, Michigan.
2. Upon information and belief, Defendant D&T Construction ("D&T"), is a partnership existing under the laws of the State of Michigan, conducts and/or conducted business

in Oakland County, Michigan and maintains its principal place of business at 45343 Market Street, Shelby Township, Macomb County, Michigan 48315.

3. Upon information and belief, Defendant Emerald Lakes Pointe Associates ("Emerald") is/was a partnership existing under the laws of the State of Michigan, conducts and/or conducted business in Oakland County, Michigan and maintained its principal place of business at 37793 Professional Center Drive, Suite 109, Livonia, Michigan 48154.
4. Upon information and belief, non-party Vincent DiLorenzo ("DiLorenzo") is an individual who resides at 978 Knob Creek Drive, Rochester, Oakland County, Michigan. DiLorenzo is believed to be a principal, partner and/or registered agent of D&T and Emerald.
5. Upon information and belief, non-party Angela Tinervia ("Tinervia") is an individual who resides at 13991 Grouse Lane, Shelby Township, Macomb County, Michigan. Tinervia is believed to be a principal, partner and/or registered agent of D&T and Emerald.
6. This action is brought with respect to a certain parcel of real property (the "Property"), and title thereto, located in the City of Troy, County of Oakland, State of Michigan, and more particularly described as:

T2N, R11E, SEC 2 EMERALD POINTE SUB NO 2 LOT 54 EXC W 70 FT, ALSO EXC E 183.28 FT THEREOF 7-20-95 FR 064.

Tax Parcel I.D. # 20-02-201-067.
7. This Court has jurisdiction over this cause of action pursuant to MCL §§ 600.605 and 600.2932. Plaintiff seeks equitable relief pursuant to MCL § 600.2932.
8. Venue is proper in this Court pursuant to MCL § 600.1605.

GENERAL ALLEGATIONS

9. Plaintiff hereby incorporates by reference each and every allegation contained in the preceding paragraphs as if fully set forth fully herein.
10. Plaintiffs purchased the property commonly known as 1619 Delta Drive, Troy, Michigan 48085 (the "Adjoining Property") in 1997 (see Warranty Deed for Corporation attached hereto as Exhibit 1). This property adjoins the Property at issue in this action.
11. Since purchasing the Adjoining Property, Plaintiffs have used, possessed, exercised dominion over and/or occupied the Property visibly, openly, notoriously, exclusively, continuously and uninterrupted for the last seventeen (17) years. See Affidavit of Susan DiMario attached hereto as Exhibit 2.
12. On or about March 19, 1990, Defendant Emerald purchased the Property from the City of Troy for sum of \$1.00. Fee title to the Property was conveyed to Emerald pursuant to a certain quit claim deed dated March 19, 1990 and recorded on April 20, 1990 in the Oakland County Records (the "Emerald Deed"). A copy of the Emerald Deed is attached hereto as Exhibit 3.
13. When Emerald took title to the Property, such title was "Subject to the City of Troy retaining an easement for public purposes over the entire area of the property being conveyed." See Emerald Deed attached hereto as Exhibit 3.
14. After Emerald failed to pay the property taxes owed on the Property, the Oakland County Treasurer, on April 14, 2005, caused a Certificate of Forfeiture of Real Property to be recorded in the Oakland County Records at Liber 35315, Page 717. See Certificate of Forfeiture of Real Property attached hereto as Exhibit 4.

15. On October 11, 2005 Defendant D&T paid the amount required to redeem the Property from forfeiture by the Oakland County Treasurer, and, on December 29, 2005 a Certificate of Redemption was recorded in the Oakland County Records at Liber 36858, Page 412. See Certificate of Redemption attached hereto as Exhibit 5.
16. Defendants may claim, or appear of record in the Oakland County Register of Deeds to have some interest in the Property.
17. Pursuant to MCL § 600.5801(4) and having maintained dominion over the Property for over fifteen (15) years, Plaintiff's interest in the Property is superior to any interest in the Property of the Defendants, and such dominion over the Property extinguished Defendants' interests in the Property.
18. The Statement of Title on which Plaintiff relies as to its interest in the Property is attached to this Complaint pursuant to MCR 3.411(C)(2).

COUNT I – QUIET TITLE – ADVERSE POSSESSION

19. Plaintiffs hereby incorporate by reference each and every allegation contained in the preceding paragraphs as if fully set forth fully herein.
20. The claim of title to the Property of Plaintiffs has been established by Plaintiffs' adverse possession of the Property, and is superior to that of Defendants' as Plaintiffs' dominion, use, possession and/or occupation of the Property in a visible, open, notorious, exclusive, continuous and uninterrupted fashion for the last seventeen (17) years has extinguished the interest of Defendants in the Property and establishes such superior claim of title for Plaintiffs.
21. Given the facts and circumstances alleged herein, this Court should order that any and all actual, claimed or purported right, title and/or interest of Defendants has been

extinguished by Plaintiffs' adverse possession of the Property for over fifteen (15) years.

COUNT II - QUIET TITLE - ACQUIESCENCE

- 22. Plaintiffs hereby incorporate by reference each and every allegation contained in the preceding paragraphs as if fully set forth fully herein.
- 23. Defendants' active and passive acquiescence to Plaintiffs' dominion, use, possession and/or occupation of the Property in a visible, open, notorious, exclusive, continuous and uninterrupted fashion for the last seventeen (17) years has extinguished the interest of Defendants in the Property and establishes such superior claim of title for Plaintiffs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully requests Judgment and relief as follows:

- 1) Judgment for Plaintiffs against Defendants establishing and verifying Plaintiffs' superior claim of title to the Property, determining that Plaintiffs hold full legal and equitable title to the Property in fee simple absolute, free and clear of any and all claims of Defendants, and quieting title in favor of Plaintiffs;
- 2) Judgment for Plaintiffs against Defendants, declaring that Defendants' claims of interest in and/or title to the Property have been extinguished; and
- 3) Any other and further relief in the premises that this Court may deem just and equitable under the circumstances.

DATED: November 5, 2014

Respectfully submitted,

By: /s/ Jonathan Tappan
JONATHAN W. TAPPAN (P72195)
Jonathan W. Tappan, PLLC
Attorney for Plaintiffs
2549 Somerset Blvd. #102
Troy, Michigan 48084
Phone: (248) 622-0206
Email: tappanj@comcast.net

**STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT**

SUSAN DIMARIO and JOSEPH DIMARIO,

Plaintiff,

v.

Case No.: -CH

**Hon.: 14-143902-CH
JDG CHABOT**

**D&T CONSTRUCTION, EMERALD LAKES
POINTE ASSOCIATES, CITY OF TROY,
OAKLAND COUNTY TREASURER,**

Defendants.

**JONATHAN W. TAPPAN (P72195)
Jonathan W. Tappan, PLLC
Attorney for Plaintiffs
2549 Somerset Blvd. #102
Troy, Michigan 48084
Phone: (248) 622-0206
Email: tappanj@comcast.net**

PLAINTIFF'S STATEMENT OF TITLE

Plaintiffs Susan and Joseph DiMario (the "DiMarios"), by their attorney, for their Statement of Title pursuant to MCR 3.411(C), state as follows:

1. The subject matter of this Statement of Title is the real estate located in the City of Troy, County of Oakland, State of Michigan, (the "Property") and more particularly described as:

T2N, R11E, SEC 2 EMERALD POINTE SUB NO 2 LOT 54 EXC W 70 FT, ALSO EXC E 183.28 FT THEREOF 7-20-95 FR 064.

Tax Parcel ID. # 20-02-201-067.

2. Plaintiffs, for their claim of title to the Property, rely on their having exercised dominion over, and their use, possession and/or occupation of the Property in a visible, open, notorious,

exclusive, continuous and uninterrupted fashion for the last seventeen (17) years, and the Affidavit of Susan DiMario in Support of Complaint to Quiet Title, dated October 23, 2014.

Respectfully submitted,

DATED: November 5, 2014

By: /s/ Jonathan Tappan
JONATHAN W. TAPPAN (P72195)
Jonathan W. Tappan, PLLC
Attorney for Plaintiffs
2549 Somerset Blvd. #102
Troy, Michigan 48084
Phone: (248) 622-0206
Email: tappanj@comcast.net

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EXHIBIT 1

17661135

19723993

FILED
OAKLAND COUNTY

WARRANTY DEED FOR CORPORATION - 982 (State Bar of Michigan Form)

The Grantor, **Glenn's Construction**

of the County of **Michigan**, whose office is **1612 Sibley, Troy, Michigan 48068**

conveys and warrants to **JOSEPH W. BARKER AND
SUSAN G. BARKER, ITS WIFE**
whose office is **3710 Waterford Dr, Flint, MI**

The following description appears in the City
of **Troy**, County of **OAKLAND**
and State of **Michigan**.

THE PART TO PART OF LOT 24, COLUMBIAN HEIGHTS SUBDIVISION NO. 2, ACCORDING TO
THE PLAN THEREOF, RECORDED IN BOOK 315, OF SAID COUNTY OF SAID STATE OF
OAKLAND COUNTY, MICHIGAN.

2014-237-017
934007

For the sum of \$ **200,000.00**

subject to easements and holding and the provisions of said deed and further subject to:

If the land being conveyed is unimproved, the following is deemed to be included: "This conveyance may be
located within the vicinity of land used for a large operation. Generally, residential, agricultural and
recreational purposes shall not be permitted hereon, and other unimproved conditions may be
used and are protected by the title insurance right to form."

Dated this **22nd** day of **September**, 19 **97**

Signed in presence of:
[Signature]
[Signature]

[Signature]
Name of Grantor: **Glenn's Construction**
City: **Troy**
County: **Oakland**
State: **Michigan**

OK - ML



000126
10-3-97
OAKLAND COUNTY CLERK

[Handwritten notes and signatures]

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ind 7661/365

STATE OF MICHIGAN

COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 23rd day of September, 2014.

By: *[Signature]*
The President
Construction

and *[Signature]* of *[Signature]*
Michigan, on behalf of the corporation,

[Signature]
Notary Public,
Michigan

County

My commission expires 10/13/16

County Treasurer's Certificate

City Treasurer's Certificate

When received Return Tax
Amount \$ 48007

Drafted By:
Al Olson
Olson Solutions, Inc
Business Address
42700 Schomberg, Suite 1
Sterling Heights MI 48313

1018 Date
Nov, 05 48007

Tax Parcel

Recording Fee: 15.00
County Fee: 4811

Taxable Fee

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EXHIBIT 2

STATE OF MICHIGAN
OAKLAND COUNTY CIRCUIT COURT

SUSAN DIMARIO and JOSEPH DIMARIO,

Plaintiff,

Case No.: -CH

v.

14-143902-CH
Hon.: JDG CHABOT

D&T CONSTRUCTION, EMERALD LAKES
POINTE ASSOCIATES, CITY OF TROY,
OAKLAND COUNTY TREASURER,

Defendants.

JONATHAN W. TAPPAN (P72195)
Jonathan W. Tappan, PLLC
Attorney for Plaintiffs
2549 Somerset Blvd. #102
Troy, Michigan 48084
Phone: (248) 622-0206
Email: tappanj@comcast.net

AFFIDAVIT OF SUSAN DIMARIO IN SUPPORT OF COMPLAINT TO QUIET TITLE

STATE OF MICHIGAN)

ss:)

COUNTY OF OAKLAND)

SUSAN DIMARIO, being duly sworn, hereby attests and states:

I am the owner of the property commonly known as 1619 Delta Drive, Troy, Michigan 48085 (the "Adjoining Property"), and have been since purchasing the Adjoining Property in 1997. This Adjoining Property adjoins and is located directly adjacent to the property at issue in this action, that being the property legally described as T2N, R1E, SEC 2 EMERALD POINTE SUB NO 2 LOT 54 EXC W 70 FT, ALSO EXC E 183.28 FT THEREOF 7-28-95 FR 064, Tax Parcel I.D. # 20-02-201-067 (the "Property"). Since purchasing the Adjoining Property, I, my

husband and co-Plaintiff Joseph DiMario, and my family have used, possessed and/or occupied the Property visibly, openly, notoriously, exclusively, continuously and uninterrupted for the last sixteen (16) years.

Since purchasing and moving in to the Adjoining Property we have cleared the majority of the Property of live trees, fallen trees, shrubs, wild animals and garbage. We also leveled part of the Property with a backhoe so as to render the Property better situated for our use. We have stored, place and/or utilized personal property on the Property, held gatherings, events and/or social functions on the Property, and otherwise openly and exclusively used and maintained dominion over the Property as our own since moving in to the Adjoining Property in 1997.

Further affiant saith naught.


Susan DiMario.

Subscribed and sworn to before me on October 23, 2014


Notary Public
Oakland County, Michigan
My commission expires: 12-12-16

Date: October 23, 2014



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EXHIBIT 3

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EXHIBIT 5

STATE OF CALIFORNIA
DEPARTMENT OF REVENUE
COUNTY OF OAKLAND

DEPARTMENT OF REVENUE

COUNTY TREASURER RECEIPTS CERTIFICATE

ISSUED _____ **COUNTY TREASURER RECEIPTS CERTIFICATE**

Register No. 16-02-201-007 is the City Village of San Francisco

Property Description:
THE 1/2, 1/4, 1/8 & 1/16 ACRES MORE OR LESS OF THE S.W. 1/4 OF SEC. 10, T. 12N. R. 12E. S. 100.28
BY ORDER: 7-20-02, 22, 042

Certificate of Purchase filed in other: 2004 page 111
San Francisco County Register of Deeds

Total amount of delinquent taxes, penalties, interest and fees necessary to redeem this parcel totaled: \$1222.18

Under the provisions of UCS 211.776(3), I hereby certify, that on 10/11/2005 the sum stated above was the amount necessary to redeem the foregoing described parcel of land and that San Francisco has paid that amount to my office.

This redemption certificate is issued to remove the parcel in question from the Certificate of Purchase previously issued and recorded.

Dated this Day: 12/14/2005

Received and paid to me
the sum of _____

Sandra Marie Rice

County Clerk
County of Oakland

Patrick M. Doherty
Patrick M. Doherty
Oakland County Treasurer

DEPOSITED FOR _____

12/14/05

12/14/05

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STATE OF CALIFORNIA DEPARTMENT OF REVENUE COUNTY OF OAKLAND



CITY COUNCIL AGENDA ITEM

Date: November 12, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic & Community Development
Kurt Bovensiep, Public Works Manager

Subject: Announcement of Public Hearing for December 1, 2014 -
Re-programming Community Development Block Grant (CDBG) Program Year 2013 funds

Background

The City of Troy is required by the Oakland County Division of Community & Home Improvement to advertise and conduct a Public Hearing for the reprogramming of CDBG funds.

The PY 2013 Street Improvement Project in Section 36 was to install 28' wide slab concrete street with 5' wide sidewalks and truncated dome ramps to ADA standards at Leafgreen, Rushmore Revere, Zenia, Shaker and Fairgrove. The CDBG funds obligated for the 2013 project were not sufficient to pay for the entire project and the project is not warranted. On August 25, 2014 the Troy City Council held a Public Hearing to reprogram the 2013 funds to the Parks-Recreation Facilities account to install a play area at Milverton Park. During this process HUD reconfigured the eligibility area for CDBG funds, which omitted Milverton Park.

City of Troy representatives have met with the representatives from Oakland County to determine the best use of these funds. We toured the Museum where Loraine Campbell detailed the ADA accessibility deficiencies throughout the Museum. The areas that will be specifically addressed are the General Store and the old Township Hall (current Museum). The wood ramps to the General Store will be removed and replaced with ADA compliant concrete ramps. The current stoop and steps located on the west side of the old Township Hall, which is used as the main exit from the building to the Museum Village will be replaced with an ADA complaint concrete ramp.

Recommendation

It is recommended that City Council authorize a public hearing for Monday, December 1, 2014 at 7:30 pm or as soon thereafter as the agenda will permit for the purpose of hearing public comments on the reprogramming of Program Year 2013 funds in the amount of \$107,174 from the Parks-Recreation Facilities account to the Museum Buildings account in order to complete the installation of ADA compliant concrete ramps to old Township Hall and the General Store.

Chair Saeger called the Animal Control Appeal Board meeting to order at 7:00 p.m. on September 24, 2014 in the Lower Level Conference Room of the Troy City Hall.

1. ROLL CALL

Present:

Patrick Carolan
Jayne Saeger
Steve Toth

Absent:

Al Petrulis
Gretchen Waters

Also Present:

Paul Evans, Zoning and Compliance Specialist
Susan Lancaster, Assistant City Attorney

2. APPROVAL OF AGENDA

Motion by Carolan
Second by Toth

RESOLVED, to approve the agenda as submitted.

Yes: All

MOTION PASSED

3. APPROVAL OF MINUTES

Moved by Carolan
Second by Toth

RESOLVED, to approve the July 23, 2014 meeting minutes.

Yes: All

MOTION PASSED

4. HEARING OF CASES

- A. WAIVER REQUEST, RODGER WALTERS, 1265 BOYD – In order to keep 6 chickens, a waiver from the requirement that the property be at least .75 of an acre in size. The property is approximately .165 acres in size. Animal Ordinance Section 90.70.20 (f).

Chair Saeger advised the applicant that because a full Board was not present, the applicant could request a postponement to a future meeting date to be heard by a full Board. She indicated that if he chose to proceed tonight, the option to postpone would not be available.

Mr. Walters elected to proceed.

Mr. Evans summarized the case for the Board.

Mr. Walters explained in addition to the information in his application, the chickens would be brought in every night and kept in a steel coop that was at least 1 foot off the ground.

The public hearing was opened.

Stanley Nagayama, 1251 Boyd, spoke in favor of the request.

Mr. Walters submitted a petition to the Board. Numerous nearby residents signed the petition in favor of the request.

Mr. Evans summarized a written comments filed by other area residents in favor. On a map presented on the overhead projector, Board members identified the location of each commenter/petition signer relative to the subject property.

The public hearing was closed.

The Board discussed the proximity of those publicly commenting relative to the subject site, the size of the subject site, the size of surrounding properties, and potential negative aspects of having chickens on property this small which is surrounded by similarly sized small properties. Aspects discussed included the attraction of predators and rodents.

Member Toth motioned to grant the request due to neighborhood support. There was no second.

Motion by: Carolan

Second by: Toth

RESOLVED to deny the request.

Yes: All

MOTION PASSED

- B. **WAIVER REQUEST, JENNIFER DURHAM, 477 HURST** – In order to keep 6 chickens, a waiver from the requirement that the property be at least .75 of an acre in size. The property is approximately .543 acres in size. Animal Ordinance Section 90.70.20 (f).

Chair Saeger advised the applicant that because a full Board was not present, the applicant could request a postponement to a future meeting date to be heard by a full Board. She indicated that if he chose to proceed tonight, the option to postpone would not be available.

Ms. Durham elected not to proceed. The Board and Ms. Durham agreed to postpone the matter to the January 28, 2015 regularly scheduled meeting.

5. OTHER BUSINESS

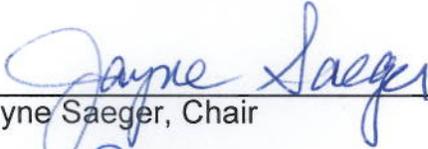
Stanley Nagayama asked how to go about requesting reconsideration for a denied request.

Ms. Lancaster advises that any new application would have to be substantially different.

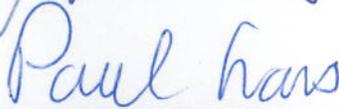
6. ADJOURNMENT

The Animal Control Appeals Board meeting ADJOURNED at 7:48 p. m

Respectfully submitted,



Jayne Saeger, Chair



Paul Evans, Zoning and Compliance Specialist

Chair Dziurman called the meeting of the Building Code Board of Appeals to order at 3:02 p.m. on Wednesday, October 1, 2014 in the Lower Level Conference Room of the Troy City Hall.

1. ROLL CALL

Members Present:

Theodore Dziurman, Chair

Gary Abitheira

Teresa Brooks

Michael Carolan

Absent:

Brian Kischnick

Support Staff Present:

Mitch Grusnick, Building Official/Code Inspector

Gerald Rice, Recording Secretary

Also Present:

Attached and made a part hereof is the signature sheet of those present and signed in at this meeting.

2. APPROVAL OF MINUTES

Moved by: Brooks

Support by: Carolan

RESOLVED, To approve the minutes of the meeting of September 3, 2014 as submitted.

Yeas: All present (4)

MOTION CARRIED

3. HEARING OF CASES

A. **VARIANCE REQUEST, DAXESHKUMAR PATEL, 4621 SUTHERLAND** – This property is a double front corner lot. As such it has a required front setback along both Sutherland and John R. The petitioner is requesting a variance to install a 6 foot high privacy fence in the required front setback along John R where City Code limits fences to 30” high. The proposed fence will be set back 15’ from the property line at John R.

Mr. Patel stated he has two young children who play in his back yard. A 30” fence, which the ordinance does allow, is low enough that his 4 year old could scale it. The Board discussed the 5 responses in opposition to Mr. Patel’s request, detailing the negative impact it would have on the surrounding area and subdivision.

Moved by: Carolan
Support by: Abitheira

RESOLVED, To deny the variance request as written on the basis the variance would be contrary to the public interest and would adversely affect properties in the immediate vicinity of the proposed fence.

Yeas: All present (4)

B. VARIANCE REQUEST, JOHN CARROLL FOR ARANEAE INC., 5151 CORPORATE DRIVE – A variance to allow a second wall sign measuring 143.33 square feet where only one wall sign is allowed.

The petitioner requested to table the item to the November 5, 2014 meeting.

Moved by: Brooks
Support by: Abitheira

RESOLVED, To table the variance request.

Yeas: All present (4)

C. VARIANCE REQUEST, PAUL DETERS FOR METRO DETROIT SIGNS, 880 W LONG LAKE – A variance to allow a second wall sign measuring 197 square feet, where only one wall sign is allowed.

Mr. Deters from Metro Detroit Signs stated Molina wants an east-facing sign. Ms. Brooks asked if there are any night services. The petitioner stated there are only administrative functions at this location. Ms. Brooks had concerns about illumination of the proposed sign.

There was no public response.

Moved by: Carolan
Support by: Abitheira

RESOLVED, To approve the variance request on the basis the variance would not be contrary to the public interest or general purpose and intent of Chapter 85; and the variance does not adversely affect properties in the immediate vicinity of the proposed sign.

Yeas: All present (4)

- D. **VARIANCE REQUEST, MARK R. JOHNSON FOR MRJ SIGN COMPANY LLC, 6765 ROCHESTER** – A variance to allow a replacement ground sign to be placed 25 feet into the future right of way. Ground signs must be set back 10 feet outside the future right of way line. Mr. Johnson revised to locate the sign 13’ inside the future right-of-way. The applicant also submitted a letter stating they would move the sign at their own expense if the City ever purchases the future right-of-way. However, there are no current plans to purchase the future right-of-way.

The Board had a general discussion regarding the request.

There was no public response.

Moved by: Abitheira

Support by: Brooks

RESOLVED, To approve the variance request on the basis the petitioner has a hardship or practical difficulty resulting from the unusual characteristics of the property that precludes reasonable use of the property with the stipulation of the 13’ in the right-of-way.

Yeas: All present (4)

- E. **VARIANCE REQUEST, JONATHAN MICHALEK, FIRST BAPTIST CHURCH OF TROY, 2601 JOHN R** – A variance to allow 11 additional ground signs (banners) to be attached to parking lot light posts. Each proposed banner is 8 square feet in area. The Sign Code allows only one banner.

Steve Trombly spoke on behalf of the petitioner. They would like to better identify the church and the school combined in the same building as well as beautify the property. The parking lot is relatively new. They feel that putting up the banner signs would help them to achieve those objectives and not take anything away from the property.

The Board had a general discussion regarding the request.

There was no public response.

Moved by: Carolan

Support by: Brooks

RESOLVED, To approve the variance request on the basis the variance would not be contrary to the public interest or general purpose and intent of Chapter 85; and the variance does not adversely affect properties in the immediate vicinity of the proposed sign.

Yeas: All present (4)

- F. **VARIANCE REQUEST, MARK GIBSON, MAJESTIC SIGN & DESIGN, 2170 E BIG BEAVER** – A variance to allow a ground sign that is 11 feet tall and 102 square feet in area, to be set back 8 feet from the front property line. The Sign Code requires this sign to be set back at least 20 feet from the front property line. A revised plan changed the proposed sign to 98.5 square feet to 10.8' tall.

Mr. Walkowski stated their building is closer to the road than many other businesses in the district, making compliance more of a challenge. They believe that having the foresight to construct the building so that the less than appealing view of a parking lot being in the front of the building unjustifiably penalizing them for having the sign close enough to Big Beaver to be effective.

The Board had a general discussion regarding the request.

There was no public response.

Moved by: Carolan
Support by: Abitheira

RESOLVED, To approve the variance request on the basis the variance would not be contrary to the public interest or general purpose and intent of Chapter 85; the variance does not adversely affect properties in the immediate vicinity of the proposed sign; and the petitioner has a hardship or practical difficulty resulting from the unusual characteristics of the property that precludes reasonable use of the property.

Yeas: All present (4)

4. **COMMUNICATIONS**
None

5. **PUBLIC COMMENT**
None

6. **MISCELLANEOUS BUSINESS**
None

7. **ADJOURNMENT**
The regular meeting of the Building Board of Appeals adjourned at 3:57 p.m.

Respectfully submitted,



Theodore Dziurman, Chair



Gerald Rice, Recording Secretary

G:\Building Code Board of Appeals Minutes\2014\Draft\2014 10 01 Regular Meeting_Draft.docx

BUILDING CODE BOARD OF APPEALS SIGN-IN SHEET

October 1, 2014

NAME (PLEASE PRINT)	ADDRESS
Paul DETERS	880 W. 20th St
Kurt WILKOWSKI	2170 E. Big Beaver Rd
Lena Wilson	
Don Calcaterra, J- Towne Mortgage	↓
STEVE TROMBLY	FIRST BAPTIST, Troy 2601 John R
Stephen Allen	First Baptist, Troy 2601 John R
Daxeshkumar Patel	D Patel
Michael Smiley	6765 Lakota Rd Troy MI 48065
MARIE R. JOHNSON - MORTGAGE	756 WOOD, DEARBORN MI
Larysa Figal	City of Troy, Engineering
Mark Gibson	14000 WILSONIC FRASER MI
NAME (PLEASE PRINT)	ADDRESS

Chair Edmunds called the Special/Study meeting of the Troy City Planning Commission to order at 7:00 p.m. on October 28, 2014 in the Council Board Room of the Troy City Hall.

1. ROLL CALL

Present:

Karen Crusse
Donald Edmunds
Steve Gottlieb
Michael W. Hutson
Tom Krent
Philip Sanzica
Thomas Strat
John J. Tagle

Absent:

Gordon Schepke

Also Present:

R. Brent Savidant, Planning Director
Ben Carlisle, Carlisle/Wortman Associates, Inc.
Allan Motzny, Assistant City Attorney
Kathy L. Czarnecki, Recording Secretary

2. APPROVAL OF AGENDA

Resolution # PC-2014-10-055

Moved by: Sanzica
Seconded by: Krent

RESOLVED, To approve the Agenda as prepared.

Yes: All present (8)
Absent: Schepke

MOTION CARRIED

3. APPROVAL OF MINUTES

Resolution # PC-2014-10-056

Moved by: Krent
Seconded by: Gottlieb

RESOLVED, To approve the minutes of the October 14, 2014 Regular meeting as published.

Yes: All present (8)
Absent: Schepke

MOTION CARRIED

4. PUBLIC COMMENTS – Items not on the Agenda

There was no one present who wished to speak.

