
From: Mary F Redden

Sent: Monday, April 05, 2010 4:43 PM

To: John Szerlag; John M Lamerato; Mark F Miller; Lori G Bluhm; 000schilling@ameritech.net; Dane Slater (djlkslater@aol.com); Mary Kerwin (marykerwin5@hotmail.com); Maureen M. McGinnis (mmcginis@dmcginis.com); mfhowryl@umich.edu; rbeltram@wideopenwest.com; Wade Fleming; wade.fleming@proforma.com

Subject: Answers to Council Questions on Tonight's Agenda

Here are answers to several questions we were asked about tonight's agenda:

[H-7: How do the "times to complete" listed by the companies that were reviewed compare with average times to complete by building department? Can you provide the names of other municipalities that have contracted with SAFEbuilt Michigan?](#)

Acting Assistant City Manager Mark Miller replies: The Troy Building Inspections Department does not maintain equivalent statistics for plan reviews "times to complete". Based upon the Zucker System Study in 2008 Plan, plan review performance appeared to be timely, however the City did not track comparable data. Zucker Systems recommended national performance standards be adopted by the Troy Building Inspections Department. Both SAFEbuilt and PMI "times to complete" are within Zucker Systems national performance standards. The City, PMI and SAFEbuilt have 24 response for inspections. See attachment from SAFEbuilt's and PMI's proposals.

SAFEbuilt Michigan is an entity created to work in Michigan. At this time SAFEbuilt Michigan is about to enter into 2 or 3 contracts.

SAFEbuilt, overall does work in at least 7 states and has over 100 client communities nationwide.



Building Department
Services P...

[Have there been any discussions about fee structure changes if this department is privatized?](#)

Yes, there have been; the fee structure shall remain in place.

[H:7: For the past 5 fiscal years, compare building permit revenue with direct expenses](#)

As indicated in attached pages from audit statements, following are the direct and total shortfalls for the past 5 fiscal years.

Fiscal Year	Direct Cost Shortfall	Net Shortfall
2003/04	\$390,899	\$545,734
2004/05	\$416,069	\$571,992
2005/06	\$417,741	\$577,839
2006/07	\$660,297	\$825,047
2007/08	\$802,109	\$972,349
2008/09	\$970,372	\$1,141,888



Pages from
Audit.pdf

[H-7: Will Carlisle/Wortman receive any financial benefit by having SAFEbuilt perform works for the City of Troy?](#)

No. See attached (previous) email and letter from Dick Carlisle.



Carlisle
Correspondence.pdf

[H-7: Did Carlisle-Wortman have any involvement in recommending that SAFEBuilt be awarded the bid for Troy.](#)

No, they were not part of the interview process.

[H-7: Would the result have been the same if PMI were awarded the contract?](#)

Purchasing Director Susan Leirstein indicates that PMI did not provide a turn-key solution and since PMI's costs were higher than SAFEbuilt's, that information was not requested.

[I-4\(i\): Specifically, what areas are to be maintained? What services does this include relative to landscaping \(aside from mowing, trimming and edging\)?](#)

Parks and Rec. Director Carol Anderson provides the following: The areas to be maintained are Big Beaver from just east of Rochester to Cunningham; the entire Civic Center site; and Coolidge, Lexington to Golfview. The contractor is responsible for all the maintenance of the medians and any ROW properties that the abutting owners do not take care of. This includes: mowing; annuals; perennial care; integrated pest management; fertilizer/weed control; tree and shrub pruning; trash pick-up; and mulching. City crews do little if any work other than irrigation and hardscape repair. The maintenance requirements are more stringent than other municipal sites. As an example, grass is mowed lower for a better appearance than park sites or other municipal grounds.

[I-11\(a\): As the previous owner of three different bar and/or restaurants, Ms. Tokar has had the ability to establish some sort of history- good, bad or indifferent. Has is been determined if there is any previous history of complaints/violations with prior establishments?](#)

Chief Mayer responds: Please allow this summary from the lengthy investigation to serve as a response to the question. The investigation was not submitted with the council packet because of the anonymous nature of the complaints. The whole matter was reviewed and approved by the city attorney's office. Investigators contacted the Hamtramck Police Department, the Sterling Heights Police Department, and the Clinton Township Police Departments and spoke with the supervisors that handle the liquor licenses from their respective agencies. Other than the incident at Checkers Bar and Grill, no department had any notable contacts with Ms. Tokar. That incident is summarized below.

