



# **TROY CITY COUNCIL**

## **SPECIAL MEETING AGENDA**

**JULY 17, 2019  
CONVENING AT 6:00 P.M.**

**PERMITTED BY CALL OF MAYOR PRO TEM BAKER  
AND COUNCIL MEMBER HAMILTON**

**FOR THE PURPOSE OF:**

**FORENSIC ENGAGEMENT REPORT DISTRIBUTION AND PRESENTATION AND  
REQUEST FOR ADDITIONAL COMPENSATION**

**Submitted By  
The City Manager**

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***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@troymi.gov](mailto:clerk@troymi.gov) at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.***

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500 West Big Beaver  
Troy, MI 48084  
troymi.gov

The Honorable Mayor and City Council Members

City of Troy  
500 West Big Beaver  
Troy, MI 48084

Dear Mayor and City Council Members:

In this packet, you will find the agenda for the City Council meeting. To help facilitate an informed discussion, the packet provides you with agenda items and additional details. The packet also contains recommended courses of action for your consideration and seeks to aid you in adopting sound policy decisions for the City of Troy.

This comprehensive agenda has been put together through the collaborative efforts of management and staff members. We have made all attempts to obtain accurate supporting information. It is the result of many meetings and much deliberation, and I would like to thank the staff for their efforts.

If you need any further information, staff is always available to provide more information and answer questions that may arise. You can contact me at [Mark.Miller@troymi.gov](mailto:Mark.Miller@troymi.gov) or 248.524.3351 with questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Mark F. Miller". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark F. Miller,  
City Manager

# 2019 Strategies

- 1 Re-evaluate the Trails & Pathways program with a focus on public participation and creative problem-solving to build community support.
- 2 Gather community input, reassess the most recent Town Center initiative, and develop a plan for the future of the Civic Center property.
- 3 Determine the customer service needs of City Hall and incorporate the findings of the Facilities Condition Assessment into the maintenance plan of the facilities.
- 4 Establish a comprehensive Capital Improvement Program and planning process that is reviewed and implemented on an annual basis.
- 5 Convene the Charter Revision Committee to evaluate charter language and millage limitations, and develop a strategy to fund the Library past 2021.
- 6 Determine public transportation service needs, and implement a revised plan for the Big Beaver Shuttle and Medi-Go.
- 7 Update the Parks and Recreation Plan and incorporate the Green Space Subcommittee recommendations to protect and invest in the City's parks.
- 8 Evaluate the Volunteer Firefighters Incentive Plan to ensure the policy is reasonable and sustainable.
- 9 Study the feasibility of a Rochester Road Improvement District.
- 10 Develop a plan to effectively engage residents and businesses through community conversations.



**CITY COUNCIL  
SPECIAL MEETING  
AGENDA**

**July 17, 2019 – 6:00 PM**

**Council Boardroom  
City Hall - 500 West Big Beaver  
Troy, Michigan 48084  
(248) 524-3317**

<b><u>A.</u></b>	<b><u>CALL TO ORDER:</u></b>	<b><u>1</u></b>
<b><u>B.</u></b>	<b><u>ROLL CALL:</u></b>	<b><u>1</u></b>
<b><u>C.</u></b>	<b><u>DISCUSSION ITEM:</u></b>	<b><u>1</u></b>
C-1	Forensic Engagement Report Distribution and Presentation and Request for Additional Compensation	1
<b><u>D.</u></b>	<b><u>PUBLIC COMMENT:</u></b>	<b><u>2</u></b>
<b><u>E.</u></b>	<b><u>ADJOURNMENT:</u></b>	<b><u>2</u></b>
<b><u>2019 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:</u></b>		<b><u>3</u></b>
<b><u>2019 SCHEDULED REGULAR CITY COUNCIL MEETINGS:</u></b>		<b><u>3</u></b>
	July 22, 2019 Regular Meeting .....	3
	August 5, 2019 Regular Meeting .....	3
	August 19, 2019 Regular Meeting .....	3
	September 9, 2019 Regular Meeting .....	3
	September 23, 2019 Regular Meeting .....	3
	October 7, 2019 Regular Meeting .....	3
	October 21, 2019 Regular Meeting .....	3
	November 11, 2019 Regular Meeting .....	3
	November 25, 2019 Regular Meeting .....	3
	December 2, 2019 Regular Meeting .....	3
	December 16, 2019 Regular Meeting .....	3

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**A. CALL TO ORDER:**

**B. ROLL CALL:**

- (a) Mayor Dane Slater  
Edna Abraham  
Mayor Pro Tem Ethan Baker  
David Hamilton  
Dave Henderson  
Ellen Hodorek  
Ed Pennington

- (b) Absent Council Members:

Suggested Resolution

Resolution #2019-07-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **EXCUSES** the absence of \_\_\_\_\_ at the City Council Special Meeting of Wednesday, July 17, 2019 due to \_\_\_\_\_.

Yes:

No:

**C. DISCUSSION ITEM:**

**C-1 Forensic Engagement Report Distribution and Presentation and Request for Additional Compensation**

Suggested Resolution

Resolution #2019-07-

Moved by

Seconded by

**a) Request for Additional Compensation**

NOW THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** a supplemental payment in the amount of \$18,000 to Plante Moran for its additional work on the Forensic Engagement/Forensic Audit Services, which **SHALL BE** in addition to the \$50,000 already paid by the City, as authorized in Standard Purchasing Resolution 8: Best Value Award- Forensic Audit Services, Resolution #2018-12-196-J-4b (approved December 17, 2018).