5. ZONING BOARD OF APPEALS (ZBA) REPORT

Mr. Krent reported the regularly scheduled October meeting for the Zoning Board of Appeals was canceled because there were no cases to be heard.

6. DOWNTOWN DEVELOPMENT AUTHORITY (DDA) REPORT

Mr. Savidant gave a report on the October 15, 2014 Downtown Development Authority meeting.

7. PLANNING AND ZONING REPORT

Mr. Savidant reported on potential development applications.

POSTPONED ITEM8. PRELIMINARY SITE PLAN REVIEW (File Number SP 1000) – Proposed Penske Automotive Group Parking Lot Expansion, North side of Maple, West of Stephenson (1225 East Maple), Section 26, Currently Zoned IB (Integrated Industrial and Business) District

Mr. Carlisle reported on the revised preliminary site plan application. He specifically addressed:

- Applicant letter outlining site operations.
- Stormwater management.
- Landscaping.
- Photometrics.

Mr. Carlisle recommended approval of the preliminary site plan application as submitted with the conditions as outlined in his report dated October 20, 2014.

Present were Jill Lajdziak, President and Chief Executive Officer, QEK; Jeff Anderson, Director Corporate Construction, Penske Automotive Group; and Jason Longhurst, Project Engineer, Nowak & Fraus.

Ms. Lajdziak addressed their interest in the site because of its expansion capabilities for their growing business and the intent to relocate their corporate office to the Maple Road site. Ms. Lajdziak thanked Board members and City administration in getting the application back on the agenda in a timely manner.

Mr. Anderson addressed the anticipated timeline for the corporate office relocation.

Board members commended the applicant for the significant site plan improvements specifically relating to innovative stormwater management.

Resolution # PC-2014-10-057

Moved by: Krent
Seconded by: Strat

RESOLVED, That Preliminary Site Plan Approval, pursuant to Article 8 of the Zoning Ordinance, as requested for the proposed Penske Automotive Group Parking Lot Expansion, located on the north side of Maple, west of Stephenson (1225 East Maple), Section 26, within the IB (Integrated Industrial and Business) District, be granted, subject to the following:

1. All repair and maintenance activities shall be performed entirely within the enclosed building.
2. Dismantled, wrecked, or inoperable vehicles or any vehicle parts or scrap of any kind shall not be stored outdoors.

Yes: All present (8)
Absent: Schepke

MOTION CARRIED

OTHER BUSINESS

9. **POTENTIAL ZONING ORDINANCE TEXT AMENDMENT** – Mineral Extraction

There was discussion on a potential zoning ordinance text amendment relating to mineral extraction. The Board directed the Planning Consultant and City administration to prepare proposed draft language that would permit oil and mineral extraction by special use with conditions to mitigate negative impacts on surrounding uses and to protect the health, safety and welfare of the public.

10. **PUBLIC COMMENT** – Items on Current Agenda

There was no one present who wished to speak.

11. **PLANNING COMMISSION COMMENT**

There were general Planning Commission comments.

The Special/Study meeting of the Planning Commission adjourned at 7:50 p.m.

Respectfully submitted,



Donald Edmunds, Chair



Kathy L. Czarniecki, Recording Secretary

Chair Saeger called the Animal Control Appeal Board meeting to order at 7:00 p.m. on November 5, 2014 in the Lower Level Conference Room of the Troy City Hall.

1. ROLL CALL

Present:

Patrick Carolan
Al Petrusis
Jayne Saeger
Gretchen Waters

Also Present:

Paul Evans, Zoning and Compliance Specialist
Susan Lancaster, Assistant City Attorney
Sergeant Michael Szuminski, Troy Police Department

2. APPROVAL OF AGENDA

All present agreed to agenda as proposed with the addition of discussion on Animal Control Appeal Board 2015 meeting date schedule.

3. APPROVAL OF MINUTES

Moved by Petrusis
Second by Carolan

RESOLVED, to approve the September 24, 2014 meeting minutes.

Yes: All

MOTION PASSED

4. HEARING OF CASE

- A. WAIVER REQUEST, VINCENT DEPAUW, 1641 E. WATTLES – In order to keep 10 chickens, a waiver from the requirement that the property be at least .75 of an acre in size. The property is approximately .735 acres in size. Animal Ordinance Section 90.70.20 (f).

Mr. Evans summarized the case for the Board. Mr. DePauw advised the Board that chickens have been present on the property since 2011. His neighbors have told him that they have no issues with the chickens. He was not aware a permit to have the chickens was required, so when the City Inspector advised him of such, he immediately applied.

The public hearing was opened.

There was no one present. Mr. Evans advised the City received one letter recommending approval, from 1661 E. Wattles, the next door neighbor.

Chair Saeger closed the public hearing.

In response to Board member questions, Mr. DePauw confirmed there would be 10 chickens, no roosters, and advised the approximate ages of the chickens. Mr. DePauw requested the Board allow the chickens to be free range, as his yard has fences on several sides, and neighbors on either side do not object.

The Board confirmed that there were no other public comments and discussed the potential merits of allowing the chickens to be free range.

Motion by: Waters
Second by: Petruilis

RESOLVED to grant the request allowing the chickens to be free range when not in the shed/pen shown in the application, disallowing any roosters, with a maximum of 10 chickens.

Yes: All

MOTION PASSED

5. OTHER BUSINESS

The Board agreed on proposed 2015 meeting dates.

Ms. Lancaster advised that the City Attorney extends an offer to speak to the Board regarding the Open Meetings Act, Freedom of Information Act, or on any questions or concerns the Board may have. Chair Saeger advised the Board to consider this request and to forward questions or concerns to City Staff.

6. ADJOURNMENT

The Animal Control Appeals Board meeting ADJOURNED at 7:40 p. m.

Respectfully submitted,

Jayne Saeger, Chair

Paul Evans, Zoning and Compliance Specialist



CITY COUNCIL AGENDA ITEM

Date: November 13, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Remnant Parcel Sales - Update

City Council approved the sale of eleven (11) City owned remnant parcels on April 7, 2014. The development potential of the parcels fell into 2 categories, buildable and those that would be best suited if offered to adjoining property owners.

APPRAISALS

Staff consulted with the Michigan Department of Transportation (MDOT) as to what requirements were acceptable for disposal of parcels acquired with Federal and State funds. Documents received for review:

- Appraisal Assignment Proposal & Fee Estimate (633ES)
- Appraisers Guide for Minimum Acceptable Requirements for Excess Property (612)
- Excess Property Appraisal Table of Contents (612A)
- Excess Property Certificate of Appraiser (612B)
- Excess Property Appraisal Review Report (723)
- List of MDOT approved appraisers: Level II and Level III

Staff prepared an RFP for Appraisal Services and the bid from Norman Thomas, ASA, SR/WA of the appraisal firm R.S. Thomas & Associates/Harold Blake Company was recommended for the work. City Council approved the appraisal service contract on August 11, 2014

The appraiser was provided with all necessary and available documentation to begin the appraisals: legal descriptions, drawings, available recorded documentation and sales studies prepared by the City Assessing department.

On September 5th the appraisers were accompanied by staff to view each property.

Appraisals were completed and the final reports were delivered to the City on October 15, 2014. The City's Deputy Assessor, Kimberly Harper, reviewed the appraisals as required by MDOT and Federal regulations. Clarification was sought for 3 appraisals, one of which was corrected and returned to the City on October 21, 2014.

The final appraisal review was completed by Kimberly Harper on October 21, 2014.

TITLE WORK

In order to offer the properties for sale and for closing purposes, the City is required to produce title work.

To satisfy the City's bid requirements, bids were received from five title companies. Four of the companies work as part of an umbrella group; Attorneys Title, Seaver Title Agency, Greco Title Agency, Bankers Title Settlement Services. Their fee structure is the same. The fifth company is eTitle Agency. The lowest quote was from eTitle Agency.

LETTERS TO ADJOINING PROPERTY OWNERS OF SIX UNBUILDABLE PARCELS

Prior to sending any letters, staff researched ownership and claim of interest in the adjacent properties with Oakland County Register of Deeds as well as determining correct mailing addresses.

Letters were prepared and sent to the adjoining property owners of Parcels: B, E, G, H, I and J, with a deadline to inform staff of their interest in acquiring the property by November 21st. If no response is received, then the parcels will be offered for public bid after November 24th.

Parcel B: Staff has spoken with both adjoining owners who have expressed their interest in acquiring the property.

Parcel E: No response as yet from the adjacent owner.

Parcel F: Staff has spent numerous hours with several interest holders to one of the adjacent properties. Staff has received written confirmation that 2 parties are interested in the purchase of this parcel.

Parcel G: Staff has spoken with one of the adjacent property owners, but no formal notification of interest to purchase the property has been received.

Parcel H: Staff has spoken with both adjacent property owners. One has declined any interest to purchase. The other property owner has formally indicated their interest in pursuing the purchase of this parcel.

Parcel I: No response as yet from adjacent owners.

BID DOCUMENTS FOR FIVE BUILDABLE PARCELS

Bid Proposals were prepared for the five (5) buildable parcels (A, C, D-1, D-2 & J) and uploaded to MITN.info. All bids are due by Thursday December 18, 2015 at 10:00am in the City Clerk's office. Staff will present bid tabulations and request bid acceptances at the January 15, 2015 City Council meeting.

ADVERTISING

Public Notices will appear in the Somerset Gazette on November 24, December 1, 8 & 15, and in the Troy Times. "For Sale" signs will be erected on each parcel to identify their availability to purchase.

Notification posters are displayed at City department counters and take-away flyers have been printed and available at the Planning, Building, Engineering and Assessing departments.

An open house has been scheduled for the current Engineering Field Office located at 3645 Crooks Road (Property C). Interested buyers can view the property on Thursday December 11, 2014 between the hours of 2:00 and 4:00pm.

Staff has also spoken with various property developers informing them of property availability. Additionally staff will forward notices to adjacent property owners that these parcels are available for purchase.

	PIN	ADDRESS/LOCATION	ZONING	ACRE	DEVELOPMENT POTENTIAL	APPRAISED AMOUNT	APPRAISAL REVIEW
A	88-20-03-126-006	6972 Donaldson	R-1B	0.95	Buildable	\$55,000	Y
B	88-20-10-101-018	Old Fire Station 2	O	0.34	Assemblage	\$59,000	Y
C	88-20-20-226-038	Engineering Field Office/Boulan Park	CF	0.56	Buildable	\$80,000	Y
D-1	88-20-16-476-027	Livernois & Paragon	R-1B	0.42	Buildable	\$45,000	Y
D-2	88-20-16-476-028	Livernois & Paragon	R-1B	0.42	Buildable	\$45,000	Y
E	88-20-28-227-006	2995 Livernois	BB	0.18	Assemblage	\$40,000	Y
F	88-20-22-358-028	Big Beaver & Frankton	BB	0.21	Assemblage	\$36,000	Y
G	88-20-27-155-013	Hickory & Plum	R-1E	0.17	Assemblage	\$55,000	Y
H	88-20-34-201-003	598 E. Maple	IB	0.14	Assemblage	\$6,200	Y
I	88-20-26-483-053	John R & Maple	CB	0.39	Assemblage	\$70,000	Y
J	88-20-24-451-029	Big Beaver, West of Waterfall	R-1E	0.31	Buildable	\$55,000	Y

\$546,200

Assemblage: highest and best use to assemble with adjacent property

Adams Coolidge Crooks Livernois Rochester John R Dequindre

South Blvd

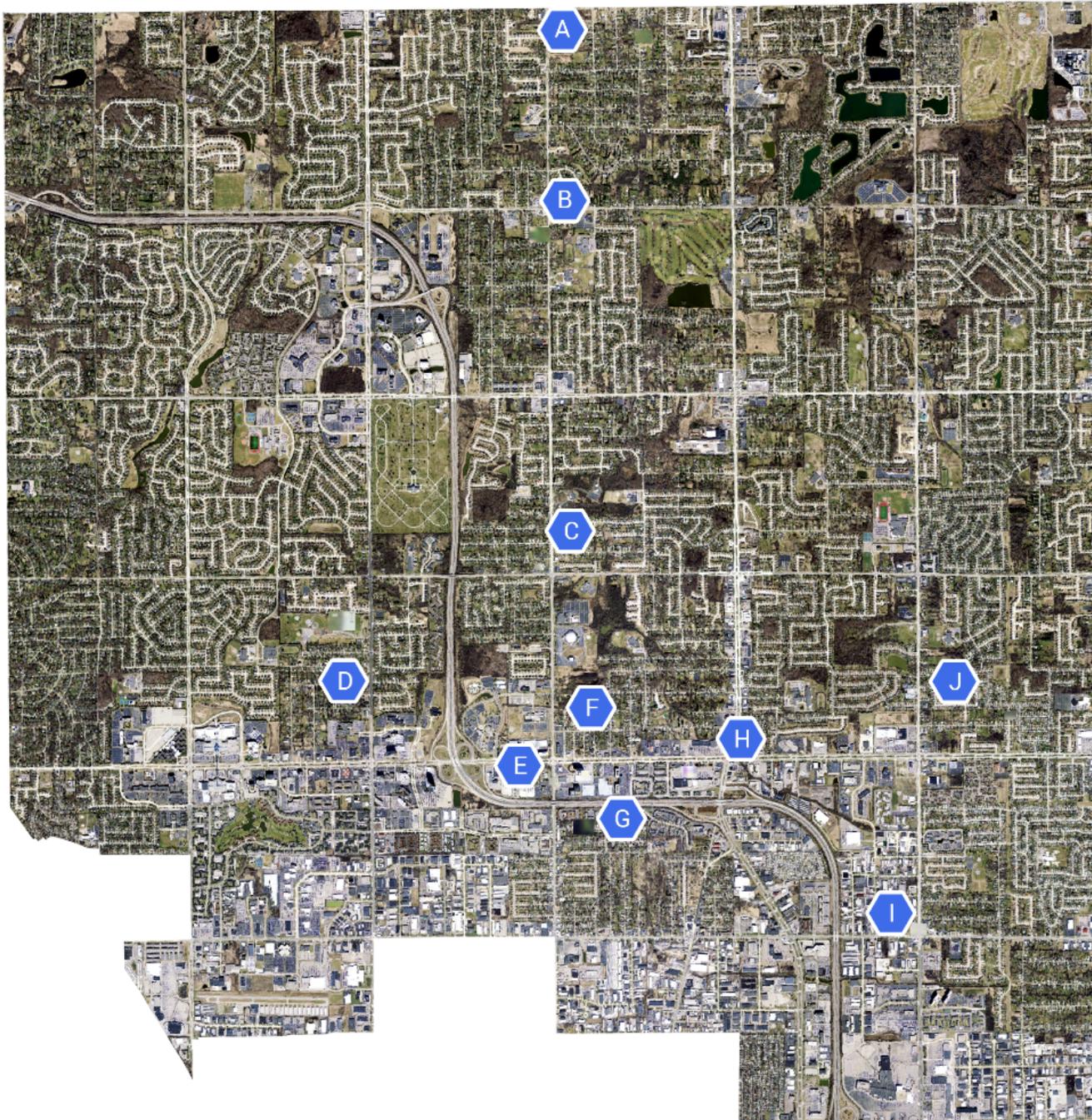
Square Lake

Long Lake

Wattles

Big Beaver

Maple



Remnant Parcel: 88-20-03-126-006



Parcel A Notes

0.95 acres

Reserve easement
for utilities

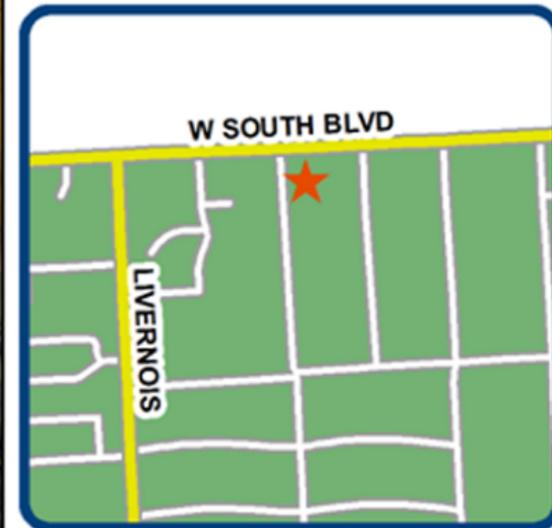
Right-of-Way
north of parcel

Tax Reversion

Buildable

Zoning

One Family
Residential
(R-1B)



Remnant Parcel: 88-20-10-101-018

Parcel B Notes

0.34 acres

Parks Board recommends holding onto this parcel

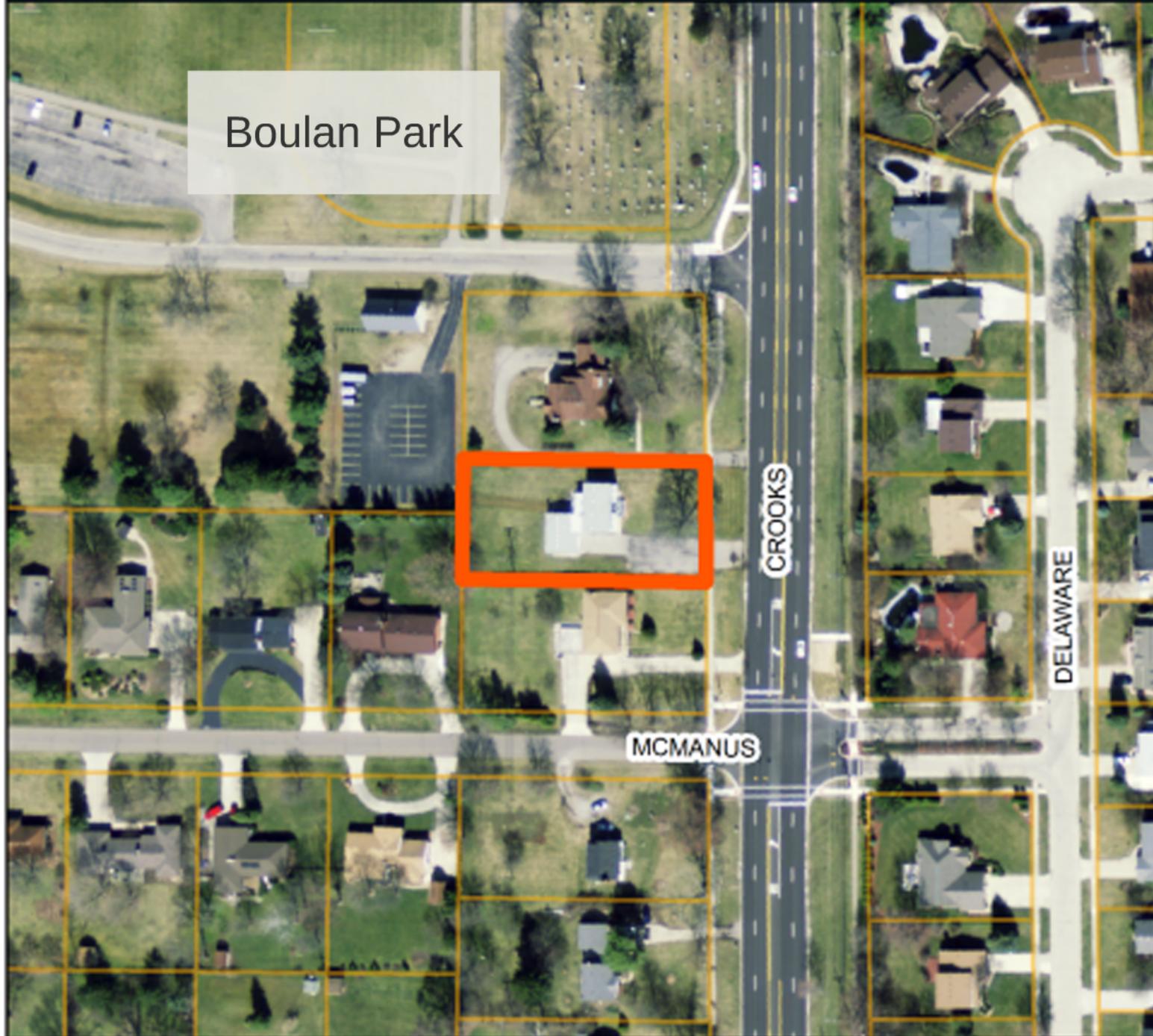
Zoning

Office
(O)



Remnant Parcel: 88-20-20-226-038

Boulan Park



Parcel C Notes

0.56 acres

Historic
District

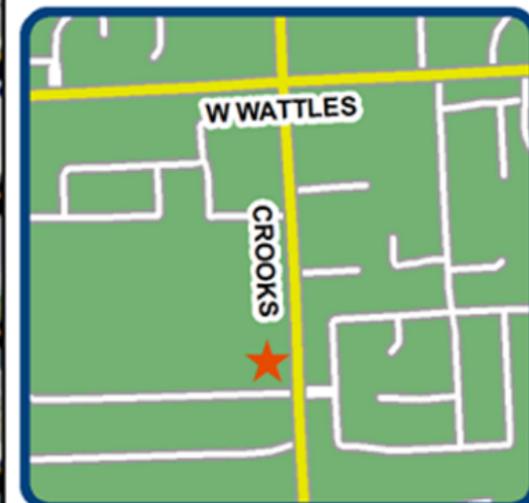
Transportation

Buildable

Appraisal
Required

Zoning

Community
Facilities
(CF)



Remnant Parcel: 88-20-16-476-027 & 028

Parcels D Notes

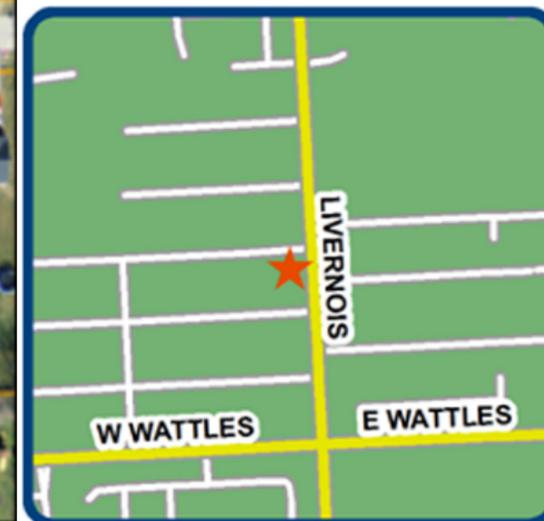
0.42 acres each

Buildable

Transportation

Zoning

One Family Residential (R-1B)



Remnant Parcel: 88-20-28-227-006



Parcel E Notes

0.18 acres

Transportation

Assemblage
Required

Zoning

Big Beaver
Road
(BB)



Remnant Parcel: 88-20-22-358-028



Parcel F Notes

0.21 acres

Transportation

Assemblage
Required

Zoning

Big Beaver
Road
(BB)



Remnant Parcel: 88-20-27-155-013

Parcel G Notes

0.17 acres

Tax Reversion

Assemblage
Required

Zoning

One Family
Residential
(R-1E)



Remnant Parcel: 88-20-34-201-003



Parcel H Notes

0.14 acres

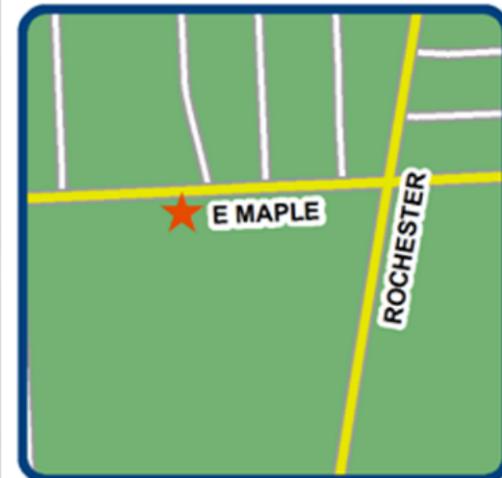
Transportation

Assemblage
Required

Proceeds Pro-rated

Zoning

Integrated Industrial
Business District
(IB)



Remnant Parcel: 88-20-26-483-053

Parcel I Notes

0.39 acres

Transportation

Assemblage
Required

Zoning

Community
Business
(CB)



Remnant Parcel: 88-20-24-451-029



Parcel J Notes

0.31 acres

Transportation

Buildable

Zoning

One Family
Residential
(R-1E)



Supporting Educational Nature
And Science Programs At
The Lloyd A. Stage Nature Center
6685 Coolidge Hwy.
Troy, MI 48098



O-02b P.O. Box 9930;
Troy MI, 48098
Phone (248) 688-9700;
Fax (248) 879-9240;
www.troynaturesociety.org

EIN: 80-0619054

Where People and Nature Meet

OFFICERS

November 6, 2014

Tom Lakocy
President

Keith Lenderman
Vice President

Dr. Mary Creager
Secretary

Cindy Wymer
Treasurer

Mr. Brian Kischnick
City Manager
City of Troy
500 E. Big Beaver Road
Troy, MI 48084

Dear Mr. Kischnick:

**BOARD
OF DIRECTORS**

William Blachford

Dr. Barbara Fowler

Roger Kowalski

Susie Kowalski

Christal Lewandowski

Ann Neuser

Harvey Whitehead

I am writing to provide you and Troy City Council with an update on the progress of the strategic planning process underway at Troy Nature Society (TNS). You will recall that at the April 2014 budget working session, City Council asked that TNS develop an updated strategic and financial plan.

TNS continues to work closely with Karl Schmidt and his Troy-based research and planning consultancy, Consumer Insights, Inc., on a strategic assessment and review of operations. Consumer Insights has completed an extensive amount of market research, including interviews with key TNS stakeholders. A draft of the strategic review framework was completed and reviewed by TNS and Consumer Insights in late August, and the final round of data gathering was scheduled to be completed by November 5. Further working sessions involving Consumer Insights and TNS board members are scheduled for the week of November 17, after which a final copy of the strategic assessment and review of operations will be available for distribution. Concurrent with the delivery of the report, we would be available to meet with you and/or your designees to review the report and discuss the findings.

STAFF

Carla Reeb
Executive Director

Debra Williams
Lead Naturalist

Hanna Donlger
Program Support Asst.

The enclosed status report prepared by Consumer Insights provides an overview of the data gathering that has been completed as of October 30.

As previously noted, Consumer Insights is providing its services for this project to TNS on a pro-bono basis.

Thank you to you and City Council for your continuing support of TNS and its mission. We look forward to continuing our excellent relationship with the City of Troy.

Sincerely,

Tom Lakocy
President

	Completed	Estimated Completion Date	Notes
Group Discussions: Troy Nature Society Board of Directors		-	In-depth interviews with Tom and Mary (1/30) and discussion with subset of board (8/11).
In-depth Interviews: Troy Nature Society Employees, Program Instructors, and Webmaster		-	In-depth interviews with Carla Neeb (2/18), Debra Williams (8/12), Layne Brown (8/5), and Chelsea Schmidt (8/29); In-depth interviews conducted with Lori Brown (8/22) and Linda Friedman(8/18); 2-hour interview completed on 8/26.
Web Survey: Volunteers		-	34 responses from 262 invitations sent.
Web Survey: Troy Nature Society Members		-	58 responses from 198 invitations sent.
Web Survey: Non-member Patrons of Nature Society		-	28 responses from approximately 418 invitations sent.
Web Survey: Community at Large		11/5/14	Blasted survey to 56 third grade owling parents day after event plus two subsequent reminders only netted a total of 6 returns. Now back in field 10/31/14 via Troy School District School Messenger program and city email database.