Applicant Maria Tokar (10/18/56):

- has a Valid State of Michigan Operator 's License.
- does not have a criminal history.
 - is listed as a Suspect in a Liquor Control Commission Violation on 3/3/98 within the City of Sterling Heights
 - Ms. Tokar, the owner of Checkers Bar and Grill at the time, was conducting a Lingerie Show at the business. Checkers Bar and Grill was located at 36759 Mound Road, Sterling Heights, Michigan.
 - The Lingerie Show was awarding prizes without a permit from the Michigan Liquor Control Commission which is a violation of their rules (MLCC Rule R436.1435 Rule 35 (1))
 - The clothing or lack of clothing worn by the models was in violation of a Sterling Heights City Ordinance.
 - Ms. Tokar was issued a Formal Warning by the Special Investigations Bureau of the Sterling Heights Police Department.

[How much staff time is spent supporting boards and committees?](#)

The table below describes an approximation of time spent annually.

Board or Committee	Department(s)	Hours Spent per Year
ACT 78 Commission	Human Resources	3 hrs/meeting, as needed
Advisory Committee for Persons with Disabilities	Building	96
Building Code Board of Appeals	Building	180
Brownfield Redevelopment Authority	Finance/Risk Management	25
Cable Advisory Committee	Community Affairs	16
Downtown Development Authority	Finance/Risk Management	25
Employees' Retirement System	City Manager's Office	48
Ethnic Issues Advisory Board	Community Affairs	24
Library Advisory Board	Library	280
Local Development Finance Authority	Finance/Risk Management	25
Parks and Recreation Board	Parks and Recreation	126
Personnel Board	Human Resources	20
Retiree Health Care Benefits, Plan & Trust	City Manager's Office	5
Senior Advisory Board	Parks and Recreation	60
Traffic Committee	Engineering Fire	500 36

Troy Daze Festival Committee	Community Affairs	35 (Not including working with the Committee on the festival or assisting with requests through the year.)
	Fire	36

Mary Redden,
City Manager's Office
City of Troy
500 W. Big Beaver
Troy, MI 48084

**BUILDING DEPARTMENT SERVICES
 PROPOSAL**

PROPOSAL C: Project Team

Provide a list identifying the key personnel proposed to be provided including name, classification, the overall availability to the City of key personnel where applicable for the following services:

CLASSIFICATION	INDIVIDUALS NAME	OVERALL AVAILABILITY PER WEEK (IN HOURS) TO THE CITY
Building Inspector:		
	Carl Brown	40+ Hours
	Steven J. Burns	40+ Hours
Mechanical Inspector:		
	Merle West	40+ Hours
	Mark Booth	40+ Hours
Plumbing Inspector:		
	Merle West	40+ Hours
	Mark Booth	40+ Hours
Electrical Inspector:		
	Ronald Shelton	40+ Hours
Plan Analyst:		
	Philip Gentile	40+ Hours

PROPOSAL D: Time Frame to Complete Various Tasks

TASKS – PLAN REVIEWS:	TIME FRAME TO COMPLETE FIRST REVIEW	TIME FRAME TO COMPLETE REVISIONS
Residential	5 Days	3 Days
Multiple Family	10 Days	5 Days
New Commercial	10 to 20 Days	10 Days
Commercial Alteration	5 Days	3 Days
All Other Reviews	Same Day to 5 Days	Less than 3 Days if Applicable

TASKS - INSPECTIONS:	TIME FRAME (IN HOURS) TO COMPLETE
Inspections	Within 24 Hours of Request

Provide the estimated time frame to complete the following tasks:

ORGANIZATION NAME: **SAFEbuilt Michigan**



Detailed Proposal – Building Department Services
 Proposal - continued
 Page 2 of 3

**BUILDING DEPARTMENT SERVICES
 PROPOSAL**

PROPOSAL C: Project Team

Provide a list identifying the key personnel proposed to be provided including name, classification, the overall availability to the City of key personnel where applicable for the following services:

CLASSIFICATION	INDIVIDUALS NAME	OVERALL AVAILABILITY PER WEEK (IN HOURS) TO THE CITY
Building Inspector:	Ron Supal and/or	30-40 Hours
	Ed Martin and/or	30-40 Hours
	Other	30-40 Hours
Mechanical Inspector:	Ron Supal and/or	30-40 Hours
	Ed Martin and/or	30-40 Hours
	Other and/or	30-40 Hours
Plumbing Inspector:	Ron Supal and/or	30-40 Hours
	Ron Schwartz and/or	30-40 Hours
	Other and/or	30-40 Hours
Electrical Inspector:	Cecil Baucus and/or	30-40 Hours
	Carl Silvers and/or	30-40 Hours
	Other	30-40 Hours
Plan Analyst:	Ron Supal and/or	30-40 Hours
	Ron Schwartz and/or	30-40 Hours
	Ed Martin and/or Other	30-40 Hours