AND

**b) Forensic Engagement Report Distribution**

BE IT FURTHER RESOLVED, That Troy City Council hereby **AUTHORIZES** the release of the final forensic engagement report, prepared and submitted to the City by its consultant, Plante Moran, and **DIRECTS** that the final report be included in the most appropriate location on the

City's webpage, and included in the City Council agenda packet for the next regular City Council meeting, and available for request under the Freedom of Information Act.

Yes:

No:

**D. PUBLIC COMMENT:**

**E. ADJOURNMENT:**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark F. Miller". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark F. Miller  
City Manager



**2019 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**

**2019 SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

July 22, 2019.....	Regular Meeting
August 5, 2019.....	Regular Meeting
August 19, 2019.....	Regular Meeting
September 9, 2019 .....	Regular Meeting
September 23, 2019 .....	Regular Meeting
October 7, 2019 .....	Regular Meeting
October 21, 2019 .....	Regular Meeting
November 11, 2019 .....	Regular Meeting
November 25, 2019 .....	Regular Meeting
December 2, 2019 .....	Regular Meeting
December 16, 2019 .....	Regular Meeting



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## CITY COUNCIL AGENDA ITEM

Date: July 15, 2019

To: Honorable Mayor and City Council Members

From: Mark F. Miller, City Manager  
Lori Grigg Bluhm, City Attorney

Subject: Forensic Engagement Report Distribution and Presentation and Request for Additional Compensation

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Subsequent to the federal criminal bribery prosecution of former Troy City Manager Kischnick, City Administration solicited proposals from independent Certified Public Accounting firms to complete forensic testing and review the City's internal controls and his expenditures. The City received proposals that widely varied in price and the scope of work, and all of the proposals exceeded the Charter purchasing threshold of \$10,000. As a result, the scope of work was revised, and the City solicited formal bids. After the vetting process, Plante Moran was recommended as the best value to provide the requested forensic engagement services. Other bids ranged from \$45,000 to \$290,000, with the average of all bids at \$101,726. On December 17, 2018, City Council authorized City Administration to sign an Agreement with Plante Moran for up to \$50,000 (Council Resolution 2018-12-196-J-4b).

The key objectives for this engagement were:

- Demonstrate to the City Council and City of Troy residents whether or not money was taken from petty cash or any other accounts or Troy resources.
- Review the internal controls as they relate to the City's disbursements and also review business areas that had the possibility of being adversely influenced by the former City Manager during his term of employment.
- Review City of Troy existing internal processes and provide an opinion as to the ability to get and/or take money in accordance with the City's existing policies and procedures.

The designated City Administrative liaison for the project was the City Attorney, which allowed the preliminary information exchanges and communications to be covered by the Attorney Client privilege. This is a standard precaution for all such forensic engagement agreements, in the unlikely event that some of the information would be forwarded to federal or state authorities for further investigation. Fortunately, the entire comprehensive report is now able to be publicly discussed. The team from Plante Moran has prepared a brief power point presentation highlighting its findings, and will answer questions from City Council at the special meeting called for that purpose. Assuming that the questions from City Council do not require further clarification in the report, Plante Moran will subsequently finalize the report, which would then be available to the public, and placed on the City's webpage for enhanced access and included in the July 22, 2019 City Council agenda packet as an informational item.



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## CITY COUNCIL AGENDA ITEM

In its proposal, Plante Moran anticipated that it would be able to complete all necessary work, including a presentation of the report to the Troy City Council, in approximately 200 hours. The City Council presentation was estimated to take 20 hours, multiplied by a blended rate of \$250 per hour for a total of \$5,000.

Unfortunately, the Plante Moran team invested approximately 400 hours to produce a comprehensive and complete report (which would have been over \$100,000 based on the blended hourly rate). In light of the extra time devoted to the project, and the unanticipated nature of this work at the time of the bid, Plante Moran is requesting an additional payment of \$18,000 to compensate for work necessarily performed, for a total payment of \$68,000. Although the bid was awarded for a not to exceed amount, the Agreement allows for fee adjustments *"In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from PM's Fee Quotes, those Fee Quotes will be adjusted for the additional time PM incurs as a result."* (Paragraph 5)

Resolutions authorizing the public dissemination of the final forensic engagement report and also the payment of an additional \$18,000 are proposed for your consideration.

### Proposed Resolutions:

- A. NOW THEREFORE, BE IT RESOLVED, that the Troy City Council hereby APPROVES a supplemental payment in the amount of \$18,000 to Plante Moran for its additional work on the Forensic Engagement/Forensic Audit Services, which shall be in addition to the \$50,000 already paid by the City, as authorized in Standard Purchasing Resolution 8: Best Value Award- Forensic Audit Services, Resolution #2018-12-196-J-4b (approved December 17, 2018).
- B. NOW THEREFORE, BE IT RESOLVED, that the Troy City Council hereby AUTHORIZES the release of the final forensic engagement report, prepared and submitted to the City by its consultant, Plante Moran, and DIRECTS that the final report be included in the most appropriate location on the City's webpage, and included in the City Council agenda packet for the next regular City Council meeting, and available for request under the Freedom of Information Act.