	Completed	Estimated Completion Date	Notes
In-depth Interviews: City Departments, Management, Officials		-	In-depth conversations with Brian Kischnick (9/17) and Wade Fleming (9/18)
In-depth Interviews: Educational Partners		-	Initial meeting with TSD curriculum staff (9/9); future meetings planned.
In-depth Phone Interviews: Current Donors		11/5/14	Consumer Insights has spoken with Kelly Services. Still attempting contact with two other current donors.
In-depth Interviews: Possible Partnerships		11/5/14	Interview with Troy Historical Society director not scheduled yet.
In-depth Interviews: Prospective Donors		-	In-depth Interviews with grantors and marketers from Flagstar Bank, Suburban Collection, and Beaumont Health System.
Phone Interviews: Potential Intern Sources		-	In-depth interviews completed with student placement staff and faculty at Oakland Community College, Walsh College, and Oakland University in relevant program areas throughout August.
Phone Interviews: Potential Volunteer Sources		-	Completed by Volunteer Coordinator within the past 6 months—will incorporate findings from those conversation in this document.



**CITY OF TROY INCENTIVE PLAN FOR VOLUNTEER
FIREFIGHTERS**

GASB STATEMENT NO. 67 PLAN REPORTING AND ACCOUNTING
SCHEDULES

JUNE 30, 2014



November 12, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Re: GASB Statement No. 67 Reporting and Disclosure Information

Dear Tom:

This report provides information required by the Retirement System in connection with the Governmental Accounting Standards Board (GASB) Statement No. 67 "Financial Reporting for Pension Plans." The information provided herein was prepared for the purpose of assisting the City of Troy Incentive Plan for Volunteer Firefighters to comply with the financial reporting and disclosure requirements of GASB Statement No. 67.

The calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 67 and is not applicable for purposes of funding the Retirement System. A calculation of the Retirement System's liability for other purposes may produce significantly different results. This report may be provided to parties other than the City of Troy Incentive Plan for Volunteer Firefighters only in its entirety and only with the permission of the City.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of December 31, 2013. The total pension liability was rolled-forward from the valuation date to the fiscal year ending June 30, 2014 using generally accepted actuarial principals. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities. It is our opinion that the recommended assumptions are internally consistent, reasonable, and comply with the requirements under GASB Statement No. 67.

This report is based upon information, furnished to us by the City of Troy Incentive Plan for Volunteer Firefighters, which includes benefit provisions, membership information, and financial data. We did not audit this data and information, but we did apply a number of tests and concluded that it was reasonable and consistent. GRS is not responsible for the accuracy or completeness of the information provided to us by the City of Troy Incentive Plan for Volunteer Firefighters.

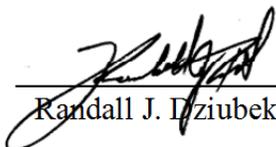
Mr. Thomas Darling
November 12, 2014
Page 2

This report compliments the actuarial valuation report that was provided to the City of Troy Incentive Plan for Volunteer Firefighters and should be considered together as a complete report for the fiscal year ending June 30, 2014. Please see the actuarial valuation report as of December 31, 2013 for additional discussion of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

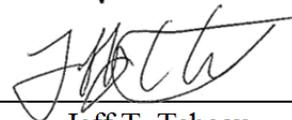
To the best of our knowledge, the information contained with this report is accurate and fairly represents the actuarial position of the City of Troy Incentive Plan for Volunteer Firefighters. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Randall J. Dziubek and Abra D. Hill are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The signing actuaries are independent of the plan sponsor.

This information is presented in draft form for review by the Retirement System's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the Retirement System's financial statements.

Respectfully submitted,

By 
Randall J. Dziubek, ASA, EA, MAAA

By 
Abra D. Hill, ASA, MAAA

By 
Jeff T. Tebeau

RJD/ADH:bd

TABLE OF CONTENTS

	<u>Page</u>
Section A	Executive Summary
	Executive Summary 1
	Discussion 2
Section B	Financial Statements
	Statement of Fiduciary Net Position 5
	Statement of Changes in Fiduciary Net Position 6
Section C	Required Supplementary Information
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear..... 7
	Schedule of Net Pension Liability Multiyear..... 8
	Schedule of Contributions Multiyear..... 9
	Notes to Schedule of Contributions 10
	Schedule of Investment Returns Multiyear..... 11
Section D	Notes to Financial Statements
	Sensitivity of Net Pension Liability to the Single Discount Rate Assumption..... 12
	Summary of Population Statistics 13
Section E	Calculation of the Single Discount Rate
	Calculation of the Single Discount Rate 14
	Projection of Contributions 15
	Projection of Plan Fiduciary Net Position..... 17
	Present Values of Projected Benefits 19
	Projection of Plan Net Position and Benefit Payments..... 21
Section F	Glossary of Terms..... 22

SECTION A
EXECUTIVE SUMMARY

Executive Summary as of June 30, 2014

Actuarial Valuation Date	December 31, 2013
Pension Plan's Fiscal Year Ending Date (Measurement Date & Reporting Date)	June 30, 2014

Membership

Number of	
- Retirees and Beneficiaries	80
- Inactive, Nonretired Members*	27
- Active Members	140
- Total	247
Covered Payroll	\$ -

Net Pension Liability

Total Pension Liability	\$ 16,387,367
Plan Fiduciary Net Position	5,351,492
Net Pension Liability	\$ 11,035,875
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	32.66%
Net Pension Liability as a Percentage of Covered Payroll	N/A

Development of the Single Discount Rate

Single Discount Rate	6.41%
Long-Term Expected Rate of Return	6.50%
Long-Term Municipal Bond Rate	4.29%
Last year ending June 30 in the 2015 to 2114 projection period for which projected benefit payments are fully funded	2066

* Does not include 12 participants on Leave of Absence.

Discussion

Accounting Standard

For pension plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 67, “Financial Reporting for Pension Plans,” replaces the requirements of GASB Statement No. 25, “Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,” and GASB Statement No. 50, “Pension Disclosures.” GASB Statement No. 67 establishes standards of financial reporting for separately issued financial reports and specifies the required approach for measuring the pension liability of employers and non-employer contributing entities for benefits provided through the pension plan.

The following discussion provides a summary of the information that is required to be disclosed under this new accounting standard. A number of these disclosure items are provided in this report. However, certain information, such as notes regarding accounting policies and investments, is not included in this report, and your internal staff will be responsible for preparing that information to comply with this accounting standard.

Financial Statements

GASB Statement No. 67 requires defined benefit pension plans to present two financial statements – a statement of fiduciary net position and a statement of changes in fiduciary net position.

The *statement of fiduciary net position* presents the following items as of the end of the pension plan’s reporting period, such as:

- assets;
- deferred inflows and outflows of resources;
- liabilities; and
- fiduciary net position (assets, plus deferred outflows, minus liabilities, minus deferred inflows).

The *statement of changes in fiduciary net position* presents the following for the plan’s reporting period:

- additions, such as contributions and investment income;
- deductions, such as benefit payments and expenses; and
- net increase or decrease in the fiduciary net position (the difference between additions and deductions).

Discussion (Continued)

Notes to Financial Statements

GASB Statement No. 67 also requires the notes of the plan's financial statements to include additional disclosure information. This disclosure information should include:

- a description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs;
- the number and classes of employees covered by the benefit terms;
- the composition of the pension plan's Board and the authority under which benefit terms may be amended;
- a description of the plan's funding policy, which includes member and employer contribution requirements;
- the pension plan's investment policies;
- a description of how fair value is determined;
- concentrations of investments greater than or equal to 5%;
- annual money-weighted rate of return on pension plan investments;
- the portion of the present value of benefits to be provided through the pension plan to current active and inactive plan members;
- the pension plan's fiduciary net position;
- the net pension liability;
- the pension plan's fiduciary net position as a percentage of the total pension liability;
- significant assumptions and methods used to calculate the total pension liability;
- inputs to the discount rates; and
- certain information about mortality assumptions and the dates of experience studies.

Required Supplementary Information

GASB Statement No. 67 requires a 10-year fiscal history of:

- sources of changes in the net pension liability;
- information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll;
- comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy; and
- the annual money-weighted rate of return on pension plan investments for each year.

These tables may be built prospectively as the information becomes available.

Discussion (Concluded)

Measurement of the Net Pension Liability

The net pension liability is to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. If the actuarial valuation is not calculated as of the plan's fiscal year end, the total pension liability is required to be rolled forward from the actuarial valuation date to the pension plan's fiscal year end.

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2013 and a measurement date of June 30, 2014.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 4.290% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve); and the resulting single discount rate is 6.41%. The 6.50% assumed long-term investment rate of return is based on our understanding that the allocation of invested assets by asset class has recently been changed to a mix of equity and fixed income investment.

Effective Date and Transition

GASB Statement No. 67 is effective for a pension plan's fiscal years beginning after June 15, 2013; however, earlier application is encouraged by the GASB.

SECTION B

FINANCIAL STATEMENTS

Statement of Fiduciary Net Position as of June 30, 2014

Assets

Cash and Deposits	\$	2,980,502
Receivables		
Accounts Receivable - Sale of Investments	\$	-
Accrued Interest and Other Dividends		-
Contributions		-
Accounts Receivable - Other		-
Total Receivables	\$	-
Investments		
Fixed Income	\$	2,372,490
Domestic Equities		-
International Equities		-
Real Estate		-
Other		-
Total Investments	\$	2,372,490
Total Assets	\$	5,352,992

Liabilities

Payables		
Accounts Payable - Purchase of Investments	\$	1,500
Accrued Expenses		-
Accounts Payable - Other		-
Total Liabilities	\$	1,500
Net Position Restricted for Pensions	\$	5,351,492

Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2014

Additions

Contributions

Employer	\$ 1,078,500
Employee	-
Other	-
Total Contributions	\$ 1,078,500

Investment Income

Net Appreciation in Fair Value of Investments	\$ 88,478
Interest and Dividends	198,185
Less Investment Expense	-
Net Investment Income	\$ 286,663

Other

Total Additions	\$ -
	\$ 1,365,163

Deductions

Benefit payments, including refunds of employee contributions	\$ 1,379,391
Pension Plan Administrative Expense	12,420
Other	-
Total Deductions	\$ 1,391,811

Net Increase in Net Position	\$ (26,648)
-------------------------------------	-------------

Net Position Restricted for Pensions

Beginning of Year	\$ 5,378,140
End of Year	\$ 5,351,492

SECTION C

REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Ultimately 10 Years Will Be Displayed

Fiscal year ending June 30,	2014
Total Pension Liability	
Service Cost	\$ 447,479
Interest on the Total Pension Liability	819,211
Benefit Changes	1,727,859
Difference between Expected and Actual Experience	-
Assumption Changes	1,703,002
Benefit Payments	(1,379,391)
Refunds	-
Net Change in Total Pension Liability	3,318,160
Total Pension Liability - Beginning	13,069,207
Total Pension Liability - Ending (a)	\$ 16,387,367
Plan Fiduciary Net Position	
Employer and State Contributions	\$ 1,078,500
Employee Contributions	-
Pension Plan Net Investment Income	286,663
Benefit Payments	(1,379,391)
Refunds	-
Pension Plan Administrative Expense	(12,420)
Other	-
Net Change in Plan Fiduciary Net Position	(26,648)
Plan Fiduciary Net Position - Beginning	5,378,140
Plan Fiduciary Net Position - Ending (b)	\$ 5,351,492
Net Pension Liability - Ending (a) - (b)	11,035,875
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	32.66 %
Covered Employee Payroll	N/A
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A
Notes to Schedule:	N/A

Schedules of Required Supplementary Information

Schedule of the Net Pension Liability Multiyear

Ultimately 10 Years Will Be Displayed

FY Ending June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	\$ 16,387,367	\$ 5,351,492	\$ 11,035,875	32.66%	N/A	N/A

Schedule of Contributions Multiyear
Ultimately 10 Years Will Be Displayed

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$ 858,472	\$ 1,078,500	\$ (220,028)	N/A	N/A

Notes to Schedule of Contributions

Valuation Date:	December 31, 2013
Notes	Actuarially determined contribution rates are calculated as of December 31, which is 18 months prior to the beginning of the fiscal year which contributions are reported.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Individual Entry-Age Normal
Amortization Method	Level-Dollar, open
Remaining Amortization Period	25 years
Asset Valuation Method	4-Year smoothed market
Wage Inflation	0.00%
Salary Increases	N/A
Investment Rate of Return	6.50%
Retirement Age	Age and Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Mortality Table projected to 2017 using scale BB.
Other Information:	
Notes	Benefit changes and actuarial assumption changes are reflected in the TPL as of June 30, 2014.

Schedule of Investment Returns Multiyear Ultimately 10 Years Will Be Displayed

FY Ending June 30,	Annual Return¹
2014	4.79 %

¹ Annual money-weighted rate of return, net of investment expenses.

SECTION D

NOTES TO FINANCIAL STATEMENTS

Single Discount Rate

A single discount rate of 6.41% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 4.290%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2066. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2066, and the municipal bond rate was applied to all benefit payments after that date.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.41%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

	Current Single Discount	
1% Decrease	Rate Assumption	1% Increase
5.41%	6.41%	7.41%
\$13,623,636	\$11,035,875	\$8,929,855

Summary of Population Statistics

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	80
Inactive Plan Members Entitled to But Not Yet Receiving Benefits*	27
Active Plan Members	140
Total Plan Members	<u>247</u>

* Does not include 12 participants on Leave of Absence.

SECTION E

CALCULATION OF THE SINGLE DISCOUNT RATE

Calculation of the Single Discount Rate

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 4.290%; and the resulting single discount rate is 6.41%.

The tables in this section provide background for the development of the single discount rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

Single Discount Rate Development Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Service Cost and Expense Contributions	UAL Contributions	Total Contributions
0	\$ -	-	-	-	-
1	-	\$ -	\$ 431,042	\$ 2,510,617	\$ 2,941,660
2	-	-	407,195	641,340	1,048,535
3	-	-	386,489	665,363	1,051,852
4	-	-	366,494	683,296	1,049,790
5	-	-	346,386	684,596	1,030,982
6	-	-	326,311	672,971	999,282
7	-	-	306,839	661,543	968,382
8	-	-	289,007	650,309	939,316
9	-	-	272,712	639,266	911,977
10	-	-	255,342	628,410	883,752
11	-	-	237,026	617,739	854,765
12	-	-	220,358	607,249	827,607
13	-	-	205,031	596,937	801,968
14	-	-	190,320	586,800	777,119
15	-	-	176,363	576,835	753,198
16	-	-	162,696	567,039	729,736
17	-	-	148,776	557,410	706,186
18	-	-	134,314	547,945	682,258
19	-	-	120,036	538,640	658,676
20	-	-	107,228	529,493	636,721
21	-	-	95,996	520,501	616,497
22	-	-	84,772	511,662	596,435
23	-	-	73,138	502,974	576,111
24	-	-	62,103	494,432	556,535
25	-	-	51,865	486,036	537,901
26	-	-	41,933	477,783	519,715
27	-	-	32,685	469,669	502,354
28	-	-	25,012	461,693	486,705
29	-	-	19,167	453,853	473,020
30	-	-	14,816	446,146	460,962
31	-	-	11,387	438,570	449,956
32	-	-	8,638	431,122	439,760
33	-	-	6,673	423,801	430,474
34	-	-	5,262	416,604	421,867
35	-	-	4,000	409,530	413,530
36	-	-	2,784	402,575	405,359
37	-	-	1,800	395,739	397,540
38	-	-	1,114	389,019	390,133
39	-	-	602	382,413	383,015
40	-	-	258	375,919	376,177
41	-	-	97	369,535	369,632
42	-	-	26	363,260	363,285
43	-	-	-	357,091	357,091
44	-	-	-	351,027	351,027
45	-	-	-	345,066	345,066
46	-	-	-	339,207	339,207
47	-	-	-	333,446	333,446
48	-	-	-	327,784	327,784
49	-	-	-	322,218	322,218
50	-	-	-	316,746	316,746

Single Discount Rate Development Projection of Contributions (Concluded)

Year	Payroll for Current Employees	Contributions from Current Employees	Service Cost and Expense Contributions	UAL Contributions	Total Contributions
51	\$ -	\$ -	\$ -	\$ 311,367	\$ 311,367
52	-	-	-	306,080	306,080
53	-	-	-	300,882	300,882
54	-	-	-	295,773	295,773
55	-	-	-	290,750	290,750
56	-	-	-	285,813	285,813
57	-	-	-	280,959	280,959
58	-	-	-	276,188	276,188
59	-	-	-	271,498	271,498
60	-	-	-	266,887	266,887
61	-	-	-	262,355	262,355
62	-	-	-	257,900	257,900
63	-	-	-	253,521	253,521
64	-	-	-	249,215	249,215
65	-	-	-	244,983	244,983
66	-	-	-	240,823	240,823
67	-	-	-	236,734	236,734
68	-	-	-	232,714	232,714
69	-	-	-	228,762	228,762
70	-	-	-	224,877	224,877
71	-	-	-	221,058	221,058
72	-	-	-	217,304	217,304
73	-	-	-	213,614	213,614
74	-	-	-	209,987	209,987
75	-	-	-	206,421	206,421
76	-	-	-	202,916	202,916
77	-	-	-	199,470	199,470
78	-	-	-	196,082	196,082
79	-	-	-	192,753	192,753
80	-	-	-	189,479	189,479
81	-	-	-	186,262	186,262
82	-	-	-	183,099	183,099
83	-	-	-	179,989	179,989
84	-	-	-	176,933	176,933
85	-	-	-	173,928	173,928
86	-	-	-	170,975	170,975
87	-	-	-	168,071	168,071
88	-	-	-	165,217	165,217
89	-	-	-	162,412	162,412
90	-	-	-	159,654	159,654
91	-	-	-	156,943	156,943
92	-	-	-	154,277	154,277
93	-	-	-	151,658	151,658
94	-	-	-	149,082	149,082
95	-	-	-	146,551	146,551
96	-	-	-	144,062	144,062
97	-	-	-	141,616	141,616
98	-	-	-	139,211	139,211
99	-	-	-	136,847	136,847
100	-	-	-	134,523	134,523

Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Year	Projected Beginning		Projected Total		Projected Benefit		Projected		Projected Ending Plan	
	Plan	Net Position	Contributions	Payments	Investment	Earnings at 6.50%	Net Position			
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)					
1	\$	5,351,492	\$	2,941,660	\$	604,642	\$	422,604	\$	8,111,114
2		8,111,114		1,048,535		644,571		540,145		9,055,222
3		9,055,222		1,051,852		698,201		599,902		10,008,775
4		10,008,775		1,049,790		758,522		659,888		10,959,931
5		10,959,931		1,030,982		821,578		719,094		11,888,429
6		11,888,429		999,282		887,728		776,316		12,776,300
7		12,776,300		968,382		952,653		830,963		13,622,992
8		13,622,992		939,316		1,013,022		883,137		14,432,422
9		14,432,422		911,977		1,073,107		932,953		15,204,246
10		15,204,246		883,752		1,133,541		980,286		15,934,743
11		15,934,743		854,765		1,192,093		1,024,968		16,622,382
12		16,622,382		827,607		1,254,660		1,066,794		17,262,122
13		17,262,122		801,968		1,321,896		1,105,406		17,847,600
14		17,847,600		777,119		1,387,156		1,140,580		18,378,143
15		18,378,143		753,198		1,451,939		1,172,228		18,851,630
16		18,851,630		729,736		1,519,107		1,200,105		19,262,364
17		19,262,364		706,186		1,590,079		1,223,779		19,602,251
18		19,602,251		682,258		1,664,509		1,242,726		19,862,726
19		19,862,726		658,676		1,736,574		1,256,597		20,041,425
20		20,041,425		636,721		1,801,565		1,265,431		20,142,013
21		20,142,013		616,497		1,862,869		1,269,361		20,165,002
22		20,165,002		596,435		1,925,374		1,268,215		20,104,278
23		20,104,278		576,111		1,988,664		1,261,593		19,953,318
24		19,953,318		556,535		2,052,382		1,249,116		19,706,587
25		19,706,587		537,901		2,113,552		1,230,526		19,361,461
26		19,361,461		519,715		2,164,048		1,205,895		18,923,024
27		18,923,024		502,354		2,201,418		1,175,646		18,399,606
28		18,399,606		486,705		2,224,931		1,140,371		17,801,751
29		17,801,751		473,020		2,228,836		1,100,948		17,146,883
30		17,146,883		460,962		2,216,429		1,058,393		16,449,809
31		16,449,809		449,956		2,196,215		1,013,378		15,716,927
32		15,716,927		439,760		2,169,674		966,263		14,953,278
33		14,953,278		430,474		2,136,513		917,390		14,164,628
34		14,164,628		421,867		2,097,234		867,109		13,356,369
35		13,356,369		413,530		2,056,051		815,622		12,529,470
36		12,529,470		405,359		2,011,056		763,052		11,686,826
37		11,686,826		397,540		1,955,020		709,822		10,839,168
38		10,839,168		390,133		1,890,500		656,552		9,995,352
39		9,995,352		383,015		1,820,039		603,730		9,162,057
40		9,162,057		376,177		1,743,926		551,782		8,346,090
41		8,346,090		369,632		1,665,273		501,050		7,551,499
42		7,551,499		363,285		1,585,631		451,747		6,780,899
43		6,780,899		357,091		1,505,739		404,015		6,036,266
44		6,036,266		351,027		1,426,381		357,958		5,318,871
45		5,318,871		345,066		1,347,795		313,651		4,629,793
46		4,629,793		339,207		1,270,136		271,158		3,970,022
47		3,970,022		333,446		1,193,503		230,540		3,340,504
48		3,340,504		327,784		1,117,974		191,856		2,742,170
49		2,742,170		322,218		1,043,616		155,165		2,175,937
50		2,175,937		316,746		970,516		120,523		1,642,689

Single Discount Rate Development

Projection of Plan Fiduciary Net Position (Concluded)

Year	Projected Beginning	Projected Total	Projected Benefit	Projected	Projected Ending Plan
	Plan Net Position	Contributions	Payments	Investment Earnings at 6.50%	Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
51	\$ 1,642,689	\$ 311,367	\$ 898,794	\$ 87,984	\$ 1,143,246
52	1,143,246	306,080	828,625	57,596	678,296
53	678,296	300,882	760,254	29,395	248,319
54	248,319	295,773	693,968	3,403	-
55	-	290,750	630,058	-	-
56	-	285,813	568,794	-	-
57	-	280,959	510,421	-	-
58	-	276,188	455,143	-	-
59	-	271,498	403,114	-	-
60	-	266,887	354,422	-	-
61	-	262,355	309,106	-	-
62	-	257,900	267,186	-	-
63	-	253,521	228,655	795	25,661
64	-	249,215	193,509	1,782	57,489
65	-	244,983	161,756	2,662	85,890
66	-	240,823	133,401	3,436	110,858
67	-	236,734	108,424	4,104	132,414
68	-	232,714	86,759	4,669	150,624
69	-	228,762	68,283	5,133	165,612
70	-	224,877	52,819	5,504	177,562
71	-	221,058	40,133	5,787	186,712
72	-	217,304	29,942	5,993	193,356
73	-	213,614	21,930	6,132	197,816
74	-	209,987	15,772	6,213	200,427
75	-	206,421	11,144	6,247	201,524
76	-	202,916	7,740	6,243	201,419
77	-	199,470	5,290	6,211	200,391
78	-	196,082	3,562	6,158	198,678
79	-	192,753	2,367	6,090	196,476
80	-	189,479	1,555	6,011	193,935
81	-	186,262	1,013	5,926	191,175
82	-	183,099	655	5,836	188,280
83	-	179,989	422	5,744	185,312
84	-	176,933	270	5,651	182,314
85	-	173,928	173	5,558	179,314
86	-	170,975	110	5,466	176,331
87	-	168,071	70	5,374	173,376
88	-	165,217	44	5,284	170,457
89	-	162,412	27	5,194	167,579
90	-	159,654	17	5,107	164,743
91	-	156,943	10	5,020	161,952
92	-	154,277	6	4,935	159,206
93	-	151,658	4	4,851	156,505
94	-	149,082	2	4,769	153,849
95	-	146,551	1	4,688	151,237
96	-	144,062	1	4,608	148,670
97	-	141,616	0	4,530	146,145
98	-	139,211	0	4,453	143,664
99	-	136,847	0	4,378	141,224
100	-	134,523	-	4,303	138,826

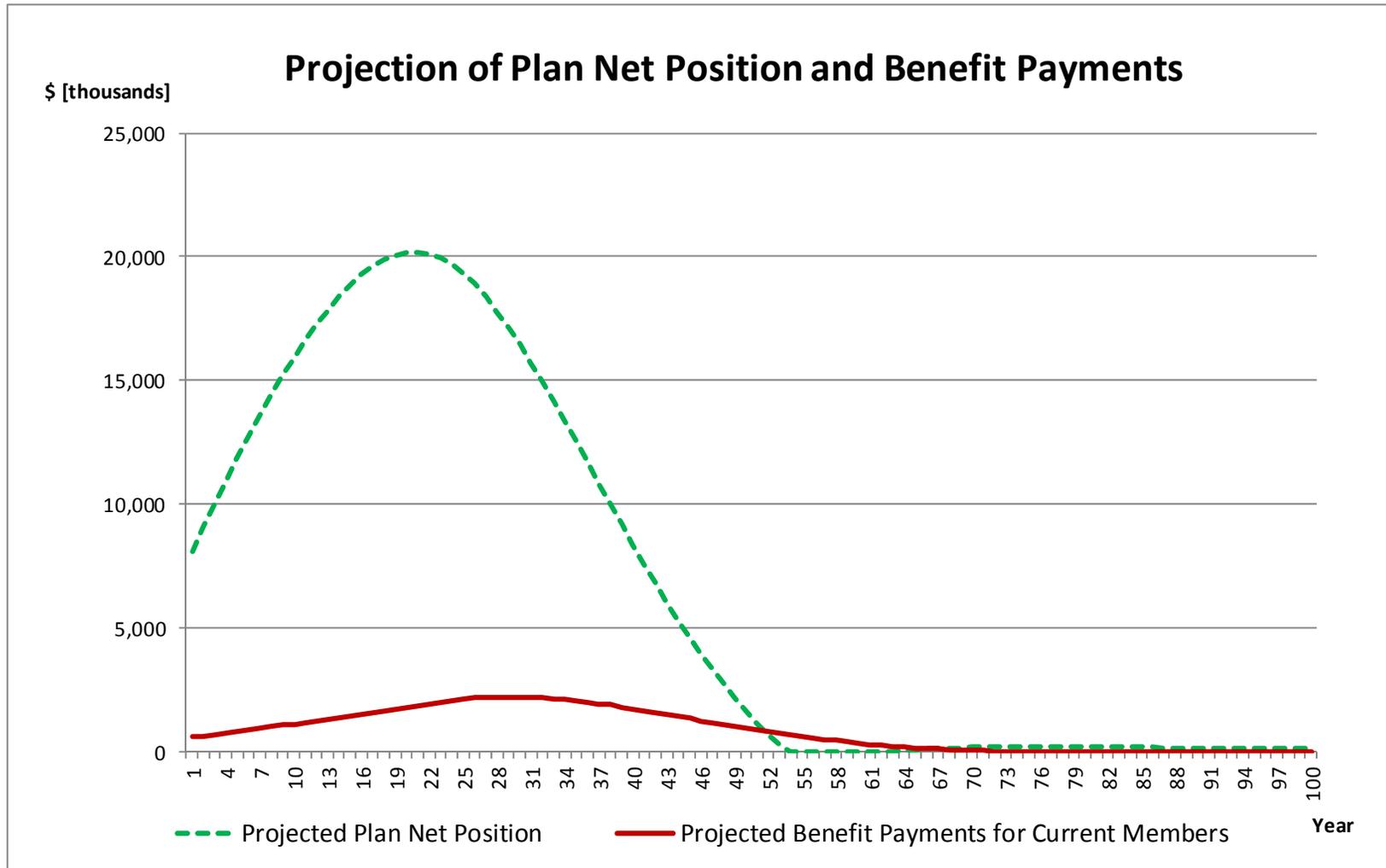
Single Discount Rate Development Present Values of Projected Benefits