PROPOSAL D: Time Frame to Complete Various Tasks

Provide the estimated time frame to complete the following tasks:

TASKS – PLAN REVIEWS:	TIME FRAME TO COMPLETE FIRST REVIEW	TIME FRAME TO COMPLETE REVISIONS
Residential	10-15 Days	10-15 Days
Multiple Family	10-15 Days	10-15 Days
New Commercial	10-15 Days	10-15 Days
Commercial Alteration	10-15 Days	10-15 Days
All Other Reviews		

TASKS - INSPECTIONS:	TIME FRAME (IN HOURS) TO COMPLETE
Inspections	24 Hours

ORGANIZATION NAME: PMI Inspection Services (Plumb Master, Inc.)

CITY OF TROY, MICHIGAN

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2004

Note 2 - Stewardship, Compliance and Accountability

State Construction Code Act

The City oversees building construction, in accordance with the State Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2003		\$ (1,027,685)
Current year building permit revenue	\$ 1,544,550	
Related expenses:		
Direct costs	1,935,449	
Estimated indirect costs	<u>154,836</u>	
Total construction code expenses	<u>2,090,285</u>	
Net shortfall for the year ended June 30, 2004		<u>(545,735)</u>
Cumulative shortfall at June 30, 2004		<u>\$ (1,573,420)</u>

Note 3 - Deposits and Investments

The City Council has authorized those responsible to invest City monies to purchase any type of prudent investments, within the guidelines set forth by the Michigan Department of Treasury. However, no more than fifty percent of the City's total monies, with the exception of the Employee Retirement, and Fire Incentive may be invested in commercial paper at any given time. The City has not been involved in any reverse-repurchase agreements during the year.

CITY OF TROY, MICHIGAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - Summary of Significant Accounting Policies - Continued

Fund Balance/Equity

Reservations of fund balance indicate that a portion of the fund balance is not appropriable for expenditures or is legally restricted for specific future use. Designations of fund balance indicate plans for future financial resources utilization.

Note 2 - Stewardship, Compliance and Accountability

State Construction Code Act

The City oversees building construction, in accordance with the State Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2004		\$ (1,573,420)
Current year building permit revenue	\$ 1,532,967	
Related expenses:		
Direct costs	1,949,036	
Estimated indirect costs	<u>155,923</u>	
Total construction code expenses	<u>2,104,959</u>	
Net shortfall for the year ended June 30, 2005		<u>(571,992)</u>
Cumulative shortfall at June 30, 2005		<u>\$ (2,145,412)</u>

CITY OF TROY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2005		\$ (2,145,412)
Current year building permit revenue	\$ 1,583,486	
Related expenses:		
Direct costs	2,001,227	
Estimated indirect costs	<u>160,098</u>	
Total construction code expenses	<u>2,161,325</u>	
Net shortfall for the year ended June 30, 2006		<u>(577,839)</u>
Cumulative shortfall at June 30, 2006		<u>\$ (2,723,251)</u>

Note 3 - Deposits and Investments

Statutory Authority

State statutes authorize the City to make limited investments authorized by Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended), and may invest in the following:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States. Repurchase agreements consisting of these same instruments.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase. Not more than fifty percent of any fund may be invested in commercial paper at any time.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan or any of its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.

CITY OF TROY, MICHIGAN

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2007

A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2006		\$ (2,723,251)
Current year building permit revenue	\$ 1,399,077	
Related expenses:		
Direct costs	2,059,374	
Estimated indirect costs	<u>164,750</u>	
Total construction code expenses	<u>2,224,124</u>	
Net shortfall for the year ended June 30, 2007		<u>(825,047)</u>
Cumulative shortfall at June 30, 2007		<u>\$ (3,548,298)</u>

Note 3 - Deposits and Investments

Statutory Authority

State statutes authorize the City to make limited investments authorized by Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended), and may invest in the following:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States. Repurchase agreements consisting of these same instruments.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase. Not more than fifty percent of any fund may be invested in commercial paper at any time.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan or any of its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.

CITY OF TROY, MICHIGAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

Note 2 - Stewardship, Compliance and Accountability

State Construction Code Act

The City oversees building construction, in accordance with the State Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs.

