

Formal Agenda
October 2, 2018

**BUDGET,
FINANCE, AND
AUDIT STANDING
COMMITTEE**

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**OFFICE OF CONTRACTING
AND PROCUREMENT**

September 27, 2018

HONORABLE CITY COUNCIL:

The Purchasing Division of the Finance Department recommends a Contract with the following firm(s) or person(s):

6001586 100% City Funding – To Provide Maintenance of Residential, Commercial, Industrial, and Personal Property Modules of the BSA, Assessing the .Net System. – Contractor: BS & A Software – Location: 14965 Abbey Lane, Bath, MI 48808 – Contract Period: Upon City Council Approval through June 30, 2021 –Total Contract Amount: \$144,870.00.
OFFICE OF CHIEF FINANCIAL OFFICER-ASSESSOR

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **AYERS**

RESOLVED, that Contract No. 6001586 referred to in the foregoing communication dated September 27, 2018, be hereby and is approved.

**OFFICE OF CONTRACTING
AND PROCUREMENT**

September 27, 2018

HONORABLE CITY COUNCIL:

The Purchasing Division of the Finance Department recommends a Contract with the following firm(s) or person(s):

6000098 100% City Funding – Amend 2 – To Provide Consulting Services on an On-Going Basis on all Pension and Actuarial Matters. – Contractor: Cheiron Inc. – Location: 1750 Tysons Boulevard, McLean, VA 22102 – Contract Period: Upon City Council Approval through June 11, 2020 – Contract Increase: \$75,000.00 - Total Contract Amount: \$300,000.00. **OFFICE OF THE CHIEF FINANCIAL OFFICER** *(This Amendment is for and Extension of Time and Additional Funds. Original Contract Amount \$225,000.00 – Original Contract Terms Through June 12, 2018.)*

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER **AYERS**

RESOLVED, that Contract No. 6000098 referred to in the foregoing communication dated September 27, 2018, be hereby and is approved.



CITY OF DETROIT
LAW DEPARTMENT

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September 24, 2018

To: Hon. City Council

CNR Fr: C. Raimi; L. Bruton, law department

Re: Opinion concerning banking issues

We understand that you have requested our opinion concerning efforts by the OCFO to establish relationships with certain financial institutions. This question implicates two separate issues.

1. CFO's investment of surplus funds in accordance with PA 20.

In May 2018, City Council, acting pursuant to Michigan P.A. 20 of 1943 (MCL 129.91, et. seq.), adopted a resolution approving CFO Directive No. 2018-101-008 titled "Investment and Investment Management." Section 6.6 of the Directive authorizes the CFO to approve a list of qualified financial institutions into which the City's **surplus funds** may be invested. Such investments are strictly regulated by P.A. 20. The Treasurer may proceed under that Directive and P.A. 20 to invest surplus funds with financial institutions approved by the CFO.

2. CFO's RFP initiative to enter operating agreements with financial institutions under PA 40.

We are aware that the OCFO has engaged in an RFP process to enter into **operating agreements** with certain financial institutions. On September 17, 2018 the OCFO submitted a resolution to City Council to designate a number of financial institutions to be depositories of funds of the City of Detroit in a proportion and manner determined by the CFO. The purpose of this resolution is to comply with Michigan P.A. 40 of 1932, titled Depositories of Public Moneys, under which City Council designates financial institutions for deposits of public moneys. MCL 129.12.

Those operating agreements will be subject to City Council approval in accordance with applicable Charter provisions and ordinances. It would be appropriate for City Council to make the PA 40 designations either prior to, or at the same time as, it approves the operating agreements.

CITY CLERK 2018 SEP 25 4:51 PM

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CITY CLERK 2018 SEP 26 AM 9:04

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Senior City Planner
Janese Chapman
Deputy Director

City of Detroit CITY COUNCIL

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TO: The Honorable Internal Operations Committee
Council Member Roy McCalister, Jr. Chairperson
Council Member Raquel Castañeda-López, Vice-Chairperson
Council Member James Tate, Member

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: September 25, 2018

RE: **Equalization Credit for Detroit-Based and Detroit Headquartered Businesses**

President Pro Tem Mary Sheffield has requested the Legislative Policy Division to report on the use of equalization points for Detroit-based businesses, and Detroit Headquartered businesses in the award of city contracts.

Section 18-5-12 of the Detroit City Code explains the process for solicitation of bids, comparison of equalization credits in bids and the application of equalization credits for bids. The equalization credit to Detroit –based business is based on the contract cost.

<u>Contract Amount</u>	<u>Equalization Percentage</u>
Up to \$10,000.00	5%
\$10,000.01 to \$100,000.00	4%
\$100,000.01 to \$500,000.00	3%
\$500,000.01 and over	2%

A business determined to be a Detroit-Resident business [business with at least 4 employees, 51% or more are Detroit residents] is eligible to receive the same equalization credit as the Detroit-based business. The equalization percentage is doubled for a business determined to be both Detroit-based and Detroit-resident.

The application of the Executive Orders to the evaluation and scoring of proposals, for professional services contracts, has remained the same, beginning with Mayor Archer's Executive Order No. 4 in 1994. Equalization credits correspond to points in the Requests for Proposals. Points are awarded for both the prime contractor and subcontractor certification. Scoring is based on 100 total points. The credit or points, up to a total of 35 points, are given in addition to the points awarded for cost, experience, qualifications, etc.

Credit to the prime contractor, certified as a Detroit-headquartered business is 10 points; credit as Detroit-based business is 5 points. Proposals that includes sub-contractor(s) that are Detroit-headquartered businesses may receive up to 15 points. A proposal that includes sub-contractors certified as Detroit-based may receive up to 5 points.

Certification as a Detroit-headquartered business provides significant advantage, over a Detroit-based certification only, both in award of contracts to the Lowest cost bid, and the evaluation of proposals for a professional service contract.

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City of Detroit
CITY COUNCIL
COUNCIL PRESIDENT BRENDA JONES

MEMORANDUM

TO: Mark Lockridge
Auditor General

FROM: Council President Brenda Jones

DATE: September 25, 2018 *BJ*

RE: **Audit of Compliance Fee Dollars**

The Office of Council President Brenda Jones is requesting an audit of The Department of Civil Rights, Inclusion, and Opportunity compliance fee dollars. Please specify when dollars were transferred to the Detroit Employment Solutions Corporation and how those dollars were utilized by the Detroit Employment Solutions Corporation.