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v [^] ((a)-.5)	(g)=(e)*vf [^] ((a)-.5)	(h)=-((c)/(1+sdr) [^] (a-.5))
1	\$ 5,351,492	\$ 604,642	\$ 604,642	\$ -	\$ 585,900	\$ -	\$ 586,159
2	8,111,114	644,571	644,571	-	586,470	-	587,247
3	9,055,222	698,201	698,201	-	596,495	-	597,813
4	10,008,775	758,522	758,522	-	608,477	-	610,360
5	10,959,931	821,578	821,578	-	618,836	-	621,299
6	11,888,429	887,728	887,728	-	627,851	-	630,907
7	12,776,300	952,653	952,653	-	632,648	-	636,289
8	13,622,992	1,013,022	1,013,022	-	631,680	-	635,876
9	14,432,422	1,073,107	1,073,107	-	628,306	-	633,038
10	15,204,246	1,133,541	1,133,541	-	623,184	-	628,431
11	15,934,743	1,192,093	1,192,093	-	615,374	-	621,104
12	16,622,382	1,254,660	1,254,660	-	608,143	-	614,347
13	17,262,122	1,321,896	1,321,896	-	601,627	-	608,302
14	17,847,600	1,387,156	1,387,156	-	592,797	-	599,903
15	18,378,143	1,451,939	1,451,939	-	582,612	-	590,116
16	18,851,630	1,519,107	1,519,107	-	572,360	-	580,245
17	19,262,364	1,590,079	1,590,079	-	562,536	-	570,789
18	19,602,251	1,664,509	1,664,509	-	552,927	-	561,535
19	19,862,726	1,736,574	1,736,574	-	541,658	-	550,576
20	20,041,425	1,801,565	1,801,565	-	527,634	-	536,794
21	20,142,013	1,862,869	1,862,869	-	512,289	-	521,644
22	20,165,002	1,925,374	1,925,374	-	497,163	-	506,688
23	20,104,278	1,988,664	1,988,664	-	482,165	-	491,836
24	19,953,318	2,052,382	2,052,382	-	467,243	-	477,036
25	19,706,587	2,113,552	2,113,552	-	451,801	-	461,678
26	19,361,461	2,164,048	2,164,048	-	434,362	-	444,250
27	18,923,024	2,201,418	2,201,418	-	414,895	-	424,714
28	18,399,606	2,224,931	2,224,931	-	393,734	-	403,408
29	17,801,751	2,228,836	2,228,836	-	370,352	-	379,787
30	17,146,883	2,216,429	2,216,429	-	345,812	-	354,935
31	16,449,809	2,196,215	2,196,215	-	321,745	-	330,525
32	15,716,927	2,169,674	2,169,674	-	298,457	-	306,872
33	14,953,278	2,136,513	2,136,513	-	275,958	-	283,989
34	14,164,628	2,097,234	2,097,234	-	254,352	-	261,985
35	13,356,369	2,056,051	2,056,051	-	234,138	-	241,378
36	12,529,470	2,011,056	2,011,056	-	215,037	-	221,882
37	11,686,826	1,955,020	1,955,020	-	196,287	-	202,713
38	10,839,168	1,890,500	1,890,500	-	178,224	-	184,222
39	9,995,352	1,820,039	1,820,039	-	161,109	-	166,679
40	9,162,057	1,743,926	1,743,926	-	144,950	-	150,093
41	8,346,090	1,665,273	1,665,273	-	129,965	-	134,695
42	7,551,499	1,585,631	1,585,631	-	116,197	-	120,532
43	6,780,899	1,505,739	1,505,739	-	103,608	-	107,568
44	6,036,266	1,426,381	1,426,381	-	92,157	-	95,764
45	5,318,871	1,347,795	1,347,795	-	81,765	-	85,040
46	4,629,793	1,270,136	1,270,136	-	72,351	-	75,316
47	3,970,022	1,193,503	1,193,503	-	63,836	-	66,511
48	3,340,504	1,117,974	1,117,974	-	56,147	-	58,551
49	2,742,170	1,043,616	1,043,616	-	49,214	-	51,366
50	2,175,937	970,516	970,516	-	42,973	-	44,892

Single Discount Rate Development

Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^{(a)-.5}	(g)=(e)*vf ^{(a)-.5}	(h)=((c)/(1+sdr) ^{(a)-.5})
51	\$ 1,642,689	\$ 898,794	\$ 898,794	\$ -	\$ 37,368	\$ -	\$ 39,072
52	1,143,246	828,625	828,625	-	32,348	-	33,853
53	678,296	760,254	678,296	81,958	24,864	9,033	29,190
54	248,319	693,968	248,319	445,649	8,547	47,099	25,041
55	-	630,058	-	630,058	-	63,849	21,366
56	-	568,794	-	568,794	-	55,270	18,127
57	-	510,421	-	510,421	-	47,557	15,287
58	-	455,143	-	455,143	-	40,663	12,811
59	-	403,114	-	403,114	-	34,533	10,664
60	-	354,422	-	354,422	-	29,113	8,811
61	-	309,106	-	309,106	-	24,346	7,222
62	-	267,186	-	267,186	-	20,178	5,867
63	-	228,655	-	228,655	-	16,558	4,718
64	-	193,509	-	193,509	-	13,437	3,753
65	-	161,756	-	161,756	-	10,770	2,948
66	-	133,401	-	133,401	-	8,517	2,285
67	-	108,424	-	108,424	-	6,637	1,745
68	-	86,759	-	86,759	-	5,093	1,312
69	-	68,283	-	68,283	-	3,843	971
70	-	52,819	-	52,819	-	2,851	706
71	-	40,133	-	40,133	-	2,077	504
72	-	29,942	-	29,942	-	1,486	353
73	-	21,930	-	21,930	-	1,043	243
74	-	15,772	-	15,772	-	720	164
75	-	11,144	-	11,144	-	487	109
76	-	7,740	-	7,740	-	325	71
77	-	5,290	-	5,290	-	213	46
78	-	3,562	-	3,562	-	137	29
79	-	2,367	-	2,367	-	88	18
80	-	1,555	-	1,555	-	55	11
81	-	1,013	-	1,013	-	34	7
82	-	655	-	655	-	21	4
83	-	422	-	422	-	13	3
84	-	270	-	270	-	8	2
85	-	173	-	173	-	5	1
86	-	110	-	110	-	3	1
87	-	70	-	70	-	2	0
88	-	44	-	44	-	1	0
89	-	27	-	27	-	1	0
90	-	17	-	17	-	0	0
91	-	10	-	10	-	0	0
92	-	6	-	6	-	0	0
93	-	4	-	4	-	0	0
94	-	2	-	2	-	0	0
95	-	1	-	1	-	0	0
96	-	1	-	1	-	0	0
97	-	0	-	0	-	0	0
98	-	0	-	0	-	0	0
99	-	0	-	0	-	0	0
100	-	-	-	-	-	-	-
Totals					\$ 19,458,927	\$ 446,066	\$ 19,904,993



SECTION F

GLOSSARY OF TERMS

Glossary of Terms

<i>Actuarial Accrued Liability (AAL)</i>	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
<i>Actuarial Assumptions</i>	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
<i>Accrued Service</i>	Service credited under the system which was rendered before the date of the actuarial valuation.
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
<i>Actuarial Gain (Loss)</i>	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
<i>Actuarial Present Value (APV)</i>	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
<i>Actuarial Valuation</i>	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
<i>Actuarial Valuation Date</i>	The date as of which an actuarial valuation is performed.
<i>Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)</i>	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

Glossary of Terms

<i>Amortization Payment</i>	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
<i>Amortization Method</i>	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).
<i>Cost-of-Living Adjustments</i>	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
<i>Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)</i>	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
<i>Covered-Employee Payroll</i>	The payroll of covered employees, which is typically only the pensionable pay and does not include pay above any pay cap.
<i>Deferred Retirement Option Program (DROP)</i>	A program that permits a plan member to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The plan member continues to provide service to the employer and is paid for the service by the employer after the DROP entry date; however, the pensions that would have been paid to the plan member are credited to an individual member account within the defined benefit pension plan until the end of the DROP period. Other variations for DROP exist and will be more fully detailed in the plan provision section of the valuation report.
<i>Deferred Inflows and Outflows</i>	The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.
<i>Discount Rate</i>	For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically: <ol style="list-style-type: none"> 1. The benefit payments to be made while the pension plans’ fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and 2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Glossary of Terms

<i>Entry Age Actuarial Cost Method (EAN)</i>	The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.
<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-Employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.

Glossary of Terms

<i>Other Postemployment Benefits (OPEB)</i>	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
<i>Total Pension Expense</i>	<p>The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year:</p> <ol style="list-style-type: none"> 1. Service Cost 2. Interest on the Total Pension Liability 3. Current-Period Benefit Changes 4. Employee Contributions (made negative for addition here) 5. Projected Earnings on Plan Investments (made negative for addition here) 6. Pension Plan Administrative Expense 7. Other Changes in Plan Fiduciary Net Position 8. Recognition of Outflow (Inflow) of Resources due to Liabilities 9. Recognition of Outflow (Inflow) of Resources due to Assets
<i>Total Pension Liability (TPL)</i>	The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
<i>Unfunded Actuarial Accrued Liability (UAAL)</i>	The UAAL is the difference between actuarial accrued liability and valuation assets.
<i>Valuation Assets</i>	The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 67, the valuation asset is equal to the market value of assets.

November 12, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Tom,

Please find enclosed 5 copies of the GASB Statement No. 67 Accounting and Financial Reporting for Pensions report of the City of Troy Incentive Plan for Volunteer Firefighters.

We will be happy to meet with the Board to discuss the results of this report.

Sincerely yours,



Randall J. Dziubek, ASA, EA, MAAA



Jeff T. Tebeau

RJD:bd
Enclosures

**CITY OF TROY INCENTIVE PLAN FOR
VOLUNTEER FIREFIGHTERS**

34TH ANNUAL ACTUARIAL VALUATION - REVISED

DECEMBER 31, 2013

Table of Contents

Page	Items
	Cover Letter
1-2	Summary of Plan Provisions
3	Active Participant Data
4	Leave of Absence Participant Data
5	Inactive Participant Data
6	Development of Funding Value of Assets
7	Actuarial Accrued Liabilities and Assets
8	City's Computed Contribution
9	Derivation of Actuarial Gain/(Loss)
10	Comparative Schedule
11-14	Actuarial Assumptions
15	Actuarial Accrued Liability
16	Schedule of Funding Progress
17	Schedule of Employer Contribution & Notes to Required Supplementary Information

September 26, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Tom:

Submitted in this revised report are the results of the 34th Annual Actuarial Valuation of the assets, benefit values, reserves and contribution requirements associated with payments provided by the City of Troy Incentive Plan for Volunteer Firefighters. As requested, the revised valuation reflects material changes in benefits as well as reflecting an additional \$2 million contribution as of August 2014. The valuation was based upon data, furnished by your staff, concerning financial operations and individual participants and vested former participants. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information.

The purpose of the valuation is to measure the Plan's funding progress, to determine the employer contribution rate for the fiscal year ending June 30, 2016, and to determine the actuarial reporting information. The results of the valuation may not be applicable for other purposes. The date of the valuation was December 31, 2013.

This report was prepared at the request of the Board. It may be shared with other interested parties, but only in its entirety and only with permission from the Board.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

This report was prepared by actuaries who have substantial experience valuing public employee retirement plans and are independent of the plan sponsor. To the best of our knowledge, this report is complete and accurate and the valuation was conducted in accordance with standards of practice prescribed by the Actuarial Standards Board.

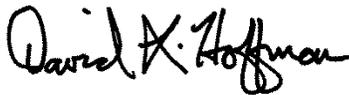
Mr. Thomas Darling
September 26, 2014
Page 2

Randall J. Dziubek is a Member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,



Randall J. Dziubek
ASA, EA, MAAA



David L. Hoffman



Jeff Tebeau

RJD/DLH/JT:ah

1490

SUMMARY OF PLAN PROVISIONS VALUED (DECEMBER 31, 2013)

NORMAL PAYMENT CONDITIONS

Eligibility - Attainment of age 55 with 10 or more years of incentive service or 30 years of service regardless of age, or attainment of age 50 with 25 or more years of service.

Annual Amount –

Retiring	Fixed Annual Amount per Year of Incentive Service at Retirement
1/1/2005 - 12/31/2005	\$518.00
1/1/2006 - 12/31/2006	\$539.00
1/1/2007 - 12/31/2007	\$560.00
1/1/2008 - 12/31/2008	\$582.00
1/1/2009 - 6/30/2014	\$605.00
7/1/2014 - 6/30/2015	\$642.00
7/1/2015 - 6/30/2016	\$681.00
7/1/2016 - 6/30/2017	\$724.00
7/1/2017 - 6/30/2018	\$769.00
7/1/2018 and after	Assumed 1% increases

Optional forms of payment include a lump sum payment of the actuarial value.

VESTING

Eligibility - 10 years of incentive service. Payments commence at age 60.

Annual Amount - See above.

PAYMENTS IN EVENT OF PARTICIPANT'S DEATH

Eligibility - Death of an active participant after 10 years of incentive service.

Annual Amount - Widow receives the amount computed as above but reduced to reflect a 100% joint and survivor election.

**SUMMARY OF PLAN PROVISIONS VALUED
(DECEMBER 31, 2013)**

POST-RETIREMENT PAYMENT INCREASES

<u>Year</u>	<u>Ad-Hoc Increase</u>
1986	10.0% increase in each current payment
1987	10.0% increase in each current payment
1988	7.5% increase in each current payment
1989	7.5% increase in each current payment
1989	Prorated increase based on difference between actual incentive service and the 25-year maximum which was provided for Ordinance No. 62
1990-1994	\$10 per month increase in each current payment
1995	\$ 5 per month increase in each current payment
1996	\$15 per month increase in each current payment
1997-2009	\$10 per month increase in each current payment
2010-2013	None

ACTIVE PARTICIPANTS - DECEMBER 31, 2013
BY NEAR AGE AND YEARS OF SERVICE

Near Age	Years of Accrued Service							Totals No.
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	
20-24	12	1						13
25-29	13	5						18
30-34	5	5	6					16
35-39	9	5	8	4				26
40-44	5	5	2	3	3			18
45-49	3	6	2	1	3	5		20
50-54	2	4	5	5	4		1	21
55-59		1		2	1			4
60	1							1
61	1							1
64						1		1
67							1	1
Totals	51	32	23	15	11	6	2	140

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Group Averages:

Age: 39.3 years.
Service: 9.9 years.

**LEAVE OF ABSENCE PARTICIPANTS - DECEMBER 31, 2013
BY NEAR AGE AND YEARS OF SERVICE**

Near Age	Years of Accrued Service						Totals No.
	0-4	5-9	10-14	15-19	20-24	25-29	
20-24	2						2
25-29	4						4
30-34	1		1				2
35-39	1	1					2
50-54	1					1	2
Totals	9	1	1	0	0	1	12

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Group Averages:

Age: 32.6 years.

Service: 5.3 years.

INACTIVE PARTICIPANTS - BY NEAR AGES
DECEMBER 31, 2013

Near Ages	Current Payments		Deferred Payments	
	No.	Annual Payments	No.	Annual Payments
30-34			1	\$ 8,823
35-39			2	15,016
40-44				
45-49			3	12,945
50-54	5	\$ 63,848	12	55,109
55-59	12	146,216	7	25,779
60-64	11	96,953	2	3,726
65-69	8	44,389		
70-74	9	48,032		
75-79	20	91,075		
80+	15	59,088		
Totals	80	\$549,601	27	\$121,398

DEVELOPMENT OF FUNDING VALUE OF ASSETS

Year Ended December 31,	2011	2012	2013	2014	2015	2016
A. Funding Value Beginning of Year	\$ 5,709,574	\$ 6,356,765	\$ 5,983,106			
B. Market Value End of Year	6,383,185	5,823,408	5,940,674			
C. Market Value Beginning of Year	5,817,946	6,383,185	5,823,408			
D. Non-Investment Net Cash Flow (EE + ER cont.) - (Ret. Ben.+Refunds)	270,182	(765,451)	(137,866)			
E. Investment Income						
E1. Market Total: B - C - D	295,057	205,674	255,132			
E2. Assumed Rate	6.50%	6.50%	6.50%			
E3. Amount for Immediate Recognition: (D/2 + A)*E2	379,903	388,313	384,421			
E4. Amount for Phased-In Recognition: E1 - E3	(84,846)	(182,639)	(129,289)			
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.25 x E4	(21,212)	(45,660)	(32,322)			
F2. First Prior Year	19,704	(21,212)	(45,660)	\$ (32,322)		
F3. Second Prior Year	50,646	19,704	(21,212)	(45,660)	\$ (32,322)	
F4. Third Prior Year	(52,032)	50,647	19,703	(21,210)	(45,659)	\$ (32,323)
F5. Total Recognized Investment Gain/(Loss)	(2,894)	3,479	(79,491)	(99,192)	(77,981)	(32,323)
G. Funding Value: A + D + E3 + F5	6,356,765	5,983,106	6,150,170			
H. Difference Between Market & Funding Values	26,420	(159,698)	(209,496)			
I. Recognized Rate of Return	6.5%	6.6%	5.2%			
J. Market Rate of Return	5.0%	3.4%	4.4%			

The Funding Value of Assets recognizes assumed investment income (line E3) fully each year. Differences between actual and assumed investment income (line E4) are phased-in over a closed 4-year period. During periods when investment performance exceeds the assumed rate, Funding Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Funding Value of Assets will tend to be greater than market value. The Funding Value of Assets is **unbiased** with respect to Market Value. At any time it may be either greater or less than Market Value. If actual and assumed rates of investment income are exactly equal for 3 consecutive years, the Funding Value will become equal to Market Value.

DEVELOPMENT OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES AS OF DECEMBER 31, 2013

Actuarial Accrued Liabilities for:	
Active Participants*	\$9,440,427
Inactive Participants	
Current payments	5,866,849
Deferred payments	<u>822,145</u>
Total Actuarial Accrued Liabilities	16,129,421
Funding Value of Assets	<u>6,150,170</u>
Unfunded Actuarial Accrued Liabilities	\$9,979,251

** Includes participants on leave of absence.*

MARKET VALUE INCOME STATEMENT FOR CALENDAR YEAR 2013

Plan Assets at Beginning of Year	\$5,823,408
plus Employer Contributions	1,078,500
plus Investment Income	266,090
less Monthly Retirement Benefits and Lump Sum Payments	1,216,366
less Investment Expenses	-
less Administrative Expenses	<u>10,958</u>
Plan Assets at End of Year	\$5,940,674

CITY'S COMPUTED CONTRIBUTION FOR THE FISCAL YEAR ENDING JUNE 30, 2016

Contribution for:

NORMAL COST

Age and service payments	\$ 431,850
Death-in-service payments	<u>15,629</u>
Total	447,479

UNFUNDED ACCRUED LIABILITIES

Present recipients	0
Active participants and vested former participants*	<u>653,153</u>
Total	653,153

CITY'S TOTAL CONTRIBUTION FYE JUNE 2016 \$1,100,632

* *Financed over an open period of 25 years. Includes the effects of the one and a half year lag between the valuation date and the contribution period as well as an additional \$2 million contribution in August 2014.*

Comment A: This Plan has a history of benefit increases and allows lump sums to be paid at retirement. The total contribution shown above assumes that the base benefit will increase to \$681 on July 1, 2015, \$724 on July 1, 2016 and \$769 on July 1, 2017. The total contribution also assumes that the base benefit would then increase by 1.0% per year. This Plan has a popular lump sum option, which can lead to negative cash flow which could exhaust the Plan assets in less than 10 years, if actuarial determined contribution requirements are not made on a timely basis. This would drive contributions to the level of expenditures, which would create extreme volatility and on average, much higher contributions.

Comment B: The Plan's current requested investment return assumption of 6.5% can be considered aggressive since the Plan has primarily invested in fixed income instruments. The Plan has averaged about 6.1% over the last five years and 5.7% over the last 10 years. If the current investment allocation remains the same, we recommend lowering the investment return assumption.

Comment C: The Plan's funded ratio decreased from 45.6% to 38.1% since last year's valuation. The decrease in the funded ratio was due to increasing the normal retirement benefit going forward, the adoption of updated mortality assumptions, and the addition of the benefit increase assumption. Absent the changes in benefit provisions and assumptions, the funded ratio would have been 47.1% at December 31, 2013. However, after reflection of the anticipated \$2 million contribution to be made after the valuation date, the funded ratio will be approximately 51%.

**DERIVATION OF ACTUARIAL GAIN/(LOSS)
PENSION BENEFITS
YEAR ENDED DECEMBER 31, 2013**

1)	UAAL at start of year	\$ 7,132,086
2)	Normal cost	287,010
3)	Actual employer contributions	1,078,500
4)	Interest accrual	437,862
5)	Expected UAAL before changes	6,778,458
6)	Change from benefit increases	1,650,405
7)	Change from revised actuarial assumptions/methods	1,428,686
8)	Expected UAAL after changes	9,857,549
9)	Actual UAAL at end of year	9,979,251
10)	Gain/(Loss): (8) - (9)	(121,702)
11)	Gain/(Loss) as percent of actuarial accrued liabilities at start of year	(0.9)%
	\$13,115,192	

COMPARATIVE SCHEDULE

Valuation Date December 31,	Fiscal Year Ending June 30,	Vested Former Participants				Accrued Liability	Actuarial Value of Assets	Percent Funded	Unfunded Accrued Liability	Computed City's Contribution
		Current Payments		Deferred Payments						
		No.	Annual \$	No.	Annual \$					
1997 *	1997	57	\$ 178,421	22	\$ 47,885	\$ 5,635,119	\$ 4,211,224	74.7 %	\$ 1,423,895	\$ 301,412
1998 *	2000	58	182,869	24	59,570	6,034,103	4,680,711	77.6	1,353,392	304,480
1999 *#	2001	58	189,829	24	59,570	6,789,910	5,051,720	74.4	1,738,190	349,404
2000 *	2002	60	201,427	27	73,879	7,397,365	5,137,078	69.4	2,260,287	413,432
2001 *	2003	62	225,030	28	79,743	8,160,180	5,109,422	62.6	3,050,758	512,973
2002 *	2004	61	232,881	28	86,384	9,598,244	5,720,336	59.6	3,877,908	623,348
2003 *	2005	63	246,090	26	79,680	11,786,697	6,083,672	51.6	5,703,025	795,904
2004 *	2006	64	263,767	26	82,834	11,936,051	6,261,188	52.5	5,674,863	774,795
2005 *	2007	67	302,477	27	92,676	12,052,272	6,571,524	54.5	5,480,748	762,121
2006 *	2008	70	346,539	25	79,601	11,931,905	6,006,600	50.3	5,925,305	788,742
2007 *	2009	73	372,705	23	75,828	13,239,695	6,412,626	48.4	6,827,069	885,365
2008 *	2010	74	403,828	24	89,238	13,037,843	6,272,677	48.1	6,765,166	864,167
2009 *	2011	79	477,636	27	110,008	12,625,243	5,325,404	42.2	7,299,839	873,691
2010	2012	77	491,385	27	110,008	12,925,065	5,709,574	44.2	7,215,491	873,354
2011	2013	79	507,267	26	105,942	13,476,184	6,356,765	47.2	7,119,419	868,074
2011	2014	79	507,267	26	105,942	13,476,184	6,356,765	47.2	7,119,419	858,472
2012	2015	80	535,321	25	102,542	13,115,192	5,983,106	45.6	7,132,086	843,872
2013	2016	80	549,601	27	121,398	13,050,330	6,150,170	47.1	6,900,160	663,890 &
2013 *#	2016	80	549,601	27	121,398	16,129,421	6,150,170	38.1	9,979,251	1,100,632

* After changes in benefit provisions.

After changes in actuarial assumptions.

& Reflects an anticipated \$2 million employer contribution to be made after the valuation date and before July 1, 2015.

COMMENT: It is the actuary's opinion that the required contribution amounts determined by the most recent actuarial valuation are sufficient to meet the Plan's financial objective, presuming continued timely receipt of required contributions when due, and the assumed ad-hoc increases to base benefit at retirement.

VALUATION ASSUMPTIONS

The **entry-age normal cost valuation method** was used in determining payment liabilities and costs.

The **interest rate** used in making the valuation was 6.5% per annum, compounded annually. This rate was first used for the December 31, 1999 valuation.

The **mortality table** used was the RP-2000 Mortality Table, projected to the year 2017 using Projection Scale BB, set back 0 years for men and 0 years for women. This table was first used for the December 31, 2013 valuation. A margin for future mortality improvements is included in these tables.

Sample Ages	Single Life Values			
	Present Value of		Future Life	
	\$1 Monthly for Life		Expectancy (Years)	
	Men	Women	Men	Women
50	\$159.46	\$163.65	32.66	35.29
55	150.22	155.46	28.05	30.61
60	138.97	145.17	23.61	26.04
65	125.69	132.82	19.42	21.70
70	110.44	118.72	15.53	17.68
75	93.53	103.13	12.00	14.02
80	75.85	86.36	8.93	10.76

Probabilities of retirement for members eligible for immediate incentive payments were:

Percent of Eligible Active Participants Separating within Next Year			
Age Based		Service Based	
Ages	Percent	Service	Percent
48	20%	30	20%
49	20%	31	20%
50	20%	32	20%
51	20%	33	20%
52	20%	34	20%
53	20%	35	20%
54	20%	36	20%
55	20%	37	20%
56	20%	38	20%
57	20%	39	20%
58	20%	40	100%
59	15%		
60	15%		
61	15%		
62	25%		
63	100%		

**SAMPLE RATES OF SEPARATION FROM ACTIVE EMPLOYMENT
BEFORE AGE 55**

Sample Ages	Years of Service	% of Active Participants Separating within Next Year
ALL	1	15.00 %
	2	10.00
	3	8.00
	4	7.00
	5	6.00
25	5 & Over	5.00
30		4.50
35		3.55
40		1.45
45		0.75
50		0.75

**SUMMARY OF ASSUMPTIONS USED
DECEMBER 31, 2013**

Pensions in an Inflationary Environment

**VALUE OF \$1,000/MONTH RETIREMENT BENEFIT
TO AN INDIVIDUAL WHO RETIRES AT AGE 55
IN AN ENVIRONMENT OF 4.00% INFLATION**

<u>Age</u>	<u>Value</u>
55	\$1,000
56	962
57	925
58	889
59	855
60	822
65	676
70	556
75	457
80	375

The life expectancy of a 55 year old male retiree is age 83. The life expectancy for a 55 year old female retiree is age 85. Half of the people will outlive their life expectancy. The effects of even moderate amounts of inflation can be significant for those who live to an advanced age.

SUMMARY OF ASSUMPTIONS USED
MISCELLANEOUS AND TECHNICAL ASSUMPTIONS
DECEMBER 31, 2013

Marriage Assumption. 100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits.

Pay Increase Timing. Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

Decrement Timing. Decrements of all types are assumed to occur mid-year.

Eligibility Testing. Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

Benefit Service. Exact fractional service is used to determine the amount of benefit payable.

Decrement Relativity. Decrement rates are used without adjustment for multiple decrement table effects.

Decrement Operation. Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.

Normal Form of Benefit. The assumed normal form of benefit is the straight life form.

Optional Forms of Payment. 6.5% interest, 1983 Group Annuity male mortality for male members and 1983 Group Annuity female mortality for female members. There is no additional margin for future mortality improvement.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed dollar amounts shown in this report. New entrant normal cost contributions are applied to the funding of new entrant benefits.

Leave of Absence Members. All members indicated as on leave of absence as of the valuation date are assumed to return to full employment one year after the valuation date.