A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2007		\$ (3,548,298)
Current year building permit revenue	<u>\$ 1,325,890</u>	
Related expenses:		
Direct costs	2,127,999	
Estimated indirect costs	<u>170,240</u>	
Total construction code expenses	<u>2,298,239</u>	
Net shortfall for the year ended June 30, 2008		<u>(972,349)</u>
Cumulative shortfall at June 30, 2008		<u>\$ (4,520,647)</u>

Note 3 - Deposits and Investments

Statutory Authority

State statutes authorize the City to make limited investments authorized by Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended), and may invest in the following:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States. Repurchase agreements consisting of these same instruments.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more

CITY OF TROY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts and issuance costs are reported as debt service expenditures.

Fund Balance/Equity

Reservations of fund balance indicate that a portion of the fund balance is not appropriate for expenditures or is legally restricted for specific future use. Designations of fund balance indicate plans for future financial resources utilization.

Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to June 30, 2009, the most recent balance sheet presented herein, through the auditors' report date, the date these financial statements were available to be issued. No significant such events or transactions were identified.

Note 2 - Stewardship, Compliance and Accountability

State Construction Code Act

The City oversees building construction, in accordance with the State Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs.

A summary of the current year activity and the cumulative shortfall generated since July 1, 2001 is as follows:

Shortfall at July 1, 2008		\$ (4,520,647)
Current year building permit revenue	\$ 1,173,578	
Related expenses:		
Direct costs	2,143,950	
Estimated indirect costs	<u>171,516</u>	
Total construction code expenses	<u>2,315,466</u>	
Net shortfall for the year ended June 30, 2009		<u>(1,141,888)</u>
Cumulative shortfall at June 30, 2009		<u>\$ (5,662,535)</u>



CARLISLE/WORTMAN ASSOCIATES, INC.
Community Planners Landscape Architects

605 S. Main, Suite 1
Ann Arbor, MI 48104
734-662-2200
fax 734-662-1935

6401 Citation Drive, Suite E
Clarkston, MI 48346
248-625-8480
fax 248-625-8455

January 25, 2010

Susan, Leirstein, Purchasing Director
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

Re: Building Services SOQ

Dear Susan:

I wanted to affirm that neither Carlisle/Wortman nor any company in which we have a financial interest will be submitting on this proposal. While we have formed a joint marketing relationship with SAFEbuilt of Michigan, we are not part of any proposal that SAFEbuilt may submit. Further, we do not stand to benefit should either SAFEbuilt or any other vendor be awarded a contract.

In addition, I am in the same position with the code enforcement SOQ. Since I have been advising the City on this matter, we will not be responding to this request.

Please let me know if either you or anyone else would like more information.

Sincerely,

CARLISLE/WORTMAN ASSOCIATES, INC.

Richard K. Carlisle, PCP, AICP
President

#225-10-2901

Mary F Redden

From: John Szerlag
Sent: Monday, April 05, 2010 2:21 PM
To: Mary F Redden
Subject: FW: Safebuilt

From: Richard Carlisle [mailto:rcarlisle@cwaplan.com]
Sent: Monday, April 05, 2010 12:12 PM
To: John Szerlag
Subject: FW: Safebuilt

From: Richard Carlisle [mailto:rcarlisle@cwaplan.com]
Sent: Monday, April 05, 2010 12:05 PM
To: 'Susan A Leirstein'
Cc: 'jszerlag@troy.mi.gov'; 'Mark F Miller'
Subject: Safebuilt

Dear Susan- In response to our conversation, we have no written agreement with Safebuilt. We are jointly marketing our services, where appropriate, and will identify potential client communities on a case by case basis. We have no exclusive relationship with Safebuilt as they are free to pursue other opportunities without Carlisle/Wortman. This is no different than the manner in which we work with other consulting firms, including some that are currently working for Troy. I disclosed our working relationship with Safebuilt to City management over five months ago because I wanted to make sure this did not become an issue. You are aware that on more than one occasion I offered to step aside from this assignment. More specifically with Safebuilt, we are pursuing opportunities where a community may need to have a more full service approach than just building services, such as community development administration, code enforcement, planning, ect. Obviously, that was not the case in Troy, but I have felt the obligation to be completely transparent about our relationship with Safebuilt. And, as you also know, I was not part of the evaluation team and stayed out of the decision process regarding Building services. Once again, we will receive absolutely no benefit should Safebuilt be awarded the contract. Please let me know if there is any more information you need, although I am not sure what that might be. Dick