Ad-Hoc Increases to Base Benefit. After 7/1/2017, the base benefit amount is assumed to increase by 1.0% per year with no increase after retirement.

ACTUARIAL ACCRUED LIABILITY

The actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on a going-concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions were the same as used to determine the Plan's level dollar annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

The entry age actuarial accrued liability was determined as part of an actuarial valuation of the Plan as of December 31, 2013. Significant actuarial assumptions used in determining the actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 6.5% per year compounded annually, and (b) the assumption that benefits will not increase after retirement.

Actuarial Accrued Liability	
Active members*	\$ 9,440,427
Retired members and beneficiaries currently receiving benefits	5,866,849
Vested terminated members not yet receiving benefits	<u>822,145</u>
Total Actuarial Accrued Liability	16,129,421
Actuarial Value of Assets (market value was \$5,940,674)	<u>6,150,170</u>
Unfunded Actuarial Accrued Liability	\$ 9,979,251

* Including members on leave of absence.

During the year ended December 31, 2013, the Plan experienced a net change of \$3,014,229 in the actuarial accrued liability, of which \$1,650,405 was attributable to changes in benefit provisions and \$1,428,686 to changes in actuarial assumptions (including an updated mortality assumption and the assumed annual 1% increase in base benefits).

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
(\$ AMOUNTS IN THOUSANDS)

Actuarial Valuation Date December 31,	Actuarial Value of Assets# (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)
2000 *	\$5,137	\$ 7,397	\$ 2,260	69.4 %
2001 *	5,109	8,160	3,051	62.6
2002 *	5,720	9,598	3,878	59.6
2003 *	6,084	11,787	5,703	51.6
2004 *	6,261	11,936	5,675	52.5
2005 *	6,572	12,052	5,481	54.5
2006 *	6,007	11,932	5,925	50.3
2007 *	6,413	13,240	6,827	48.4
2008 *	6,273	13,038	6,765	48.1
2009 *	5,325	12,625	7,300	42.2
2010	5,710	12,925	7,215	44.2
2011	6,357	13,476	7,119	47.2
2012	5,983	13,115	7,132	45.6
2013 * &	6,150	16,129	9,979	38.1

Prior to 1996, Book Value was used.
* After changes in benefit provisions.
& After changes in actuarial assumptions.

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, or actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the plan's funded status on a going-concern basis. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. The unfunded actuarial accrued liability and annual covered payroll are both affected by inflation.

This information is presented in draft form for review by the City's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the City's financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ending June 30,	Actuarial Valuation Date December 31,	Annual Required Contribution (in thousands)	Percent Contributed
2000	1998	\$330	100 %
2001	1999	360	100
2002	2000	413	100
2003	2001	513	100
2004	2002	623	100
2005	2003	796	100
2006	2004	775	105
2007	2005	762	104
2008	2006	789	101
2009	2007	885	100
2010	2008	864	100
2011	2009	874	100
2012	2010	873	100
2013	2011	868	100
2014	2011	858	NA
2015	2012	844	NA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

Valuation Date	12/31/2013
Actuarial Cost Method	Individual Entry-Age
Amortization Method	Level dollar, open
Remaining Amortization Period	25 years
Asset Valuation Method	4-year smoothed market
Actuarial Assumptions:	
Investment Rate of Return	6.50%
Projected Salary Increases	N/A

This information is presented in draft form for review by the City’s auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the City’s financial statements.

September 26, 2014

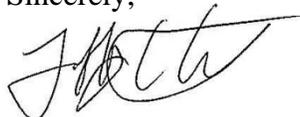
Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Tom:

Enclosed are fifteen copies of the revised report of the 34th Annual Actuarial Valuation of the City of Troy Incentive Plan for Volunteer Firefighters.

Please do not hesitate to contact us if you have any questions.

Sincerely,



Jeff Tebeau

JT:ah
Enclosures

cc: Rehmann Robson (1 report copy)

CITY OF TROY EMPLOYEES RETIREMENT SYSTEM
FIFTIETH ANNUAL ACTUARIAL VALUATION
DECEMBER 31, 2013

OUTLINE OF CONTENTS

Page	Items
--	Cover Letter
	Valuation Results, Comments and Conclusion
A-1	Computed City contributions
A-2	Computed City contributions – comparative statement
A-3	Comments and conclusion
A-4	Derivation of actuarial gain/(loss)
	Summary of Benefit Provisions and Valuation Data Submitted by the Retirement System
B-1	Summary of benefit provisions
B-3	Reported asset information
B-8	Retired life data
B-12	Vested terminated member data
B-13	Active member data
	Financial Principles, Actuarial Valuation Process, Actuarial Cost Methods, Actuarial Assumptions and Definitions of Technical Terms
C-1	Financial principles
C-4	Actuarial valuation process
C-5	Actuarial cost methods
C-6	Actuarial assumptions in the valuation process
C-9	Actuarial assumptions used for the valuation
C-15	Definitions of technical terms
	Certain Disclosures Required by Statements No. 25 and No. 27 of the Governmental Accounting Standards Board
D-1	Actuarial accrued liability
D-2	Schedule of funding progress
D-3	Supplementary information

September 26, 2014

The Board of Trustees
City of Troy Employees Retirement System
Troy, Michigan

Submitted in this report are the results of the 50th Annual Actuarial Valuation of the assets, benefit values, reserves and contribution requirements associated with payments provided by the City of Troy Employees Retirement System.

This report was prepared at the request of the Board and is intended for use by the City of Troy Employees Retirement System and those designated or approved by the City of Troy Employees Retirement System. This report may be provided to parties other than the Retirement System only in its entirety and only with the permission of the Retirement System.

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending June 30, 2016, and to determine the actuarial information for reporting purposes. The date of the valuation was December 31, 2013.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

This report should not be relied on for any purpose other than the purpose described above. Determinations of the financial results associated with the benefits described in this report in a manner other than the intended purpose may produce significantly different results.

To the best of our knowledge, the information contained in this report is accurate and fairly represents the actuarial position of the City of Troy Employees Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

The valuation was based upon data, furnished by your staff, concerning financial operations and individual participants and vested former participants. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information.

The Board of Trustees
City of Troy Employees Retirement System
September 26, 2014
Page 2

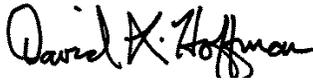
The actuaries submitting this report are independent of the plan sponsor.

Randall J. Dziubek is a Member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,



Randall J. Dziubek
ASA, EA, MAAA



David L. Hoffman



Jeff Tebeau

RJD/DLH/JT:dj

SECTION A

VALUATION RESULTS, COMMENTS AND CONCLUSION

**COMPUTED CITY CONTRIBUTIONS
OF THE RETIREMENT SYSTEM
FOR THE FISCAL YEAR BEGINNING JULY 1, 2015**

1. Actuarial Present Value of All Future Benefits*:	
- Active	\$ 31,906,924
- Terminated Vested	843,199
- Retired	<u>127,597,665</u>
- Total	\$ 160,347,788
2. Funding Value of Assets	\$ 155,001,358
3. Actuarial Present Value of Future Employee Contributions	\$ 1,198,948
4. City's Remaining Unfunded Present Value of Benefits After Recognition of Funding Value of Assets and Future Employee Contributions	
a. At 12/31/2013 (1) - (2) - (3)	\$ 4,147,482
b. Projected Forward to 6/30/2015	\$ 2,062,030
5. Actuarial Present Value of Future Salary	\$ 30,791,150
6. Projected Payroll 7/1/2015 - 6/30/2016#	\$ 4,689,170
7. City's Annual Normal Cost for Year Ending June 30, 2016	
(4b) / (5) * (6)	\$ 314,025

* An actuarial present value is the present day value of a payment or series of payments that may become payable in the future. To determine an actuarial present value you need to use assumptions for the probability a payment will be paid, in what amount, and when. The probability the payment will be paid is determined by the eligibility provisions and the demographic assumptions for rates of withdrawal, disability, death, and retirement. The amount is determined by the benefit formula and assumptions for salary increases. The "when" determines how long an investment today would earn investment return before it needs to be paid. For example, if the probability of \$1,000 being paid in 10 years is 75% and assumed investment return is 6.5%/year, the actuarial present value is $\$1,000 \times 75\% / (1.065)^{10} = \400 .

Projected payroll reflects only those active employees covered by the closed Retirement System. This amount is expected to decline in the future until all active employees have terminated/retired, at which point it will be \$0. Note, the relationship between computed City contributions and payroll will become less and less meaningful each year.

**COMPUTED CITY PENSION CONTRIBUTIONS
COMPARATIVE STATEMENT**

Fiscal Year Beginning July 1	Valuation Date December 31	% of Payroll Contributions		Valuation Payroll
		General	Public Safety	
1986	1985	13.29 %	18.75 %	\$ 11,373,793
1987	1986 *	13.67	17.59	12,048,592
1988	1987 *	14.91	16.34	13,083,451
1989	1988	14.69	15.98	14,162,413
1990	1989 *	13.11	19.39	14,774,001
1991	1990 *	13.09	22.99	16,105,129
1992	1991	11.65	21.21	17,323,677
1993	1992	10.02	17.82	17,619,701
1994	1993 *	9.24	20.09	18,518,880
1995	1994	8.00	18.62	17,598,618
1996	1995 *	7.23	16.23	19,039,969
1997	1996	3.66	13.40	20,535,959
1998	1997 *	0.00	10.99	16,133,023
1999	1998 *	4.30	0.04	16,201,219
2000	1999 *	0.05	0.00	15,056,554
2001	2000 *@	0.00	0.00	15,441,200
2002	2001 *	0.00	0.00	14,566,460
2003	2002	1.69	0.00	13,552,549
2004	2003	1.87	0.00	13,052,713
2005	2004	3.64	0.00	12,572,374
2006	2005	4.97	0.00	12,099,631
2007	2006 *	1.79	1.79	11,471,511
2008	2007 *	4.10	4.10	11,045,745
2009	2008	13.57	13.57	10,953,297
2010	2009	26.62	26.62	10,483,020
2011	2010	27.16	27.16	8,959,340
2012	2011	36.57	36.57	5,427,637
2013	2011	36.57	36.57	5,427,637
2014	2012	30.32	30.32	5,069,499
2015	2013	6.70	6.70	4,768,908

* After changes in benefit provisions/cost method/actuarial assumptions.

@ After change in asset valuation method.

Given that the Retirement System is closed to new entrants, payroll is expected to decline in the future until all active employees have terminated/retired, at which point it will be \$0. Note, the relationship between computed City contributions and payroll will become less and less meaningful each year.

COMMENTS AND CONCLUSION

COMMENT A: For the plan year ended December 31, 2013, the System experienced an actual gain of approximately \$6.7 million. The gain was mostly attributable to investment performance, partially offset by a loss in connection with system liabilities. The primary sources of the liability loss were pay increases that were more than assumed and more retirements than expected. The liability loss was partially offset by mortality gains (more actual deaths than assumed). In aggregate, the total actuarial gain was approximately 4.2% of total System liabilities. This resulted in a decrease in the annual contribution requirement from the previous valuation.

COMMENT B: In the past, members of the DC plan annuitized their account balances and became retirees of this System. If this is expected to continue in future years, we recommend a study be undertaken to:

- Ensure the conversion factors continue to be appropriate (or are updated as necessary);
- Review the risks associated with allowing this kind of activity in a closed plan;
- Discuss the long-term funding implication of this kind of activity.

COMMENT C: A separate account under IRC section 401(h) exists within the Retirement System assets. These funds (including accumulated income) can only be used to pay retiree health benefits (not pension benefits). The market value of the 401(h) account assets as of December 31, 2013 was provided by the City. This amount was subtracted from the total market value of assets in order to determine the portion of assets available to pay pension benefits. The required contribution provided on page A-1 is dependent on this split of assets. For example, if the 401(h) account portion of the total assets as of December 31, 2013 reported to GRS had been higher than the amount actually provided (\$23.75 million), resulting pension assets would have been lower and the required contribution would have been higher than the amount provided on page A-1.

CONCLUSION: It is the actuary's opinion that the required contribution determined by the most recent actuarial valuation is sufficient to meet the Retirement System's funding objective. In addition, to ensure that the Retirement System maintains the ability to pay retiree benefits when due, and to reduce the likelihood of future required contribution amounts increasing from the current level, continued timely receipt of annual computed contributions is essential.

**DERIVATION OF ACTUARIAL GAIN/(LOSS)
YEAR ENDED DECEMBER 31, 2013**

The actuarial gains or losses realized in the operation of the Retirement System provide an experience test. Gains and losses are expected to cancel each other over a period of years (in the absence of double-digit inflation) and sizable year to year fluctuations are common. Detail on the derivation of the actuarial gain/loss is shown below, along with a year by year comparative schedule.

	Total Liability - (PV Future Benefits)	Funding Value - of Assets	PV Future Employee - Contributions	=	Unfunded PV of Employer Financed Future Benefits
(1) Start of year	\$ 160,384,208	\$ 147,567,945	\$ 1,275,986		\$ 11,540,277
(2) Employer and employee contributions	0	1,599,829	(184,007)		(1,415,822)
(3) Benefits paid	(10,832,406)	(10,832,406)	0		0
(4) Interest accrual	10,072,920	9,291,858	76,959		704,103
(5) Expected before changes: (1) + (2) + (3) + (4)	159,624,722	147,627,226	1,168,938		10,828,558
(6) DC transfers [#]	0	0	0		0
(7) Change from revised benefit provisions	0	0	0		0
(8) Change from actuarial assumptions	0	0	0		0
(9) Expected amount after changes: (5) + (6) + (7) + (8)	159,624,722	147,627,226	1,168,938		10,828,558
(10) Actual at end of year	160,347,788	155,001,358	1,198,948		4,147,482
(11) Gain/(Loss): (9) - (10)	\$ (723,066)	\$ (7,374,132)	\$ (30,010)		\$ 6,681,076
Gain/(Loss) as percent of present value of future benefit at start of year	(0.5)% Loss	-	(4.6)% Gain	-	(0.0)% N/A
				=	4.2% Gain

[#] Liability due to the annuitizing of Defined Contribution accounts was assumed to be equal to the asset transfer. Transfers were assumed to occur mid-year for purposes of calculating interest.

Valuation Date December 31	Actuarial Gain/(Loss) As % of Beginning PVFB*
2004	(3.7) %
2005	(0.7)
2006	(0.6)
2007	0.3
2008	(5.2)
2009	(6.0)
2010	1.2
2011	1.1
2012	1.4
2013	4.2

* Prior to 2007 this exhibit shows Actuarial Gain/(Loss) as a % of Beginning Actuarial Accrued Liabilities.

SECTION B

**SUMMARY OF BENEFIT PROVISIONS AND
VALUATION DATA SUBMITTED BY THE
RETIREMENT SYSTEM**

**BENEFIT PROVISIONS EVALUATED AND/OR CONSIDERED
(DECEMBER 31, 2013)**

REGULAR RETIREMENT (no reduction factor for age):

Eligibility - T.P.O.A., T.F.S.O.A. and T.C.O.A. members: 25 years of service; or age 60 with 10 years of service. General AFSCME, General Clerical Members, Classified or Exempt: Age 50 with 27 years of service; or age 55 with 25 years of service; or age 60 with 10 years of service.

Mandatory Retirement Age - None.

Annual Amount

Division	Benefit	Supplemental Benefit
T.P.O.A.	2.80% * FAC to 25 years 1.00% * FAC 26-30 years	
T.C.O.A.	2.80% * FAC to 25 years 1.00% * FAC 26-30 years	
T.F.S.O.A.	2.25% * FAC * Service	0.25% * FAC * Service
General AFSCME	2.25% * FAC * Service	0.25% * FAC * Service
General Classified/Exempt	2.25% * FAC * Service	0.25% * FAC * Service
General Clerical	2.25% * FAC * Service	0.25% * FAC * Service

Type of Final Average Compensation - Highest 3 years out of last 10. Some lump sums are included but payment of sick or vacation leave is not included.

EARLY RETIREMENT (AGE REDUCTION FACTOR USED):

Eligibility - Age 55 with 10 years of service.

Annual Amount - Computed as regular retirement benefit but reduced by 1/2% for each month by which retirement precedes age 60.

DEFERRED RETIREMENT (vested benefits):

Eligibility - 10 years of service. Benefit payable at age 60.

Annual Amount - Same as regular retirement but based on credited service and final average compensation at termination.

DUTY DISABILITY RETIREMENT:

Eligibility - No age or service requirement. Worker's compensation must be payable.

Annual Amount - Same as regular retirement. Upon termination of worker's compensation the benefit is recomputed to grant service credit for the period in receipt of worker's compensation. Minimum benefit is based on 10 years of credited service (66-2/3% of final average compensation for non-command/exempt public safety members, while in receipt of worker's compensation).

NON-DUTY DISABILITY RETIREMENT:

Eligibility - 5 years of service (10 years for Exempt and Classified, AFSCME employees hired after 2/96).

Annual Amount - Same as regular retirement, but with a minimum benefit based on 10 years of credited service.

DUTY DEATH BEFORE RETIREMENT:

Eligibility - No age or service requirement.

Annual Amount - Widow's benefit equal to regular retirement benefit actuarially reduced in accordance with a 100% joint and survivor election. Minimum benefit is 25% (50% for T.F.S.O.A., Command Officers and T.P.O.A.) of final average compensation. If no widow, children under 18 share equally in 25% (50% for Command Officers and T.P.O.A.) of final average compensation.

NON-DUTY DEATH BEFORE RETIREMENT:

Eligibility - 10 years service.

Annual Amount - Same as regular retirement but reduced in accordance with a 100% joint and survivor election.

AUTOMATIC DEATH BENEFIT AFTER RETIREMENT: NONE.

POST-RETIREMENT ADJUSTMENTS: One-time increases were granted in 1973, 1977, 1978, 1981, 1983, 1989 and 1999.

HEALTH INSURANCE PREMIUM SUBSIDY: Post-retirement health insurance premiums are subsidized by the City as follows:

- T.C.O.A. - Fully paid after 7/1/94.
- T.P.O.A. - 4% per complete year, retired after 2/20/1996.
- T.F.S.O.A.- 4% per complete year, retired after 1/1/99.
- AFSCME - 4% per complete year, retired after 1/1/01.
- Classified Exempt, Clerical - \$400/month or 4% per complete year, whichever is greater.
- Retirees from prior provisions - \$400/month or 3% per complete year, whichever is greater.

Liabilities for the health insurance premium subsidy are included in the City's OPEB valuation report and not included in the Retirement System valuation (this report).

MEMBER CONTRIBUTIONS: Expressed as percentages of compensation as follows:

- 1.5% for clerical members
- 3.0% for T.F.S.O.A.
- 1.5% for classified and Exempt members
- 1.5% for AFSCME
- 4.0% for T.P.O.A.
- 4.0% for T.C.O.A.

REPORTED FUND BALANCE (MARKET VALUE)

Reserves	Reported Fund Balance December 31,	
	2013	2012
Reserve for Employees' Contributions	\$ 2,351,134	\$ 2,632,887
Reserve for Employer Contributions	121,602,342	99,914,485
Reserve for Retired Benefit Payments	34,871,897	49,882,949
Reserve for Undistributed Investment Income	24,750,283	0
Reserve for Health Insurance Premiums	23,753,218	28,233,330
Total Fund Balance	\$207,328,874	\$180,663,651

Valuation assets are equal to reported market value of assets (excluding health reserves), except that all realized and unrealized gains and losses are spread over a period of years, with 20% recognition the first year. Such spreading reduces the fluctuation in the City's computed contribution rate which might otherwise be caused by market value fluctuations. The details of the spreading technique are shown on page B-4. The valuation assets as of December 31, 2013 total \$155,001,358.

In financing actuarial accrued liabilities, valuation assets of \$155,001,358 were distributed as follows:

Reserves for	Valuation Assets Applied to Actuarial Accrued Liabilities for			Totals
	Active Members	Retirants & Beneficiaries	Contingency Reserve	
Employees' Contributions	\$ 2,351,134			\$ 2,351,134
Employer Contributions	28,876,574	\$ 92,725,768		121,602,342
Retired Benefit Payments		34,871,897		34,871,897
Reserve for Undist. Investment Income	24,750,283			24,750,283
Valuation Asset Adjustment	(28,574,298)			(28,574,298)
Totals	\$27,403,693	\$127,597,665		\$155,001,358

DERIVATION OF VALUATION ASSETS
MARKET VALUE WITH 20% RECOGNITION OF THE DIFFERENCE BETWEEN
THE MARKET RATE OF RETURN AND THE PROJECTED RATE OF RETURN

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
A. Funding Value Beginning of Year	\$ 145,522,890	\$ 147,567,945				
B. Market Value End of Year	152,430,321	183,575,656				
C. Market Value Beginning of Year	143,345,352	152,430,321				
D. Non-Investment Net Cash Flow (EE + ER cont.) - (Ret Ben. + Refunds)	(8,301,069)	(9,232,577)				
E. Investment Income:						
E1. Market Total: B-C-D	17,386,038	40,377,912				
E2. Assumed Rate	6.50%	6.50%				
E3. Amount for Immediate Recognition: E2 * (A+D/2)	9,189,203	9,291,858				
E4. Amount for Phased-In Recognition: E1-E3	8,196,835	31,086,054				
F. Phased-In Recognition of Investment Income:						
F1. Current Year: 0.20*E4	1,639,367	6,217,211				
F2. First Prior Year	(730,198)	1,639,367	\$6,217,211			
F3. Second Prior Year	247,752	(730,198)	1,639,367	\$6,217,211		
F4. Third Prior Year	0	247,752	(730,198)	1,639,367	\$6,217,211	
F5. Fourth Prior Year	0	0	247,751	(730,199)	1,639,367	\$6,217,210
F6. Total Recognized Investment Gain	1,156,921	7,374,132	7,374,131	7,126,379	7,856,578	6,217,210
G. Funding Value End of Year: A+D+E3+F6	147,567,945	155,001,358				
H. Difference between Market & Funding Value	4,862,376	28,574,298				
I. Recognized Rate of Return	7.32%	11.66%				
J. Ratio of Funding Value to Market Value	97%	84%				

ASSET INFORMATION REPORTED FOR VALUATION COMPARATIVE STATEMENT

Year Ended December 31	Revenues					Expenses			Assets Year-End *
	Employee Contrib.	Employer Contrib.	Investment Income	Misc. Income	Retirement Benefits	Contrib. Refunds	Health Insurance	Misc. Expenses	
1985	\$ 1,011	\$1,483,547	\$ 3,952,592	\$ 0	\$ 349,086	\$ 11,087	\$ 18,268	\$ 3,026	\$ 25,952,007
1990	1,558	2,401,060	3,861,487	0	782,167	19,292	68,886	4,984	56,013,922
1991	1,760	3,081,239	11,116,274	0	878,775	1,431	87,281	0	69,245,708
1992	6,177	2,626,564	7,134,901	0	1,040,882	14,188	100,340	5,600	77,852,340
1993	24,939	2,647,753	7,900,961	0	1,115,225	392	119,120	6,000	87,185,256
1994	144,934	2,950,360	(187,532)	0	1,351,290	590	152,637	6,300	88,582,201
1995	198,746	3,156,148	20,889,448	0	1,819,840	14,066	220,291	6,600	110,765,746
1996	335,144	3,311,550	16,325,274	0	2,013,257	3,047	251,138	11,300	128,458,972
1997	371,811	3,167,814	25,544,354	0	2,459,287	11,273	329,312	16,404	154,726,675
1998	340,807	2,819,785	21,825,629	0	2,666,133	19,105,397	449,779	19,846	160,216,807
1999	335,828	1,795,070	12,085,389	0	2,860,935	1,095,796	481,660	28,782	167,220,855
2000	421,161	1,113,993	3,075,759	0	3,156,251	7,349,663	688,138	27,515	160,610,201
2001	398,572	1,303,079	2,162,267	0	3,351,223	6,753,854	693,345	28,998	153,646,699
2002	364,130	1,532,439	(7,992,398)	0	3,496,301	7,249,513	942,054	31,653	135,831,349
2003	343,629	1,543,286	25,064,474	0	3,843,356	10,230	1,102,076	29,334	157,797,742
2004	333,305	1,571,547	12,763,027	0	4,482,783	335,998	1,254,559	29,322	166,362,959
2005	309,731	972,454	2,995,153	0	4,923,401	2,613	1,368,331	53,247	164,292,705
2006	308,887	247,688	14,764,828	0	5,529,394	57,875	1,592,311	32,382	172,402,146
2007	315,677	218,653	15,286,055	0	5,924,256	5,516	1,855,527	47,947	180,389,285
2008	316,708	376,155	(44,700,324)	0	6,204,282	0	2,101,958	62,349	128,013,235
2009	7,651,667 #	838,969	33,216,875	0	7,944,132	0	2,558,948	67,073	159,150,593
2010	285,047	1,953,321	22,366,478	0	7,596,953	0	3,042,783	54,894	173,060,809
2011	10,145,048 #	2,789,888	2,455,082	0	9,124,671	0	3,535,596	53,140	175,737,420
2012	189,697	2,124,994	17,431,467	0	10,615,760	0	4,158,738	45,429	180,663,651
2013	184,007	1,415,822	40,399,275	0	10,832,406	0	4,480,112	21,363	207,328,874

* Includes assets for retiree health benefits.

Includes amounts moved from the City's defined contribution plan for employees choosing to transfer to the Employees Retirement System.

**SUMMARY OF
CURRENT ASSET INFORMATION *
REPORTED FOR VALUATION**

Market Value of Assets

	12/31/2013	12/31/2012
	Market Value	Market Value
Cash & equivalents	\$ 14,094,641	\$ 12,309,417
Government bonds	6,043,694	9,688,100
Corporate bonds	5,767,911	7,874,441
Stock	157,871,757	131,445,632
Bond mutual funds	19,116,786	15,234,059
Other (mutual funds)	4,434,402	4,112,002
Total assets	<u>207,329,191</u>	<u>180,663,651</u>
Less accounts payable	<u>317</u>	<u>0</u>
Net assets available for benefits	<u><u>\$207,328,874</u></u>	<u><u>\$180,663,651</u></u>

Revenues and Expenses

	2013	2012
Balance - January 1	\$180,663,651	\$175,737,420
Revenues		
Employees' contributions [#]	184,007	189,697
Employer contributions	1,415,822	2,124,994
Investment income	40,582,855	17,483,386
Miscellaneous	0	0
Expenses		
Benefit payments	10,832,406	10,615,760
Refunds of member contributions	0	0
Administrative expenses	21,363	29,059
Investment expenses	183,580	51,919
Health insurance premiums	4,480,112	4,158,738
Miscellaneous	<u>0</u>	<u>16,370</u>
Balance - December 31	<u><u>\$207,328,874</u></u>	<u><u>\$180,663,651</u></u>

* Includes assets for retiree health benefits.

Includes amounts moved from the City's defined contribution plan for employees choosing to transfer to the Employees Retirement System.

RECENT HISTORICAL MARKET VALUE RATES OF RETURN

Year Ending	Rate of Return	Five-Year Average	Ten-Year Average
2004	8.2%		
2005	1.8%		
2006	9.2%		
2007	9.1%	9.3%	
2008	(25.3)%	(0.4)%	
2009	26.2%	2.7%	
2010	14.4%	5.1%	
2011	1.4%	3.6%	4.9%
2012	10.3%	3.8%	6.5%
2013	23.4%	14.8%	6.9%

**RETIRES AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS
DEFINED BENEFIT PLAN
COMPARATIVE STATEMENT**

Year Ended December 31	Added to Rolls			Removed from Rolls		Rolls End of Year		% Incr. Annual Benefit	Average Annual Benefit	Present Value of Benefits	Expected Removal
	No.	Annual Benefit	Post-Ret. Increases	No.	Annual Benefit	No.	Annual Benefit				
1987	6	\$ 45,628		3	\$ 12,295	74	\$ 565,239	630.0%	\$ 7,638	\$ 6,307,514	1.6
1988	6	82,290		2	8,825	78	538,704	13.0	8,188	6,997,601	1.7
1989	6	71,518	\$ 26,993	1	4,836	83	732,379	14.7	8,824	7,902,521	1.9
1990	5	102,108		2	13,370	86	821,117	12.1	9,548	8,852,756	2.1
1991	10	185,752		6	53,568	90	953,301	16.1	10,592	10,403,174	2.2
1992	10	154,697		4	41,160	96	1,066,838	11.9	11,113	11,711,334	2.4
1993	6	110,685		3	26,135	99	1,151,388	7.9	11,630	12,514,776	2.6
1994	21	648,681			(1,572)	120	1,798,497	56.2	14,987	20,491,084	2.7
1995	6	84,312		4	55,506	122	1,827,303	1.6	14,978	21,287,811	2.9
1996	20	446,833		6	60,831	136	2,213,305	21.1	16,274	25,459,651	2.0
1997	14	420,457		1	10,217	149	2,623,545	18.5	17,608	30,537,712	2.8
1998	8	163,633		4	56,055	153	2,731,123	4.1	17,850	31,402,870	3.6
1999	10	286,293		3	69,193	160	2,948,223	7.9	18,426	33,748,959	4.0
2000	11	340,403		8	59,325	163	3,229,301	9.5	19,812	37,083,835	4.0
2001	9	240,483		3	24,905	169	3,444,879	6.7	20,384	39,424,271	4.4
2002	8	189,284		6	59,479	171	3,574,684	3.8	20,905	40,667,169	4.4
2003	15	521,015		4	17,957	182	4,077,742	14.1	22,405	47,046,673	4.4
2004	21	615,572		7	87,193	196	4,606,121	13.0	23,501	53,030,527	4.8
2005	14	520,152		5	101,352	205	5,024,921	9.1	24,512	57,995,428	4.8
2006	15	609,624		3	29,746	217	5,604,799	11.5	25,829	64,573,648	4.8
2007	18	459,496		3	53,602	232	6,010,693	7.2	25,908	68,494,664	5.5
2008	11	176,381		3	30,933	240	6,156,141	2.4	25,651	69,351,765	5.8
2009	23	1,270,351		8	114,219	255	7,312,273	18.8	28,676	84,166,668	6.4
2010	17	547,081		7	93,784	265	7,765,570	6.2	29,304	88,664,507	6.4
2011	62	3,024,612		5	49,056	322	10,741,127	38.3	33,358	125,716,820	6.8
2012	6	179,886		6	118,671	322	10,802,342	0.6	33,548	124,959,897	7.2
2013	11	448,170		8	154,430	325	11,096,083	2.7	34,142	127,597,665	7.4

RETIREES AND BENEFICIARIES - DECEMBER 31, 2013
TABULATED BY VALUATION DIVISIONS

DEFINED BENEFIT MEMBERS

Valuation Division	No.	Annual Benefits	Age
General	210	\$ 5,341,146	68.6 years
Public Safety	<u>115</u>	<u>5,754,937</u>	62.4 years
Totals	325	\$ 11,096,083	

RETIREES AND BENEFICIARIES INCLUDED IN DEFINED BENEFIT VALUATION
TABULATED BY TYPE OF BENEFITS BEING PAID
DECEMBER 31, 2013

Type of Benefits Being Paid	Number	Annual Benefits
Age and Service benefits		
Regular benefit - benefit terminating at death of retirant	95	\$ 2,793,833
100% Joint and Survivor benefit		
Option A	84	4,151,441
Option C	61	2,277,521
50% Joint and Survivor benefits		
Option B	22	611,926
Option D	23	733,119
Survivor Beneficiary	<u>27</u>	<u>350,288</u>
Total age and service benefits	312	\$10,918,126
Casualty benefits		
Non-Duty Disability - Regular		
- Retiree - Regular benefit	2	\$ 55,907
- Retiree - Option C	1	12,097
- Beneficiary	4	21,843
Duty- Disability - Option A	1	7,866
Non-Duty Death benefit	3	44,206
Duty Death benefit	<u>2</u>	<u>36,037</u>
Total Casualty benefits	13	177,956
Total Benefits Being Paid	325	\$11,096,083

**RETIREES AND BENEFICIARIES INCLUDED IN DEFINED BENEFIT VALUATION
BY ATTAINED AGES
DECEMBER 31, 2013**

Attained Ages	No.	Annual Pensions
45-49	5	\$ 182,786
50-54	24	1,180,557
55-59	56	2,675,334
60-64	83	3,513,140
65-69	60	1,705,203
70-74	40	994,460
75-79	16	331,072
80-84	24	329,259
85-89	10	119,652
90-94	7	64,620
Totals	325	\$ 11,096,083

**VESTED TERMINATED MEMBERS INCLUDED IN DEFINED BENEFIT VALUATION
BY ATTAINED AGES
DECEMBER 31, 2013**

Attained Ages	Estimated	
	No.	Annual Benefits
38	1	\$ 45,284
44	1	24,588
50	1	5,110
52	1	13,230
54	2	15,012
55	1	8,033
56	1	16,662
58	1	13,419
59	1	3,414
Totals	10	\$ 144,752

ACTIVE MEMBERS - DECEMBER 31, 2013
TABULATED BY VALUATION DIVISIONS

DEFINED BENEFIT MEMBERS

Valuation Division	No.	Annual Payroll	Average Age	Average Service	Average Pay
General	21	\$ 1,294,919	54.1 years	19.5 years	\$61,663
Public Safety	<u>37</u>	<u>3,473,989</u>	44.8 years	18.6 years	93,892
Totals	58	\$ 4,768,908			

ACTIVE MEMBERS INCLUDED IN DEFINED BENEFIT VALUATION

Valn. Date Dec. 31	Active Members					Average				
	General		Public Safety			Valuation Payroll	Age	Service	Pay	% Incr.
	Class/ Exempt	Other	Comm/ Other	TPOA	Total					
1972		183		66	249	\$ 2,907,267	36.1 yrs.	4.7 yrs.	\$ 11,676	7.6 %
1973		205		64	269	3,434,997	36.2	4.9	12,770	9.4
1974		222		68	290	4,123,892	36.3	5.3	14,220	11.4
1975		247		81	328	4,996,368	36.2	5.5	15,233	7.1
1976		254	20	62	336	5,615,394	36.8	6.2	16,712	9.7
1977		269	18	63	350	5,970,264	37.7	6.5	17,058	2.1
1978		261	18	69	348	6,628,692	38.0	7.2	19,048	11.7
1979		282	22	72	376	7,700,464	37.9	7.2	20,480	7.5
1980		279	21	86	386	8,947,885	38.0	7.6	23,181	13.2
1981	100	167	25	87	379	9,697,649	38.4	8.3	25,587	10.4
1982	92	163	32	78	365	9,954,722	39.0	9.2	27,273	6.6
1983	94	140	30	78	342	10,214,049	39.2	10.0	29,866	9.5
1984	97	135	32	74	338	10,518,429	39.2	11.3	31,120	4.2
1985	103	139	32	79	353	11,373,793	39.2	11.1	32,220	3.5
1986	108	141	37	79	365	12,048,592	39.5	11.0	33,010	2.5
1987	116	143	41	84	384	13,083,451	40.0	11.3	34,071	3.2
1988	118	142	43	86	389	14,162,413	40.4	11.7	36,407	6.8
1989	122	144	47	86	399	14,774,001	40.5	11.7	37,028	1.7
1990	128	148	46	90	412	16,105,129	41.1	12.0	39,090	5.6
1991	129	150	44	98	421	17,323,677	41.5	12.0	41,149	5.3
1992	132	150	45	96	423	17,619,701	42.0	12.7	41,654	1.2
1993	134	150	47	93	424	18,518,880	42.6	13.1	43,677	4.9
1994	128	147	39	87	401	17,598,618	43.0	13.4	43,887	0.5
1995	127	153	43	95	418	19,039,969	43.4	13.6	45,550	3.8
1996@	135 *	160	44	95	434	20,535,959	43.2	13.1	47,318	3.9
1997	55 *	146	37	102	340	16,133,023	42.4	12.1	47,590	0.6
1998	59	116 *	40	99	314	16,201,219	43.0	13.3	51,761	8.8
1999	55	85 #	40	99	279	15,056,554	43.4	14.4	54,553	5.4
2000	55	76	29	97 *	257	15,441,200	44.1	14.8	60,317	10.6
2001	56	73	20	92	241	14,566,460	44.7	14.7	60,442	0.2
2002	59	66	21	71	217	13,552,549	45.7	15.8	62,454	3.3
2003	56	61	19	69	205	13,052,713	46.5	16.3	63,672	1.9
2004	52	54	19	61	186	12,572,374	46.9	16.9	67,593	6.2
2005	48	51	21	54	174	12,099,631	47.7	17.4	69,538	2.9
2006	44	46	20	51	161	11,471,511	48.0	17.6	71,252	2.5
2007	37	40	21	49	147	11,045,745	48.1	18.1	75,141	5.5
2008	37	36	22	47	142	10,953,297	48.8	19.0	77,136	2.7
2009	30	32	20	46	128	10,483,020	48.9	19.1	81,899	6.2
2010	23	28	18	46	115	8,959,340	49.1	19.7	77,907	(4.9)
2011	9	16	11	34	70	5,427,637	47.1	17.7	77,538	(0.5)
2012	7	14	12	31	64	5,069,499	48.2	18.6	79,211	2.2
2013	7	14	11	26	58	4,768,908	48.2	18.9	82,223	3.8

* Includes 1 member on leave of absence.

Includes 3 members on leave of absence.

@ Represents the peak of active membership.

**ADDITIONS TO AND REMOVALS FROM ACTIVE MEMBERSHIP
ACTUAL AND EXPECTED NUMBERS**

Year Ended Dec. 31	Number Added During Year		Normal Retirement		Disability Retirement		Died-In- Service		Terminations			Active Members End of Year
	A	E	A	E	A	E	A	E	Trans. to DC	Other	E	
									A	A		
1994	9	32	19	14.6	0	1.2	1	1.1		12	20.5	401
1995	17	16	3	8.6	0	1.2	1	1.2		10	17.8	418
1996	40	24	15	8.7	0	1.3	0	0.8		9	23.5	434
1997	27	121	13	8.7	0	1.3	0	0.8	98	10	23.5	340
1998	9	35	4	6.9	0	0.8	0	0.8	28	3	18.6	314
1999	5	40	7	8.6	0	0.7	0	0.5	26	7	14.7	279
2000	1	23	9	9.3	0	0.6	0	0.4	11	3	10.3	257
2001	0	16	4	6.9	0	0.6	1	0.5	10	1	8.2	241
2002	1	25	6	5.3	0	0.8	0	0.5	19	0	6.5	217
2003	0	12	10	4.4	0	0.7	1	0.4	0	1	5.3	205
2004	0	19	15	13.5	0	0.6	0	0.4	0	4	3.5	186
2005	0	12	10	13.5	1	0.6	0	0.4	0	1	3.5	174
2006	1	14	13	10.6	0	0.6	0	0.4	0	1	3.1	161
2007	0	14	13	9.5	0	0.6	0	0.4	0	1	2.6	147
2008	0	5	5	11.5	0	0.5	0	0.3	0	0	2.3	142
2009	0	14	14	11.7	0	0.5	0	0.3	0	0	2.0	128
2010	0	0	12	12.8	1	0.5	0	0.3	0	0	1.7	115
2011	0	0	44	13.1	1	0.4	0	0.2	0	0	1.4	70
2012	0	0	1	4.7	2	0.2	0	0.1	0	3	1.0	64
2013	1	0	7	6.0	0	0.2	0	0.1	0	0	0.8	58
5-Yr. Totals	1	14	78	48.3	4	1.8	0	1.0	0	3	6.9	

A represents actual number.

E represents expected number based on assumptions outlined in Section C.

GENERAL (CLERICAL) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age Group	Years of Accrued Service							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
35-39				1				1	\$ 51,636
45-49				1				1	77,277
50-54				1				1	63,298
55-59				1				1	40,991
68				1				1	48,115
70				1				1	43,890
Totals				6				6	\$ 325,207

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 55.1 years.
Service: 16.8 years.
Annual Pay: \$54,201

GENERAL (CLASSIFIED AND EXEMPT) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age Group	Years of Accrued Service						Totals		
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
45-49				1				1	\$ 69,725
50-54				1	3			4	291,780
55-59				1		1		2	148,928
Totals				3	3	1		7	\$ 510,433

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 53.1 years.

Service: 21.4 years.

Annual Pay: \$72,919

GENERAL (AFSCME) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age Group	Years of Accrued Service						Totals		
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
40-44				1				1	\$ 46,384
45-49					1			1	59,226
50-54				2				2	112,078
55-59					3			3	186,716
63				1				1	54,875
Totals				4	4			8	\$ 459,279

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 54.2 years.

Service: 19.8 years.

Annual Pay: \$57,410

PUBLIC SAFETY – (T.F.S.O.A.) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age	Years of Accrued Service						Totals	
Group	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
							0	\$ -
Totals							0	\$ -

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 0.0 years.

Service: 0.0 years.

Annual Pay: \$0

PUBLIC SAFETY (T.P.O.A.) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age Group	Years of Accrued Service						Totals		
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
35-39			1	3				4	\$ 335,108
40-44			2	8				10	825,071
45-49				6	3			9	788,888
50-54					2			2	182,969
55-59					1			1	83,722
Totals			3	17	6			26	\$ 2,215,758

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 44.6 years.

Service: 18.5 years.

Annual Pay: \$85,221

PUBLIC SAFETY (T.C.O.A.) - DECEMBER 31, 2013
BY ATTAINED AGE AND YEARS OF SERVICE

Age Group	Years of Accrued Service						Totals		
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Salary
35-39			1					1	\$ 117,805
40-44				3				3	360,675
45-49				4	1			5	567,535
50-54					2			2	212,216
Totals			1	7	3			11	\$ 1,258,231

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 45.3 years.
Service: 18.8 years.
Annual Pay: \$114,385

SECTION C

**FINANCIAL PRINCIPLES, ACTUARIAL VALUATION
PROCESS, ACTUARIAL COST METHODS,
ACTUARIAL ASSUMPTIONS AND DEFINITIONS OF
TECHNICAL TERMS**

BASIC FINANCIAL PRINCIPLES AND OPERATION OF THE RETIREMENT SYSTEM

Benefit Promises Made Which Must Be Paid For. A retirement program is an orderly means of handing out, keeping track of, and financing pension promises to a group of employees. As each member of the retirement program acquires a unit of service credit the member is, in effect, handed an "IOU" which reads: "The City of Troy Employees Retirement System promises to pay you one unit of retirement benefits, payments in cash commencing when you retire."

The principal related financial question is: When shall the money required to cover the "IOU" be contributed? This year, when the benefit of the member's service is received? Or, some future year when the "IOU" becomes a cash demand?

The Constitution of the State of Michigan is directed to the question:

"Financial benefits arising on account of service rendered in each fiscal year shall be funded during that year and such funding shall not be used for financing unfunded accrued liabilities."

This Retirement System meets this requirement by having as its ***financial objective the establishment and receipt of contributions which will fund the expected benefits over the average future working lifetimes of the remaining active members.***

The accumulation of invested assets ***is a by-product of pre-funding a retirement system, not the objective.*** Investment income is a major contributor to the retirement program, and the amount is directly related to the amount of contributions and investment performance.

If contributions to the retirement program are less than the preceding amount, the difference, *plus investment earnings not realized thereon*, will have to be contributed at some later time (or benefits will have to be reduced) to satisfy the fundamental fiscal equation under which all retirement programs must operate:

$$\mathbf{B = C + I - E}$$

The aggregate amount of **B**enefit payments to any group of members and their beneficiaries cannot exceed the sum of:

The aggregate amount of **C**ontributions received on behalf of the group

... plus ...

Internal investment earnings on contributions received and not required for immediate cash payments of benefits

... minus ...

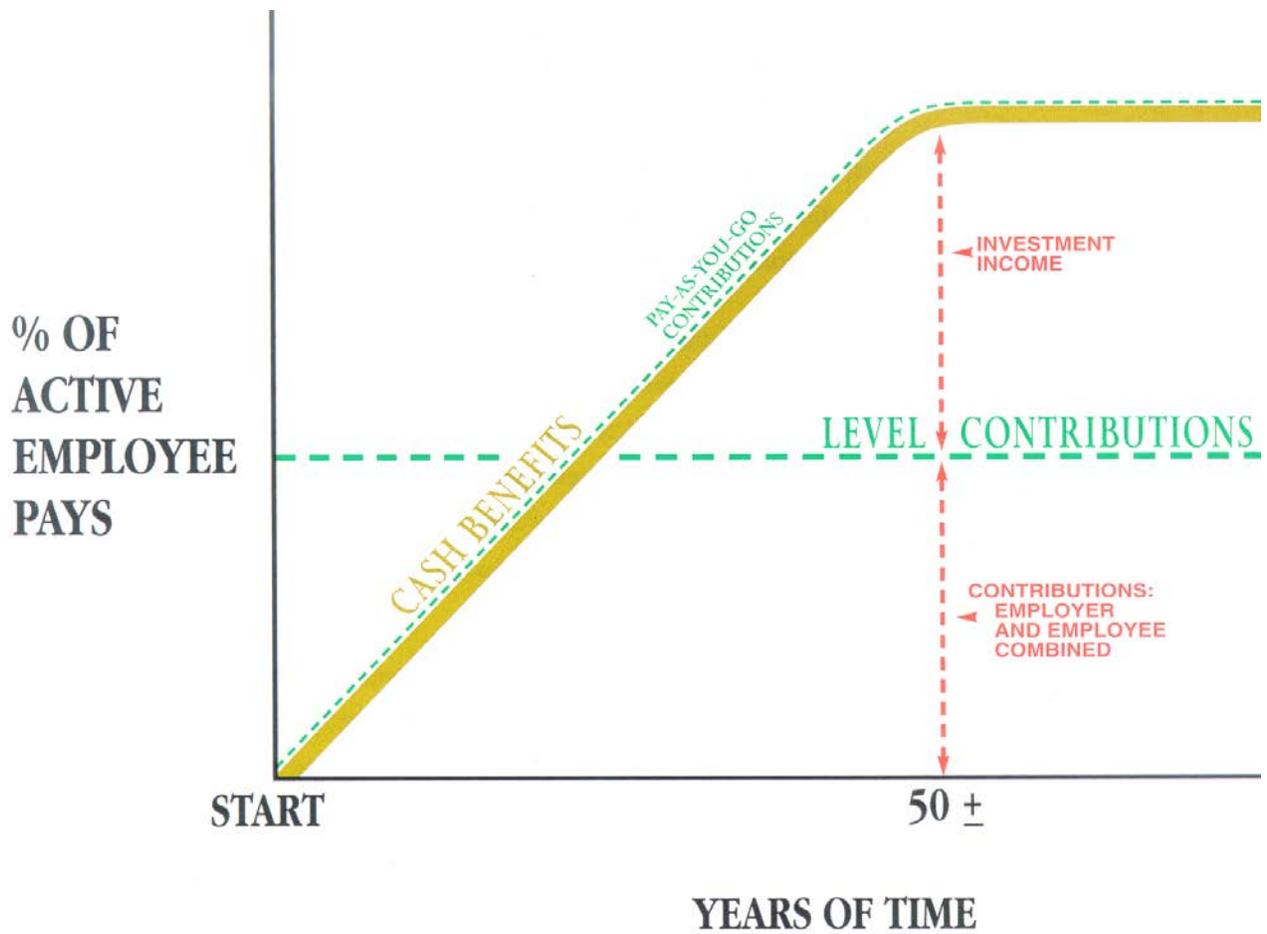
The **E**xpenses of operating the program.

There are retirement programs designed to defer the bulk of contributions far into the future. The present contribution rate for such systems is *artificially low*. The fact that the contribution rate is destined to increase relentlessly to a much higher level is often ignored.

This method of financing is prohibited in Michigan by the state constitution.

Computed Contribution Rate Needed to Finance Benefits. From a given schedule of benefits and from the data furnished, the actuary calculates the contribution rate *by means of an actuarial valuation* - the technique of assigning monetary values to the risks assumed in operating a retirement program.

Pre-funding retirement benefits results in each generation of taxpayers paying for the benefits earned during that generation. Deferring the bulk of contributions into the future can result in the next generation paying for the benefits earned in the current generation.



CASH BENEFITS LINE. This relentlessly increasing line is the fundamental reality of retirement plan financing. It happens each time a new benefit is added for future retirements (and happens regardless of the design for contributing for benefits).

LEVEL CONTRIBUTION LINE. Determining the level contribution line requires detailed assumptions concerning a variety of experiences in future decades, including:

- Economic Risk Areas
 - Rates of investment return
 - Rates of pay increase
 - Changes in active member group size
- Non-Economic Risk Areas
 - Ages at actual retirement
 - Rates of mortality
 - Rates of withdrawal of active members (turnover)
 - Rates of disability

THE ACTUARIAL VALUATION PROCESS

The *financing diagram* on the previous page shows the relationship between the two fundamentally different philosophies of paying for retirement benefits: the method where contributions match cash benefit payments (or barely exceed cash benefit payments, as in the Federal Social Security program) which is an *increasing contribution method*; and the *level contribution method* which equalizes contributions between the generations.

The *actuarial valuation* is the mathematical process by which the level contribution rate is determined, and the flow of activity constituting the valuation may be summarized as follows:

- A. *Covered Person Data*, furnished by plan administrator.
 - Retired lives now receiving benefits
 - Former employees with vested benefits not yet payable
 - Active employees

- B. + *Asset data* (cash & investments), furnished by plan administrator

- C. + *Assumptions concerning future financial experience in various risk areas*, which assumptions are established by the Board of Trustees after consulting with the actuary

- D. + The *funding method* for employer contributions (the long-term, planned pattern for employer contributions)

- E. + *Mathematically combining the assumptions, the funding method, and the data*

- F. = Determination of:
 - Plan financial position

 - and/or New Employer Contribution Rate

ACTUARIAL COST METHODS USED FOR THE VALUATION

The funding method used in this actuarial valuation is the *Aggregate Cost Method*. Under this method the Actuarial Present Value of Projected Benefits of the group included in the valuation, less the sum of the Funding Value of Assets and the Actuarial Present Value of Future Member Contributions is allocated over a future scheduled period. This allocation is performed for the group as a whole, not as a sum of individual allocations. The portion of this Actuarial Present Value allocated to a specific year is called the City's Annual Normal Cost. Under this method, actuarial gains (losses) reduce (increase) future Normal Costs.

ACTUARIAL ASSUMPTIONS IN THE VALUATION PROCESS

The actuary calculates contribution requirements and actuarial present values of a retirement system by applying actuarial assumptions to the benefit provisions and people information of the system, using the actuarial cost methods described on page C-5.

The principal areas of risk which require assumptions about future experience are:

- (i) Long-term rates of investment return to be generated by the assets of the System.
- (ii) Patterns of pay increases to members.
- (iii) Rates of mortality among members, retirees and beneficiaries.
- (iv) Rates of withdrawal of active members.
- (v) Rates of disability among active members.
- (vi) The age patterns of actual retirements.

In making a valuation, the actuary calculates the monetary effect of each assumption for as long as a present covered person survives - - - a period of time which can be as long as a century.

The employer contribution rate has been computed to remain level from year to year so long as benefits and the basic experience and make-up of members do not change. Examples of favorable experience which would tend to reduce the employer contribution rate are:

- (1) Investment returns in excess of 6.5% per year.
- (2) Member non-vested terminations at a higher rate than outlined on page C-11.
- (3) Mortality among retirees and beneficiaries at a higher rate than indicated by the RP-2000 Combined Healthy Mortality Table.

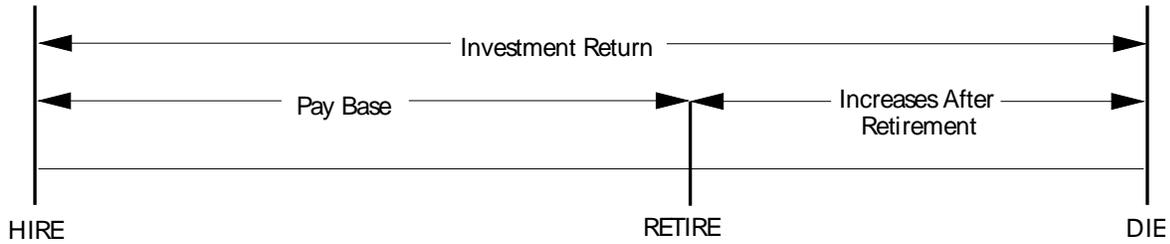
Examples of unfavorable experience which would tend to increase the employer contribution rates are:

- (1) Pay increases in excess of the rates outlined on page C-9.
 - (2) An acceleration in the rate of retirement from the rates outlined on page C-12.
-

Actual experience of the system will not coincide exactly with assumed experience, regardless of the choice of the assumptions, the skill of the actuary or the precision of the calculations. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time to time one or more of the assumptions is modified to reflect experience trends (but not random or temporary year to year fluctuations).

RELATIONSHIP OF ECONOMIC ASSUMPTIONS IN COMPUTING CONTRIBUTIONS TO A RETIREMENT SYSTEM



Investment Return

An increase in this assumption reduces computed contributions. The assumption operates over all parts of an employee's lifetime.

Pay Base

An increase in this assumption increases computed contributions. However, a 1% increase in this assumption, coupled with a 1% increase in Investment Return reduces computed contributions. This is because the Pay Base assumption operates only over an employee's working lifetime, while the Investment Return assumption operates over the employee's entire lifetime, and therefore has a greater effect.

Increases After Retirement

An increase in this element increases computed contributions.

If Investment Return, Pay Base, and Increases After Retirement are each increased by equal amounts, computed contributions remain the same (except in plans using Final Average Pay as a factor in computing benefits; the multi-year average used for Final Average Pay causes computed contributions to decrease slightly).

If Investment Return and Pay Base are increased by equal amounts, with no change in Increases After Retirement, computed contributions decrease – sometimes significantly. The decreases represent the projected devaluation of an employee's benefits following retirement.

ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION

Investment Return (net of expenses).

6.5% per year, compounded annually. This rate consists of a real rate of return of 3.0% per year plus a long-term rate of wage inflation of 3.5% per year.

This assumption is used to equate the value of payments due at different points in time and was first used for the December 31, 1995 valuation. The 3.5% wage inflation assumption was first used for the December 31, 2007 valuation. Approximate rates of investment return, for the purpose of comparisons with assumed rates, are shown below:

	Year Ended December 31				
	2013	2012	2011	2010	2009
Recognized Rate of Investment Return of Funding Value of Assets	11.7%	7.3%	6.1%	4.9%	2.9%

The nominal rate of return was computed using the approximate formula $i = I$ divided by $1/2 (A + B - I)$, where I is actual investment income (after smoothing gains and losses) net of expenses, A is the beginning of year valuation asset value, and B is the end of year valuation asset value.

These rates of return should not be used for measurement of an investment advisor's performance or for comparisons with other systems -- to do so will mislead.

Pay Projections. These assumptions are used to project current pays to those upon which benefits will be based. The assumptions were first used for the December 31, 2007 valuation.

Annual Rate of Pay Increase for Sample Ages			
Sample Ages	Base (Economic)	Merit and Longevity	Total
35	3.5 %	2.5 %	6.0 %
40	3.5	2.2	5.7
45	3.5	1.7	5.2
50	3.5	1.2	4.7
55	3.5	0.7	4.2
60	3.5	0.2	3.7

Changes actually experienced in average pay have been as follows:

Increase in	Year Ended December 31					3-Year Average	5-Year Average
	2013	2012	2011	2010	2009		
Average pay	3.8%	2.2%	(0.5)%	(4.9)%	6.2%	1.8%	1.3%

Note: The changes in average pay shown above are affected by changes in active membership during the year as well as individual annual pay increases of the members.

Mortality Table. The RP-2000 Combined Healthy Mortality Table, for healthy males and females, and the RP-2000 Disabled Mortality Table, for impaired males and females. This table was first used for the December 31, 2007 valuation. Sample values follow:

Sample Attained Ages	Single Life Retirement Values Healthy Lives			
	Present Value of \$1.00 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
	50	\$156.42	\$161.11	30.80
55	146.11	152.04	26.18	28.91
60	133.49	140.76	21.74	24.38
65	118.85	127.55	17.61	20.12
70	102.73	112.76	13.88	16.23
75	85.47	96.73	10.57	12.74
80	68.04	79.91	7.75	9.68

This assumption is used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement.

There is no margin for future mortality improvement in the above table.

Disabled and Pre-Retirement Mortality rates are static tables and do not reflect any future mortality improvements.

For Pre-Retirement mortality, 80% of future incidents were assumed to be non-duty related and 20% were assumed to be duty related.

Rates of separation from active membership. The rates do not apply to members eligible to retire and do not include separation on account of death or disability. This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	Percent Separating Within Next Year	
		General	Public Safety
ALL	0	30.00 %	15.00 %
	1	20.00	10.00
	2	15.00	8.00
	3	10.00	7.00
	4	7.00	6.00
25	5 & Over	0.00	5.00
30		0.00	4.50
35		0.00	3.55
40		0.00	1.45
45		0.00	0.75
50		0.00	0.75
55		0.00	0.75
60		0.00	0.75

The rates were first used for the December 31, 1975 valuation.

Rates of Disability. These assumptions represent the probabilities of active members becoming disabled.

Sample Ages	Percent Becoming Disabled Within Next Year	
	Men	Women
20	0.08 %	0.10 %
25	0.08	0.10
30	0.08	0.10
35	0.08	0.10
40	0.20	0.36
45	0.27	0.41
50	0.49	0.57
55	0.89	0.77
60	1.41	1.02
65	1.66	1.23

These rates were first used for the December 31, 1976 valuation.

Rates of Retirement. These rates are used to measure the probabilities of an eligible member retiring during the next year.

Retirement Ages	Percent of Active Members Retiring Within Next Year			
	General	Public Safety		
		T.F.S.O.A. & Exempt	T.C.O.A.	T.P.O.A.
43			35	40
44			25	40
45			20	40
46			15	40
47			15	40
48			15	40
49			15	35
50	15	35	15	20
51	10	25	25	15
52	5	20	30	15
53	5	15	100	15
54	5	15		15
55	5	15		15
56	5	15		15
57	5	15		25
58	5	25		100
59	5	30		100
60	5	100		
61	5			
62	30			
63	10			
64	10			
65	100			

T.P.O.A, T.F.S.O.A. and T.C.O.A. members were assumed to be eligible for retirement after 25 years of service, or after attaining age 60 with 10 or more years of service. General AFSCME, General Clerical, and Classified or Exempt members were assumed to be eligible for retirement after attaining age 50 with 27 years of service, or age 55 with 25 years of service; or age 60 with 10 years of service.

These rates were first used for the December 31, 1973 valuation. The rates for Classified, Exempt and Command Officers were first used for the December 31, 1981 valuation. The rates for Non-Classified/Exempt General members were first used for the December 31, 1986 valuation.

No active members were assumed to elect early retirement.

**SUMMARY OF ASSUMPTIONS USED
DECEMBER 31, 2013**

Pensions in an Inflationary Environment

**VALUE OF \$1,000/MONTH RETIREMENT BENEFIT
To an Individual Who Retires at Age 60
In an Environment of 3.50% Inflation**

<u>Age</u>	<u>Value</u>
60	\$1,000
61	966
62	933
63	901
64	871
65	842
70	708
75	596
80	502
85	423

The life expectancy of a 60 year old male retiree is age 82. The life expectancy for a 60 year old female retiree is age 84. Half of the people will outlive their life expectancy. The effects of even moderate amounts of inflation can be significant for those who live to an advanced age.

SUMMARY OF ASSUMPTIONS USED
MISCELLANEOUS AND TECHNICAL ASSUMPTIONS
DECEMBER 31, 2013

Marriage Assumption. 90% of males and 90% of females are assumed to be married for purposes of death-in-service benefits.

Pay Increase Timing. Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

Decrement Timing. Decrements of all types are assumed to occur mid-year.

Eligibility Testing. Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

Benefit Service. Exact fractional service is used to determine the amount of benefit payable.

Decrement Relativity. Decrement rates are used without adjustment for multiple decrement table effects.

Decrement Operation. Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.

Normal Form of Benefit. The assumed normal form of benefit is the straight life form.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.

Expense Loading. None

DEFINITIONS OF TECHNICAL TERMS

Accrued Service. Service credited under the system which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability. The difference between the actuarial present value of system benefits and the actuarial present value of future normal costs. Also referred to as "past service liability."

Actuarial Assumptions. Estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefits" between future normal costs and actuarial accrued liability. Sometimes referred to as the "actuarial funding method."

Actuarial Equivalent. One series of payments is said to be actuarially equivalent to another series of payments if the two series have the same actuarial present value.

Actuarial Gain (Loss). The difference between actual unfunded actuarial accrued liabilities and anticipated unfunded actuarial accrued liabilities -- during the period between two valuation dates. It is a measurement of the difference between actual and expected experience.

Actuarial Present Value. The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payments.

Amortization. Paying off an interest-discounted amount with periodic payments of interest and (generally) principal -- as opposed to paying off with a lump sum payment.

Aggregate Cost Method is a method where the Actuarial Present Value of Projected Benefits of the group included in the valuation, less the sum of the Funding Value of Assets and the Actuarial Present Value of Future Member Contributions is allocated over a future scheduled period. This allocation is performed for the group as a whole, not as a sum of individual allocations. The portion of this Actuarial Present Value allocated to a specific year is called the **City's Annual Normal Cost**. Under this method, actuarial gains (losses) reduce (increase) future Normal Costs.

Credited Projected Benefit. The portion of a member's projected benefit attributable to service before the valuation date - allocated based on the ratio of accrued service to projected total service and based on anticipated future compensation.

Experience Gain (loss). The difference between actual actuarial costs and assumed actuarial costs – during the period between two valuation dates.

Funding Value of Assets. Also referred to as actuarial value of assets, smoothed market value of assets, or valuation assets.

Valuation assets recognize assumed investment return fully each year. Differences between actual and assumed investment return are phased in over a closed 5-year period. During periods when investment performance exceeds the assumed rate, valuation assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. If assumed rates are exactly realized for 4 consecutive years, valuation assets will become equal to market value.

Normal Cost. The portion of the actuarial present value of future benefits that is assigned to the current year by the actuarial cost method. Sometimes referred to as "current service cost."

Unfunded Actuarial Accrued Liabilities. The difference between actuarial accrued liabilities and valuation assets. Sometimes referred to as "unfunded past service liability" or "unfunded supplemental present value."

Most retirement systems have unfunded actuarial accrued liabilities. They arise each time new benefits are added and each time an actuarial loss occurs.

The existence of unfunded actuarial accrued liabilities is not in itself bad, any more than a mortgage on a house is bad. Unfunded actuarial accrued liabilities do not represent a debt that is payable today. What is important is the ability to amortize the unfunded actuarial accrued liabilities and the trend in their amount (after due allowance for devaluation of the dollar).

SECTION D

CERTAIN DISCLOSURES REQUIRED BY STATEMENTS NO. 25 AND NO. 27 OF THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD

NOTE: GASB Statements No. 67 and No. 68 are effective for Governmental Retirement Plans for the fiscal year beginning after June 15, 2013 (GASB Statement No. 67) and the fiscal year beginning after June 15, 2014 (GASB Statement No. 68). These statements replace GASB Statements No. 25, No. 27 and No. 50. Future actuarial reports will reflect these changes.

ACTUARIAL ACCRUED LIABILITY

The actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on a going concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. The excess of the Actuarial Present Value of Projected Benefits of the group included in an Actuarial Valuation over the Actuarial Value of Assets is allocated **on a level basis over the payroll of the group between the valuation date and assumed exit**. This allocation is performed for the group as a whole, not as a sum of individual allocations. That portion of the Actuarial Present Value allocated to a valuation year is called the Normal Cost. The Actuarial Accrued Liability is equal to the Actuarial Value of Assets. Under this method, the Actuarial Gains (Losses), as they occur, reduce (increase) future Normal Costs.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

The Present Value of Projected Benefits was determined as part of an actuarial valuation of the plan as of December 31, 2013. Significant actuarial assumptions used in determining the Present Value of Projected Benefits include (a) a rate of return on the investment of present and future assets of 6.5% per year compounded annually, (b) projected salary increases of 3.5% per year compounded annually, (c) additional projected salary increases of 0.0% to 2.5% per year attributable to seniority/merit, and (d) that there will be no cost of living adjustments after retirement.

Actuarial Present Value of All Past and Future Benefits	
Active members	\$ 31,906,924
Retired members and beneficiaries currently receiving benefits	127,597,665
Vested terminated members not yet receiving benefits	<u>843,199</u>
Total	160,347,788
Actuarial Value of Assets (market value was \$183,575,656)	155,001,358
Present Value of Future Employee Contributions	<u>1,198,948</u>
Unfunded Present Value of Future Benefits	\$ 4,147,482

During the year ended December 31, 2013, the Plan experienced a net change of \$(36,420) in the actuarial present value of projected benefits. There were no changes in actuarial assumptions or benefits during the year.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
(\$ AMOUNTS IN THOUSANDS)

Actuarial Valuation Date December 31	Actuarial Value of Assets# (a)	Actuarial Accrued Liability* (AAL) (b)	Unfunded AAL (b)-(a)	Funded Ratio (a)/(b)	Active Member Covered Payroll (c)	Unfunded AAL as a Percentage of Active Member Covered Payroll ((b-a)/c)
1996	\$ 106,334	\$ 92,845	\$ (13,489)	114.5	\$20,536	(65.7) %
1997	120,718	105,689	(15,029)	114.2	16,133	(93.2)
1998	109,474	90,869	(18,605)	120.5	16,201	(114.8)
1999	118,595	94,661	(23,934)	125.3	15,057	(159.0)
2000	123,956	99,740	(24,216)	124.3	15,441	(156.8)
2001	123,669	97,140	(26,529)	127.3	14,566	(182.1)
2002	117,372	95,527	(21,845)	122.9	13,553	(161.2)
2003	126,738	103,558	(23,180)	122.4	13,053	(177.6)
2004	126,802	109,364	(17,438)	115.9	12,572	(138.7)
2005	128,790	113,260	(15,530)	113.7	12,100	(128.4)
2006	132,168	119,299	(12,869)	110.8	11,472	(112.2)
2007	132,917	123,162	(9,755)	107.9	11,046	(88.3)
2008	128,249	126,138	(2,111)	101.7	10,953	(19.3)
2009	132,465	139,519	7,054	94.9	10,483	67.3
2010	133,400	139,232	5,832	95.8	8,959	65.1
2011	145,523	153,564	8,041	94.8	5,428	148.1
2012	147,568	153,045	5,477	96.4	5,069	108.0
2013	155,001	153,416	(1,585)	101.0	4,769	(33.2)

Smoothed-market value.

* Reflects entry age normal actuarial cost method to comply with GASB Statement No. 50.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ending June 30	Actuarial Valuation Date December 31	Annual Required Contribution (In thousands)
2005	2003	\$ 117
2006	2004	213
2007	2005	273
2008	2006	273
2009	2007	428
2010	2008	1,361
2011	2009	2,505
2012	2010	2,157
2013	2011	1,884
2014	2011	1,846
2015	2012	1,451
2016	2013	314

* *Since it was stated to the actuary that the City's practice is to contribute the percent of payroll employer contribution rate shown in the actuarial valuation results, the values shown are the actual contributions reported by the City in the fiscal year.*

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**

Valuation Date	12/31/2013
Actuarial Cost Method	Aggregate
Asset Valuation Method	5-year smoothed market
Actuarial Assumptions:	
Investment Rate of Return*	6.5%
Projected Salary Increases*	3.5% - 7.5%
*Includes Inflation	3.5%

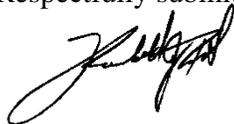
September 26, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Tom:

Enclosed are 15 copies of the report of the Fiftieth Annual Actuarial Valuation of the City of Troy Employees Retirement System.

Respectfully submitted,



Randall J. Dziubek

RJD:dj
Enclosures

cc: Rehman Robson (1 report copy)
David L. Hoffman, GRS
Jeff Tebeau, GRS

CITY OF TROY EMPLOYEES RETIREMENT SYSTEM
GASB STATEMENT NO. 67 PLAN REPORTING AND
ACCOUNTING SCHEDULES
JUNE 30, 2014

October 3, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Subject: GASB 67 Reporting and Disclosure Information

Dear Tom:

This report provides information required by the Retirement System in connection with the Governmental Accounting Standards Board (GASB) Statement No. 67 “Financial Reporting for Pension Plans.” The information provided herein was prepared for the purpose of assisting the City of Troy Employees Retirement System to comply with the financial reporting and disclosure requirements of GASB Statement No. 67.

The calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 67 and is not applicable for purposes of funding the Retirement System. A calculation of the Retirement System’s liability for other purposes may produce significantly different results. This report may be provided to parties other than the City of Troy Employees Retirement System only in its entirety and only with the permission of the City of Troy Employees Retirement System.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of December 31, 2013. The total pension liability was rolled-forward from the valuation date to the fiscal year ending June 30, 2014 using generally accepted actuarial principals. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities. It is our opinion that the recommended assumptions are internally consistent, reasonable, and comply with the requirements under GASB Statement No. 67.

This report is based upon information, furnished to us by the City of Troy Employees Retirement System, which include benefit provisions, membership information, and financial data. We did not audit this data and information, but we did apply a number of tests and concluded that it was reasonable and consistent. GRS is not responsible for the accuracy or completeness of the information provided to us by the City of Troy Employees Retirement System.

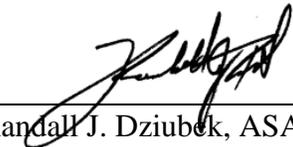
Mr. Thomas Darling
October 3, 2014
Page 2

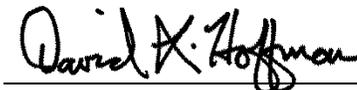
This report compliments the actuarial valuation report that was provided to the City of Troy Employees Retirement System and should be considered together as a complete report for the fiscal year ending June 30, 2014. Please see the actuarial valuation report as of December 31, 2013 for additional discussion of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

To the best of our knowledge, the information contained with this report is accurate and fairly represents the actuarial position of the City of Troy Employees Retirement System. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Randall J. Dziubek is a Member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The signing actuaries are independent of the plan sponsor.

This information is presented in draft form for review by the Retirement System's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the Retirement System's financial statements.

Respectfully submitted,

By 
Randall J. Dziubek, ASA, EA, MAAA

By 
David L. Hoffman

RJD/DLH:mrh

TABLE OF CONTENTS

	<u>Page</u>
Section A	Executive Summary
	Executive Summary 1
	Discussion 2
Section B	Financial Statements
	Statement of Fiduciary Net Position 5
	Statement of Changes in Fiduciary Net Position 6
Section C	Required Supplementary Information
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear..... 7
	Schedule of Net Pension Liability Multiyear..... 8
	Schedule of Contributions Multiyear 9
	Notes to Schedule of Contributions 10
	Schedule of Investment Returns Multiyear..... 11
Section D	Notes to Financial Statements
	Sensitivity of Net Pension Liability to the Single Discount Rate Assumption..... 12
	Summary of Population Statistics 13
Section E	Calculation of the Single Discount Rate
	Calculation of the Single Discount Rate 14
	Projection of Contributions 15
	Projection of Plan Fiduciary Net Position..... 16
	Present Values of Projected Benefits 17
Section F	Glossary of Terms..... 19

SECTION A
EXECUTIVE SUMMARY

EXECUTIVE SUMMARY AS OF JUNE 30, 2014

	2014
Actuarial Valuation Date	December 31, 2013
Pension Plan's Fiscal Year Ending Date (Measurement Date & Reporting Date)	June 30, 2014
 Membership	
Number of	
- Retirees and Beneficiaries	325
- Inactive, Nonretired Members	10
- Active Members	58
- Total	393
Covered Payroll	\$ 4,768,908
 Net Pension Liability	
Total Pension Liability	\$ 153,182,874
Plan Fiduciary Net Position	189,829,600
Net Pension Liability	\$ (36,646,726)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	123.92%
Net Pension Liability as a Percentage of Covered Payroll	(768.45)%
 Development of the Single Discount Rate	
Single Discount Rate	6.50%
Long-Term Expected Rate of Return	6.50%
Long-Term Municipal Bond Rate	4.29%
Last year ending June 30 in the 2015 to 2114 projection period for which projected benefit payments are fully funded	2114

DISCUSSION

Accounting Standard

For pension plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 67, “Financial Reporting for Pension Plans,” replaces the requirements of Statement No. 25, “Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,” and Statement No. 50, “Pension Disclosures.” Statement No. 67 establishes standards of financial reporting for separately issued financial reports and specifies the required approach for measuring the pension liability of employers and non-employer contributing entities for benefits provided through the pension plan.

The following discussion provides a summary of the information that is required to be disclosed under this new accounting standard. A number of these disclosure items are provided in this report. However, certain information, such as notes regarding accounting policies and investments, is not included in this report, and your internal staff will be responsible for preparing that information to comply with this accounting standard.

Financial Statements

Statement No. 67 requires defined benefit pension plans to present two financial statements – a statement of fiduciary net position and a statement of changes in fiduciary net position.

The *statement of fiduciary net position* presents the following items as of the end of the pension plan’s reporting period, such as:

- assets;
- deferred inflows and outflows of resources;
- liabilities; and
- fiduciary net position (assets, plus deferred outflows, minus liabilities, minus deferred inflows).

The *statement of changes in fiduciary net position* presents the following for the plan’s reporting period:

- additions, such as contributions and investment income;
- deductions, such as benefit payments and expenses; and
- net increase or decrease in the fiduciary net position (the difference between additions and deductions).

Notes to Financial Statements

Statement No. 67 also requires the notes of the plan's financial statements to include additional disclosure information. This disclosure information should include:

- a description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs;
- the number and classes of employees covered by the benefit terms;
- the composition of the pension plan's board and the authority under which benefit terms may be amended;
- a description of the plan's funding policy, which includes member and employer contribution requirements;
- the pension plan's investment policies;
- a description of how fair value is determined;
- concentrations of investments greater than or equal to 5%;
- annual money-weighted rate of return on pension plan investments;
- the portion of the present value of benefits to be provided through the pension plan to current active and inactive plan members;
- the pension plan's fiduciary net position;
- the net pension liability;
- the pension plan's fiduciary net position as a percentage of the total pension liability;
- significant assumptions and methods used to calculate the total pension liability;
- inputs to the discount rates; and
- certain information about mortality assumptions and the dates of experience studies.

Required Supplementary Information

Statement No. 67 requires a 10-year fiscal history of:

- sources of changes in the net pension liability;
- information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll;
- comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy; and
- the annual money-weighted rate of return on pension plan investments for each year.

While the first two tables may be built prospectively as the information becomes available, sufficient information is currently available for the third and fourth tables.

Measurement of the Net Pension Liability

The net pension liability is to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. If the actuarial valuation is not calculated as of the plan's fiscal year end, the total pension liability is required to be rolled forward from the actuarial valuation date to the pension plan's fiscal year end.

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2013 and a measurement date of June 30, 2014.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.500%; the municipal bond rate is 3.480% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve); and the resulting single discount rate is 6.500%.

Effective Date and Transition

GASB Statement No. 67 is effective for a pension plan's fiscal years beginning after June 15, 2013; however, earlier application is encouraged by the GASB.

SECTION B

FINANCIAL STATEMENTS

**STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2014**

	2014
Assets	
Cash and Deposits	\$ 7,342,966
Receivables	\$ 52,737
Investments	
Fixed Income	\$ 4,952,774
Domestic Equities	125,373,405
International Equities	-
Real Estate	-
Other	74,723,840
Total Investments	\$ 205,050,019
Total Assets	\$ 212,445,723
 Liabilities	
Payables	
Accounts Payable - Due from other funds	1,405,818
Accounts Payable - Other	51,196
Total Liabilities	\$ 1,457,014
 Net Position	\$ 210,988,709
Assets Restricted for Health Care	\$ 21,159,109
Net Position Restricted for Pensions	\$ 189,829,600

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR YEAR ENDED JUNE 30, 2014**

	2014
Additions	
Contributions	
Employer	\$ 1,867,473
Employee	174,214
Other	-
Total Contributions	\$ 2,041,687
Investment Income	
Net Appreciation in Fair Value of Investments	\$ 31,070,073
Interest and Dividends	4,489,515
Less Investment Expense	-
Net Investment Income	\$ 35,559,588
Other	\$ 109,324
Total Additions	\$ 37,710,599
 Deductions	
Benefit payments, including refunds of employee contributions	\$ 10,955,507
Pension Plan Administrative Expense	216,992
Other	25,030
Total Deductions	\$ 11,197,530
Net Increase in Net Position	\$ 26,513,069
 Net Position Restricted for Pensions	
Beginning of Year	\$ 163,316,531
End of Year	\$ 189,829,600

SECTION C

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR

Ultimately 10 Fiscal Years Will Be Displayed (which may be built prospectively)

Fiscal year ending June 30,	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 985,140
Interest on the Total Pension Liability	9,635,941
Benefit Changes	-
Difference between Expected and Actual Experience	286,868
Assumption Changes	-
Benefit Payments	(10,955,507)
Refunds	-
Net Change in Total Pension Liability	<u>(47,558)</u>
Total Pension Liability - Beginning	<u>153,230,433</u>
Total Pension Liability - Ending (a)	<u>\$ 153,182,874</u>
Plan Fiduciary Net Position	
Employer Contributions	\$ 1,867,473
Employee Contributions	174,214
Pension Plan Net Investment Income	35,559,588
Benefit Payments	(10,955,507)
Refunds	-
Pension Plan Administrative Expense	(216,992)
Other	84,293
Net Change in Plan Fiduciary Net Position	<u>26,513,069</u>
Plan Fiduciary Net Position - Beginning	<u>163,316,531</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 189,829,600</u>
Net Pension Liability - Ending (a) - (b)	<u>(36,646,726)</u>
Plan Fiduciary Net Position as a Percentage	
of Total Pension Liability	123.92 %
Covered Employee Payroll	\$ 4,768,908
Net Pension Liability as a Percentage	
of Covered Employee Payroll	(768.45)%
Notes to Schedule:	
N/A	

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY MULTIYEAR**

Ultimately 10 Fiscal Years Will Be Displayed (which may be built prospectively)

FY Ending June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2012	\$ 153,304,399	\$ 146,047,162	\$ 7,257,237	95.27%	\$ 5,427,637	133.71%
2013	153,230,433	163,316,531	(10,086,099)	106.58%	5,069,499	(198.96)%
2014	153,182,874	189,829,600	(36,646,726)	123.92%	4,768,908	(768.45)%

SCHEDULE OF CONTRIBUTIONS MULTIYEAR

Ultimately 10 Fiscal Years Will Be Displayed

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2012	\$ 2,157,379	\$ 2,195,477	\$ (38,098)	\$ 5,427,637	40.45%
2013	1,883,530	1,883,530	-	5,069,499	37.15%
2014	1,845,880	1,867,473	(21,593)	4,768,908	39.16%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:	June 30, 2014
Notes	Actuarially determined contribution rates are calculated as of December 31 which is 18 months prior to the beginning of the fiscal year in which contributions are reported.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Aggregate
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-Year smoothed market;
Inflation	3.5%; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.50% to 7.50% including inflation
Investment Rate of Return	6.50%
Retirement Age	Age-based table of rates that are specific to the type of eligibility condition. First used for the 1973 valuation; Classified, Exempt and Command Officers first used for the 1981 valuation; Non-Classified/Exempt General members first used for the 1986 valuation.
Mortality	RP-2000 Combined Healthy Mortality Tables, for healthy males and females, and the RP-2000 Disabled Mortality Table, for impaired males and females.
Other Information:	N/A
Notes	There were no benefit changes during the year.

SCHEDULE OF INVESTMENT RETURNS MULTIYEAR**Ultimately 10 Fiscal Years
will be Displayed**

FY Ending June 30,	Annual Return¹
2012	(1.06)%
2013	18.15 %
2014	22.23 %

¹ Annual money-weighted rate of return, net of investment expenses

SECTION D

NOTES TO FINANCIAL STATEMENTS

Single Discount Rate

A single discount rate of 6.500% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on investments of 6.500%. The projection of cash flows used to determine this single discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on the Retirement System's investments was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the net pension liability, calculated using a single discount rate of 6.500%, as well as what the net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

	Current Single Discount	
1% Decrease	Rate Assumption	1% Increase
5.50%	6.50%	7.50%
-\$20,518,932	-\$36,646,726	-\$50,343,520

Summary of Population Statistics

Inactive Members or Beneficiaries Currently Receiving Benefits	325
Inactive Members Entitled to But Not Yet Receiving Benefits	10
Active Members	<u>58</u>
Total Members	393

SECTION E

CALCULATION OF THE SINGLE DISCOUNT RATE

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.500%; the municipal bond rate is 3.480%; and the resulting single discount rate is 6.500%.

The tables in this section provide background for the development of the single discount rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF CONTRIBUTIONS

Year	Payroll for Current Employees	Contributions from Current Employees	Service Cost and Expense		UAL Contributions	Total Contributions
			Contributions	Contributions		
0	\$ 4,738,349					
1	4,654,423	\$ 161,930	\$ 792,840	\$ 658,358	\$ 1,613,128	
2	4,489,620	159,263	773,343	(459,318)	473,288	
3	4,331,159	155,037	747,396	(747,396)	155,037	
4	4,271,660	152,250	730,308	(730,308)	152,250	
5	4,224,531	151,431	723,031	(723,031)	151,431	
6	3,996,697	148,265	702,618	(702,618)	148,265	
7	3,565,674	137,804	647,194	(647,194)	137,804	
8	3,021,363	119,956	560,027	(560,027)	119,956	
9	2,449,684	98,770	459,423	(459,423)	98,770	
10	2,010,472	79,919	369,655	(369,655)	79,919	
11	1,685,717	65,686	302,946	(302,946)	65,686	
12	1,354,418	53,438	246,640	(246,640)	53,438	
13	1,021,580	41,377	190,620	(190,620)	41,377	
14	751,356	30,118	139,497	(139,497)	30,118	
15	498,047	19,969	95,179	(95,179)	19,969	
16	322,446	11,749	59,471	(59,471)	11,749	
17	261,884	7,359	40,006	(40,006)	7,359	
18	170,151	5,137	28,984	(28,984)	5,137	
19	91,152	2,896	17,205	(17,205)	2,896	
20	67,132	1,550	9,973	(9,973)	1,550	
21	47,303	1,072	7,077	(7,077)	1,072	
22	42,287	773	5,322	(5,322)	773	
23	40,253	647	4,703	(4,703)	647	
24	34,207	570	4,213	(4,213)	570	
25	27,500	473	3,493	(3,493)	473	
26	25,385	404	2,986	(2,986)	404	
27	12,182	290	2,143	(2,143)	290	
28	-	96	709	(709)	96	
29	-	-	-	-	-	
30	-	-	-	-	-	
31	-	-	-	-	-	
32	-	-	-	-	-	
33	-	-	-	-	-	
34	-	-	-	-	-	
35	-	-	-	-	-	
36	-	-	-	-	-	
37	-	-	-	-	-	
38	-	-	-	-	-	
39	-	-	-	-	-	
40	-	-	-	-	-	
41	-	-	-	-	-	
42	-	-	-	-	-	
43	-	-	-	-	-	
44	-	-	-	-	-	
45	-	-	-	-	-	
46	-	-	-	-	-	
47	-	-	-	-	-	
48	-	-	-	-	-	
49	-	-	-	-	-	
50	-	-	-	-	-	

SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF PLAN FIDUCIARY NET POSITION

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$ 189,829,600	\$ 1,613,128	\$ 11,098,387	\$ -	\$ 12,035,506	\$ 192,379,847
2	192,379,847	473,288	11,160,763	-	12,162,815	193,855,187
3	193,855,187	155,037	11,257,925	-	12,245,424	194,997,723
4	194,997,723	152,250	11,324,269	-	12,317,477	196,143,181
5	196,143,181	151,431	11,350,689	-	12,391,061	197,334,983
6	197,334,983	148,265	11,411,065	-	12,466,495	198,538,679
7	198,538,679	137,804	11,579,932	-	12,538,999	199,635,550
8	199,635,550	119,956	11,842,383	-	12,601,329	200,514,452
9	200,514,452	98,770	12,134,306	-	12,648,442	201,127,358
10	201,127,358	79,919	12,363,672	-	12,680,341	201,523,946
11	201,523,946	65,686	12,488,214	-	12,701,680	201,803,098
12	201,803,098	53,438	12,557,098	-	12,717,230	202,016,668
13	202,016,668	41,377	12,610,520	-	12,729,017	202,176,542
14	202,176,542	30,118	12,625,042	-	12,738,584	202,320,202
15	202,320,202	19,969	12,587,525	-	12,748,797	202,501,444
16	202,501,444	11,749	12,493,242	-	12,763,331	202,783,282
17	202,783,282	7,359	12,303,303	-	12,787,586	203,274,925
18	203,274,925	5,137	12,051,793	-	12,827,517	204,055,785
19	204,055,785	2,896	11,781,354	-	12,886,852	205,164,180
20	205,164,180	1,550	11,460,911	-	12,969,105	206,673,924
21	206,673,924	1,072	11,109,926	-	13,078,451	208,643,521
22	208,643,521	773	10,739,778	-	13,218,306	211,122,821
23	211,122,821	647	10,330,901	-	13,392,535	214,185,103
24	214,185,103	570	9,893,419	-	13,605,576	217,897,830
25	217,897,830	473	9,435,186	-	13,861,558	222,324,674
26	222,324,674	404	8,958,402	-	14,164,552	227,531,229
27	227,531,229	290	8,472,101	-	14,518,530	233,577,949
28	233,577,949	96	7,981,616	-	14,927,251	240,523,679
29	240,523,679	-	7,479,800	-	15,394,773	248,438,651
30	248,438,651	-	6,971,309	-	15,925,512	257,392,854
31	257,392,854	-	6,465,958	-	16,523,700	267,450,596
32	267,450,596	-	5,967,695	-	17,193,392	278,676,293
33	278,676,293	-	5,480,280	-	17,938,654	291,134,667
34	291,134,667	-	5,007,171	-	18,763,582	304,891,078
35	304,891,078	-	4,551,419	-	19,672,328	320,011,987
36	320,011,987	-	4,115,591	-	20,669,128	336,565,524
37	336,565,524	-	3,701,747	-	21,758,346	354,622,123
38	354,622,123	-	3,311,397	-	22,944,512	374,255,238
39	374,255,238	-	2,945,544	-	24,232,367	395,542,061
40	395,542,061	-	2,604,791	-	25,626,911	418,564,182
41	418,564,182	-	2,289,389	-	27,133,438	443,408,230
42	443,408,230	-	1,999,276	-	28,757,581	470,166,536
43	470,166,536	-	1,734,112	-	30,505,353	498,937,777
44	498,937,777	-	1,493,340	-	32,383,186	529,827,624
45	529,827,624	-	1,276,263	-	34,397,970	562,949,330
46	562,949,330	-	1,082,068	-	36,557,093	598,424,355
47	598,424,355	-	909,804	-	38,868,480	636,383,031
48	636,383,031	-	758,379	-	41,340,638	676,965,289
49	676,965,289	-	626,533	-	43,982,702	720,321,459
50	720,321,459	-	512,848	-	46,804,490	766,613,100

SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES OF PROJECTED BENEFITS

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v [^] ((a)-.5)	(g)=(e)*vf [^] ((a)-.5)	(h)=(c)/(1+sdr) [^] ((a)-.5)
1	\$ 189,829,600	\$ 11,098,387	\$ 11,098,387	\$ -	\$ 10,754,372	\$ -	\$ 10,754,372
2	192,379,847	11,160,763	11,160,763	-	10,154,756	-	10,154,756
3	193,855,187	11,257,925	11,257,925	-	9,617,990	-	9,617,990
4	194,997,723	11,324,269	11,324,269	-	9,084,197	-	9,084,197
5	196,143,181	11,350,689	11,350,689	-	8,549,663	-	8,549,663
6	197,334,983	11,411,065	11,411,065	-	8,070,554	-	8,070,554
7	198,538,679	11,579,932	11,579,932	-	7,690,128	-	7,690,128
8	199,635,550	11,842,383	11,842,383	-	7,384,431	-	7,384,431
9	200,514,452	12,134,306	12,134,306	-	7,104,659	-	7,104,659
10	201,127,358	12,363,672	12,363,672	-	6,797,140	-	6,797,140
11	201,523,946	12,488,214	12,488,214	-	6,446,581	-	6,446,581
12	201,803,098	12,557,098	12,557,098	-	6,086,517	-	6,086,517
13	202,016,668	12,610,520	12,610,520	-	5,739,352	-	5,739,352
14	202,176,542	12,625,042	12,625,042	-	5,395,269	-	5,395,269
15	202,320,202	12,587,525	12,587,525	-	5,050,926	-	5,050,926
16	202,501,444	12,493,242	12,493,242	-	4,707,131	-	4,707,131
17	202,783,282	12,303,303	12,303,303	-	4,352,644	-	4,352,644
18	203,274,925	12,051,793	12,051,793	-	4,003,442	-	4,003,442
19	204,055,785	11,781,354	11,781,354	-	3,674,747	-	3,674,747
20	205,164,180	11,460,911	11,460,911	-	3,356,617	-	3,356,617
21	206,673,924	11,109,926	11,109,926	-	3,055,232	-	3,055,232
22	208,643,521	10,739,778	10,739,778	-	2,773,184	-	2,773,184
23	211,122,821	10,330,901	10,330,901	-	2,504,794	-	2,504,794
24	214,185,103	9,893,419	9,893,419	-	2,252,323	-	2,252,323
25	217,897,830	9,435,186	9,435,186	-	2,016,903	-	2,016,903
26	222,324,674	8,958,402	8,958,402	-	1,798,107	-	1,798,107
27	227,531,229	8,472,101	8,472,101	-	1,596,712	-	1,596,712
28	233,577,949	7,981,616	7,981,616	-	1,412,462	-	1,412,462
29	240,523,679	7,479,800	7,479,800	-	1,242,871	-	1,242,871
30	248,438,651	6,971,309	6,971,309	-	1,087,679	-	1,087,679
31	257,392,854	6,465,958	6,465,958	-	947,261	-	947,261
32	267,450,596	5,967,695	5,967,695	-	820,907	-	820,907
33	278,676,293	5,480,280	5,480,280	-	707,849	-	707,849
34	291,134,667	5,007,171	5,007,171	-	607,268	-	607,268
35	304,891,078	4,551,419	4,551,419	-	518,305	-	518,305
36	320,011,987	4,115,591	4,115,591	-	440,069	-	440,069
37	336,565,524	3,701,747	3,701,747	-	371,660	-	371,660
38	354,622,123	3,311,397	3,311,397	-	312,177	-	312,177
39	374,255,238	2,945,544	2,945,544	-	260,739	-	260,739
40	395,542,061	2,604,791	2,604,791	-	216,503	-	216,503
41	418,564,182	2,289,389	2,289,389	-	178,674	-	178,674
42	443,408,230	1,999,276	1,999,276	-	146,509	-	146,509
43	470,166,536	1,734,112	1,734,112	-	119,322	-	119,322
44	498,937,777	1,493,340	1,493,340	-	96,483	-	96,483
45	529,827,624	1,276,263	1,276,263	-	77,425	-	77,425
46	562,949,330	1,082,068	1,082,068	-	61,638	-	61,638
47	598,424,355	909,804	909,804	-	48,662	-	48,662
48	636,383,031	758,379	758,379	-	38,087	-	38,087
49	676,965,289	626,533	626,533	-	29,545	-	29,545
50	720,321,459	512,848	512,848	-	22,708	-	22,708

SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES OF PROJECTED BENEFITS (CONTINUED)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^{((a)-.5)}	(g)=(e)*vf ^{((a)-.5)}	(h)=((c)/(1+sdr) ^(a-.5)
51	\$ 766,613,100	\$ 415,800	\$ 415,800	\$ -	\$ 17,287	\$ -	\$ 17,287
52	816,013,851	333,791	333,791	-	13,031	-	13,031
53	868,710,283	265,227	265,227	-	9,722	-	9,722
54	924,902,740	208,543	208,543	-	7,178	-	7,178
55	984,806,205	162,218	162,218	-	5,243	-	5,243
56	1,048,651,201	124,808	124,808	-	3,787	-	3,787
57	1,116,684,728	94,967	94,967	-	2,706	-	2,706
58	1,189,171,230	71,468	71,468	-	1,912	-	1,912
59	1,266,393,606	53,209	53,209	-	1,337	-	1,337
60	1,348,654,280	39,225	39,225	-	925	-	925
61	1,436,276,329	28,653	28,653	-	635	-	635
62	1,529,604,721	20,758	20,758	-	432	-	432
63	1,629,007,606	14,940	14,940	-	292	-	292
64	1,734,877,682	10,688	10,688	-	196	-	196
65	1,847,633,701	7,600	7,600	-	131	-	131
66	1,967,722,049	5,368	5,368	-	87	-	87
67	2,095,618,442	3,757	3,757	-	57	-	57
68	2,231,829,764	2,603	2,603	-	37	-	37
69	2,376,896,012	1,780	1,780	-	24	-	24
70	2,531,392,416	1,200	1,200	-	15	-	15
71	2,695,931,684	799	799	-	9	-	9
72	2,871,166,418	524	524	-	6	-	6
73	3,057,791,694	338	338	-	4	-	4
74	3,256,547,806	214	214	-	2	-	2
75	3,468,223,192	134	134	-	1	-	1
76	3,693,657,561	82	82	-	1	-	1
77	3,933,745,219	47	47	-	0	-	0
78	4,189,438,609	26	26	-	0	-	0
79	4,461,752,093	15	15	-	0	-	0
80	4,751,765,963	9	9	-	0	-	0
81	5,060,630,741	5	5	-	0	-	0
82	5,389,571,733	3	3	-	0	-	0
83	5,739,893,893	1	1	-	0	-	0
84	6,112,986,994	0	0	-	0	-	0
85	6,510,331,149	0	0	-	0	-	0
86	6,933,502,673	0	0	-	0	-	0
87	7,384,180,347	0	0	-	0	-	0
88	7,864,152,069	0	0	-	0	-	0
89	8,375,321,954	-	-	-	-	-	-
90	8,919,717,881	-	-	-	-	-	-
91	9,499,499,543	-	-	-	-	-	-
92	10,116,967,014	-	-	-	-	-	-
93	10,774,569,869	-	-	-	-	-	-
94	11,474,916,911	-	-	-	-	-	-
95	12,220,786,510	-	-	-	-	-	-
96	13,015,137,633	-	-	-	-	-	-
97	13,861,121,580	-	-	-	-	-	-
98	14,762,094,482	-	-	-	-	-	-
99	15,721,630,624	-	-	-	-	-	-
100	16,743,536,614	-	-	-	-	-	-
Totals					\$ 159,848,233	\$ -	\$ 159,848,233

SECTION F

GLOSSARY OF TERMS

GLOSSARY OF TERMS

<i>Actuarial Accrued Liability (AAL)</i>	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
<i>Actuarial Assumptions</i>	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
<i>Accrued Service</i>	Service credited under the system which was rendered before the date of the actuarial valuation.
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
<i>Actuarial Gain (Loss)</i>	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
<i>Actuarial Present Value (APV)</i>	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
<i>Actuarial Valuation</i>	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
<i>Actuarial Valuation Date</i>	The date as of which an actuarial valuation is performed.
<i>Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)</i>	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

GLOSSARY OF TERMS

<i>Amortization Payment</i>	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
<i>Amortization Method</i>	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).
<i>Cost-of-Living Adjustments</i>	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
<i>Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)</i>	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
<i>Covered-Employee Payroll</i>	The payroll of covered employees, which is typically only the pensionable pay and does not include pay above any pay cap.
<i>Deferred Retirement Option Program (DROP)</i>	A program that permits a plan member to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The plan member continues to provide service to the employer and is paid for the service by the employer after the DROP entry date; however, the pensions that would have been paid to the plan member are credited to an individual member account within the defined benefit pension plan until the end of the DROP period. Other variations for DROP exist and will be more fully detailed in the plan provision section of the valuation report.
<i>Deferred Inflows and Outflows</i>	The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.
<i>Discount Rate</i>	For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically: <ol style="list-style-type: none"> 1. The benefit payments to be made while the pension plans’ fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period and; 2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

GLOSSARY OF TERMS

<i>Entry Age Actuarial Cost Method (EAN)</i>	The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.
<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.

GLOSSARY OF TERMS

<i>Other Postemployment Benefits (OPEB)</i>	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
<i>Total Pension Expense</i>	The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year: <ol style="list-style-type: none"> 1. Service Cost 2. Interest on the Total Pension Liability 3. Current-Period Benefit Changes 4. Employee Contributions (made negative for addition here) 5. Projected Earnings on Plan Investments (made negative for addition here) 6. Pension Plan Administrative Expense 7. Other Changes in Plan Fiduciary Net Position 8. Recognition of Outflow (Inflow) of Resources due to Liabilities 9. Recognition of Outflow (Inflow) of Resources due to Assets
<i>Total Pension Liability (TPL)</i>	The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
<i>Unfunded Actuarial Accrued Liability (UAAL)</i>	The UAAL is the difference between actuarial accrued liability and valuation assets.
<i>Valuation Assets</i>	The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 67, the valuation asset is equal to the market value of assets.

October 3, 2014

Mr. Thomas Darling
Director of Financial Services
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Dear Tom,

Please find enclosed copies of the GASB Statement No. 67 Accounting and Financial Reporting for Pensions report of the City of Troy Employees Retirement System.

We will be happy to meet with the Board to discuss the results of this report.

Sincerely yours,



Randall J. Dziubek ASA, EA, MAAA

RJD:mrh
Enclosures

Beth L Tashnick

Subject: FW: Sign Projects

From: Bruce Aaronson

Sent: Tuesday, November 11, 2014 4:40 PM

To: Paul M Evans

Subject: Sign Projects

Mayor Slater,

I am the owner of Signs By Tomorrow in Southfield, Novi, Waterford and Rochester Hills. The least favorite part of my business is dealing with cities and the bureaucracy involved with getting my signage projects approved. Most will throw up as many obstacles as they can to make each job a challenge.

Your city has been the exception. I have never worked with a more helpful building department. Specifically, I have had 2 recent projects which went extremely well because of the direction of Paul Evans. He was accessible, informative and had the best interest of my projects - to make sure they were done right and to code. I am looking forward to doing more projects in Troy.

Bruce Aaronson

Owner

Signs By Tomorrow – Southfield, Novi, Waterford and Rochester Hills

Dear City Manager Brian Kischnick
and Beth,

My name is Marioara Cera, or as everyone knows me as Mimi. I am a City of Troy resident as well as a student at the University of Phoenix, where I am studying for a Master of Public Administration degree. I called and spoke with both you and your assistant, Beth, back in June when I did an interview for a group project. On behalf of my class team, and I would like to thank you and Beth for helping us with our report, for which we have received an A. Since then we have been using the City of Troy, especially the Troy Multi-Modal Transit Facility for several reports, which we have also received A's on. The City of Troy website is so well made and informative that we were able to have sufficient information for our reports. So the City of Troy has become popular in Florida, Pennsylvania, Alabama, and Arizona. I am so happy that the Troy Multi-Modal Transit Facility has successfully opened, which I am sure will bring great benefits to our beautiful city.

...but I hope
you know
I appreciate
everything
you've done.

Thank you again for all your help and support and for taking the time to do a phone interview with me back in June.

Sincerely,
Marioara Cera (Mimi)

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

NOTICE OF HEARING
FOR THE ELECTRIC CUSTOMERS OF
DTE ELECTRIC COMPANY
CASE NO. U-17680

- DTE Electric Company requests Michigan Public Service Commission approval to implement a power supply cost recovery (PSCR) plan and a levelized 2015 maximum PSCR factor of 2.58 mills per kilowatt-hour (kWh) or \$0.00258 per kWh for customers' electric bills for the period January 1, 2015 through December 31, 2015.
- The information below describes how a person may participate in this case.
- You may call or write DTE Electric Company, One Energy Plaza, Detroit, Michigan 48226, (800) 477-4747, for a free copy of its application. Any person may review the application at the offices of DTE Electric Company.
- The first public hearing in this matter will be held:

DATE/TIME: November 25, 2014, at 9:00 a.m.
This hearing will be a prehearing conference to set future hearing dates and decide other procedural matters.

BEFORE: Administrative Law Judge Dennis W. Mack

LOCATION: Constitution Hall
525 West Allegan
Lansing, Michigan

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 241-6160 in advance to request mobility, visual, hearing or other assistance.

The Michigan Public Service Commission (Commission) will hold a public hearing to consider DTE Electric Company's (DTE Electric) September 30, 2014 application, which seeks approval of the Company's PSCR plan and for a levelized 2015 maximum PSCR factor of 2.58 mills per kWh on customers' electric bills for the period January 1, 2015 through December 31, 2015. DTE Electric also seeks Commission approval to: a) recover the mercury emission-related expense for Powered Activated Carbon (PAC) and Brominated Activated Carbon (BrPAC) for the 2015 PSCR year; b) recover any trona and sodium bicarbonate (SBC) expense related to control of particulate matter and acid-gas emissions for the 2015 PSCR year; c) procure capacity resources not associated with any power purchases for periods in excess of six months, as described in its filing; d) include the Transfer Price treatment of renewable energy in the Company's PSCR process as described in its filing; e) include limestone expense as a recoverable PSCR cost for the 2015 PSCR year and thereafter; and f) continue the Reduced Emission Fuel (REF) Project, which is designed to reduce coal-fired electric generation plant stack emissions and result in emissions reduction benefits to electric utilities for the 2015 PSCR Plan year.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: michigan.gov/mpscedockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to: mpscedockets@michigan.gov. If you require assistance prior to e-filing, contact Commission staff at (517) 241-6180 or by email at: mpscedockets@michigan.gov.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by November 18, 2014. (Petitions to intervene may also be filed using the traditional paper format.) The proof of service shall indicate service upon DTE Electric's attorney, Michael J. Solo, Jr., One Energy Plaza, 688 WCB, Detroit, MI 48226.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Commission's Rules of Practice and Procedure R 460.17315 and R 460.17335. Requests for further information on adjournment should be directed to (517) 241-6060.

A copy of DTE Electric's request may be reviewed on the Commission's website at: michigan.gov/mpscedockets, and at the office of DTE Electric Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 241-6180.

The Utility Consumer Representation Fund has been created for the purpose of aiding in the representation of residential utility customers in 1982 P.A. 304 proceedings. Contact the Chairperson, Utility Consumer Participation Board, Department of Licensing and Regulatory Affairs, P.O. Box 30004, Lansing, Michigan 48909, for more information.

Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1982 PA 304, as amended, MCL 460.6j et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; 2008 PA 295, MCL 460.1001 et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.

November 5, 2014



November 21, 2014

Mr. John Szerlag
 City Manager
 City of Troy
 500 W. Big Beaver
 Troy 48084

Dear Mr. John Szerlag,

At WOW!, our objective is to continue to provide excellent customer service and a variety of Internet, cable and phone services at a great value to our customers.

Cable and broadcast networks raise their prices every year for the channels we provide our customers, and this year is no exception. In fact, their price increases are even higher than normal. To help keep pace with these costs, our rates will be adjusted with the January 1, 2015 billing cycle.

WOW! Residential customer impacts:

- Bundled customers (those with cable as well as Internet or and/or Phone) with a bundle rate guarantee expiring January 1, 2015 will experience a bundle rate increase of \$12.00 per month.

WOW! Business customer impacts:

- New Cable a la carte pricing
 - Limited Basic Cable \$32.00
 - Basic Cable \$79.00
 - Digital Basic Cable \$23.00
- The rate for HBO will increase by \$1.00 from \$18.00 to \$19.00 per month for HBO and the rate for Starz/Encore will increase by \$3.00 from \$12.00 to \$15.00 per month.
- Broadcast TV Fee will increase \$2.00, to \$5.75 per month.
- Cable Modem rental will increase \$1.00 to \$7.00 per month.
- Network Line Fee / Subscriber Line Charge will increase to \$6.50 per month.

WOW! Residential and Business customer impacts:

- We also find ourselves in the difficult position of passing through a separate Sports Surcharge of \$2.00 per month beginning January 1, 2015 for both residential customers with a bundle rate guarantee expiring January 1, 2015 and all WOW! Business cable customers. The combined cost of national and regional sports networks alone represents about 25 cents of every dollar our customers pay for cable service. Last year, sports channel prices on WOW! Basic Cable went up by more than seven times the rate of inflation, and they keep going up. The network owners require that we keep these channels on Basic Cable. Unfortunately, the only way we can continue to offer sports channels is to institute this \$2.00 charge. Limited Cable customers will be exempt from this Sports Surcharge.

Customers impacted by the rate adjustments will receive a notice in their December billing statement. Samples of both the residential and business notification letters are enclosed.

Thank you for your continued support and cooperation. If you have any questions, please contact me at 248-677-9030.

Sincerely,

Robert DiNardo
Coach, Family Guy, Chocolate Enthusiast
 Vice President and General Manager – Michigan
 WOW! Internet, Cable and Phone

Enclosures

IMPORTANT INFORMATION

ABOUT YOUR WOW! BILL

Dear Valued Customer,

WOW! never forgets that you have other choices for Internet, cable and phone. That means we never take for granted the opportunity to serve you. And why we do everything in our power to avoid giving you bad news.

Cable and broadcast networks raise their prices every year for the channels you receive on your cable lineup, and this year is no exception. In fact, their price increases are even higher than normal. As a result, the price for your bundled WOW! services including cable will increase \$12.00 per month starting next month, when the promotional price of your WOW! bundle expires.

We also find ourselves in the difficult position of passing through to you a separate Sports Surcharge of \$2.00 per month that will also take effect beginning January 2015. The combined cost of national and regional sports networks alone represents about 25 cents of every dollar you pay for cable service. Last year, sports channel prices on WOW! Basic Cable went up by more than seven times the rate of inflation, and they keep going up. The network owners require that we keep these channels on Basic Cable. Unfortunately, the only way we can continue to offer sports channels is to institute this \$2.00 charge.

We know you don't want to pay more for the services you receive so we keep a careful eye on the business costs we can directly control, while working hard to provide a superior customer experience.

We also work hard to prevent significant increases in the biggest portion of your cable bill by negotiating aggressively on your behalf with the big network owners. However, some of the networks started discussions this year by demanding more than twice their current fees. While those initial demands came down, programming cost increases are still high and the primary reason for this rate increase. For more information on the cost of cable programming, please visit www.wowway.com/aboutprogramming.

We are very grateful to be your Internet, cable and phone provider, and we'll keep working to earn the privilege of serving you. If you have any questions about our services or this notice, you can call us toll-free at 1-800-491-1419. Thank you for choosing WOW!.

Sincerely,



Steven Cochran
Family Guy, Sports Fan, Person of Faith
CEO/President
WOW! Internet, Cable and Phone

Pricing for WOW! Services excludes taxes, fees (such as applicable franchise, PEG and right-of-way access fees), the Network Line Fee/Subscriber Line Charge, the Broadcast TV Fee, Sports Surcharge, government program related fees (such as applicable 911 fees, and USF and TRS charges), additional equipment, installation and service call charges, and usage-based charges. Effective January 1, 2015 WOW! will impose a Sports Surcharge on customers who subscribe (whether alone or part of a bundle of services) to any WOW! Cable television service (except Limited Basic). © 2014 WideOpenWest Finance, LLC.

WOW! 
It's that kind of experience.
wowway.com



IMPORTANT INFORMATION ABOUT YOUR WOW! BILL

Dear Valued Business Customer,

WOW! Business never forgets that you have other choices for Internet, cable and phone. That means we never take for granted the opportunity to serve you. And why we do everything in our power to avoid giving you bad news.

Cable and broadcast networks raise their prices every year for the channels you receive on your cable lineup, and this year is no exception. In fact, their price increases are even higher than normal. At the same time, the cost of providing phone service and managing our network has gone up. As a result, your WOW! Business bill will contain some price increases starting next month.

New prices for some WOW! Business services take effect January 1, 2015. These rate adjustments are listed below for your reference. Please note that some services may be listed that are not part of your WOW! Business subscription, as this message is intended to provide information for all WOW! Business customers. Your bill next month will reflect only the price adjustments for those services you subscribe to.

CABLE SERVICE	Monthly Price Increase Effective January 1, 2015
WOW! Limited Cable	\$6.00
INTERNET SERVICE	
Cable Modem Rental	\$1.00
PHONE SERVICE	
Network Line Fee	\$2.50
Advanced Modem Rental	\$1.00

We also find ourselves in the difficult position of passing through to you a separate Broadcast TV Fee of \$7.75 per month that will also take effect beginning January 2015. This fee recovers a portion of our costs of retransmitting television broadcast signals. With programming fees, our negotiating leverage is limited. What broadcasters are demanding is just plain greedy. The Federal Communications Commission reported that the national cost of carrying local broadcast channels went from \$28 million in 2005 to \$2.4 BILLION in 2012. And industry expert SNL Kagan predicts the price will go up to \$7.6 billion in 2019! We think you should know the impact of these demands. That's why we're listing the Broadcast TV Fee separately.

We know you don't want to pay more for the services you receive so we keep a careful eye on the business costs we can directly control, while working hard to provide a superior customer experience.

We also work hard to prevent significant increases in the biggest portion of your cable bill by negotiating aggressively on your behalf with the big network owners. However, some of the networks started discussions this year by demanding more than twice their current fees. While those initial demands came down, programming cost increases are still high and the primary reason for this rate increase. For more information on the cost of cable programming, please visit www.wowway.com/aboutprogramming.

We are very grateful to be your Internet, cable and phone provider, and we'll keep working to earn the privilege of serving you. If you have any questions about our services or this notice, you can call us toll-free at 1-877-437-5624.

Thank you for choosing WOW! Business.

Sincerely,

Brad Cheedle
Family Man, Golfaholic, Aspiring Guitar Legend
Senior Vice President, WOW! Business

Pricing for WOW! Services excludes taxes, fees (such as applicable franchise, PEG and right-of-way access fees, the Network Line Fee/Subscriber Line Charge, the Broadcast TV Fee, Sports Surcharge, government program related fees (such as applicable 911 fees, and USF and TRS charges), additional equipment, installation and service call charges, and usage-based charges. © 2014 WideOpenWest Finance, LLC.

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