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**CONFIDENTIAL WORK PRODUCT
ATTORNEY – CLIENT PRIVILEGE**

INVESTIGATION REPORT

On August 8, 2016, the South Lyon City Council voted on three (3) motions. The first was a vote to approve the purchase and installation of replacement windows in the main Police Building (“Police Building”) by Pullum Window Corp. (“Pullum”) in the amount of \$24,069.39, as the low bidder of two bids. The second was a vote to waive the bidding process for replacement windows for the City Building located at 318 W. Lake St. (occupied by the South Lyon Area Recreation Authority) (“SLARA Building”). The third was a vote to approve the purchase and installation of replacement windows in the SLARA Building by Pullum in the amount of \$18,000.92. At the time of the votes Councilmember Glenn Kivell was employed by Pullum, a fact he had not disclosed. All three motions were unanimously approved by a voice vote by the Council with Councilmember Kivell voting.

At a City Council meeting on November 28, 2016, the fact that Councilmember Kivell worked for Pullum when he voted on the motions was disclosed. Subsequently, City Manager Lynne Ladner recommended that the City Council approve the hiring of outside counsel to conduct an investigation of Councilmember’s Kivell’s conduct. At the December 12, 2016 Council meeting, the Council voted to retain the undersigned to conduct the investigation. Councilmember Kivell abstained from voting.

A. Scope of Investigation

Prior to the selection of outside counsel, City Manager Ladner solicited proposals to conduct a conflict of interest review, which listed the following to be addressed by outside counsel.

1. Role, if any, played by Councilmember Glenn Kivell in (a) solicitation of bids and/or (b) the development of the bid proposal by Pullum Windows (“Pullum”).
2. Role, if any, Councilmember Kivell had in recommendations to City Administrator and the City Council in relation to the award of contract to Pullum to replace windows in (a) the main Police Department building and/or (b) the City owned building located at 318 W. Lake St.
3. Did Councilmember Kivell have a “financial interest” as defined by the City Code in the two contracts that were awarded to Pullum Windows?

4. Did Councilmember Kivell have a “financial interest” as defined by the City Charter in the two contracts that were awarded to Pullum Windows?

5. Did Councilmember Kivell violate the City of South Lyon Code of Ethics as stated in the City Code Sections 2-72, 2-75 (a) and 2-75 (b)(5)?

6. Make recommendations to City Administration and the City Council regarding options for addressing and identified conflict of interest, city charter or city code violations.

7. Make recommendations related to improvements and implementation to City Administration and the City Council with respect to existing city policies and procedures related to conflict of interest.

B. Relevant Provisions of City Code; City Charter; State Statute

Set out below are sections of the South Lyon Code of Ordinances and City Charter relevant to issues 3-6 listed above. In addition, because, as discussed below, portions of the Code and Charter are superseded by state law (Act 317 of 1968, MCL 15.321 et seq., (Contracts of Public Servants with Public Entities)), relevant portions of Act 317 of 1968 are included as well.

1. Code of Ordinances.

Section 2-71 - Declaration of policy.

The proper operation of democratic government requires that elected and appointed public officials and employees be independent, impartial, responsible to the people; that governmental decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals there is hereby established a code of ethics for all elected or appointed officials and employees, whether elected or appointed, paid or unpaid. The purpose of this code is to establish ethical standards of conduct for all such officials and employees by setting forth those acts or actions that are incompatible with the best interests of the city and by directing disclosure by such officials and employees of private financial or other interest in matters affecting the city. The provisions and purpose of this code and such rules and regulations as may be established are hereby declared to be in the best interests of the City of South Lyon.

Section 2-72 - Responsibilities of public office.

Public officials and employees are agents of public purpose and hold office for the benefit of the public. They are bound to uphold the Constitution of the United States and the constitution of this state and to carry out impartially the laws of the nation, state, and municipality and thus to foster respect for all government. They are bound to observe in their official acts the highest standards of morality and to discharge faithfully the duties of their office

regardless of personal considerations, recognizing that the public interest must be their primary concern. Their conduct in both their official and private affairs should be above reproach.

Section 2-75 - Conflict of Interest.

(a) No councilman or other official or employee, whether paid or unpaid, shall engage in any business or transaction or shall have a financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of his official duties in the public interest or would tend to impair his independence of judgment or action in the performance of his official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business or political association.

(b) Specific conflicts of interest are enumerated below for guidance of officials and employees:

(1) *Incompatible employment.* No councilman or other official or employee shall engage in or accept private employment or render services for private interest when such employment or service is incompatible with the proper discharge of his official duties or would tend to impair his independence of judgment or action in the performance of his official duties.

(5) *Contracts with the city.* Any councilman or other official or employee who has a substantial or controlling financial interest in any business entity, transaction, or contract with the city, or in the sale of real estate, materials, supplies, or services to the city, shall make known to the proper authority such interest in any matter on which he may be called to act in his official capacity. He shall refrain from voting upon or otherwise participating in the transaction or the making of such contract or sale.

A councilman or other official or employee shall not be deemed interested in any contract or purchase or sale of land or other thing of value unless such contract or sale is approved, awarded, entered into, or authorized by him in his official capacity.

Section 2-78 - Sanctions.

Violations of any provisions of this code should raise conscientious questions for the councilman or other official or employee concerned as to whether voluntary resignation or other action is indicated to promote the best interests of the city. Violation may constitute a cause for suspension, removal from office or employment, or other disciplinary action.

2. City Charter

Rules of Council.

Section 4.6 The Council shall determine the rules of its proceedings subject to the following provisions:

(c) No Councilman shall vote on any question in which he is financially interested or in any question concerning his own official conduct; but on all other questions every Councilman present shall vote unless excused by unanimous consent of the remaining members present.

Financial Interests Prohibited.

Section 5.2. No person holding any elective or appointive office under the City government shall take any official action on any contract with the City or other matter in which he is financially interested, or be a bondsman or surety on any contract or bond given to the City. Any member of the Council or other officer found guilty of violating the provisions of this section may be punished by a fine of not to exceed five hundred dollars (\$500.00) or be imprisoned for not more than ninety (90) days or both within the discretion of the court. The conviction of any Councilman or officer under this section shall operate in itself to forfeit his office.

Penalties for Violation of Charter.

Section 13.7. Any person or officer of the City found guilty by a Court of competent jurisdiction of any violation of this Charter may be punished by a fine which in addition to court costs charged to him, shall not exceed five hundred (\$500) or imprisonment for not more than ninety (90) days, or both such fine and imprisonment, in the direction of the Court. For an officer of the City, the punishment provided in this section shall be in addition to that of having the office declared vacant as provided in this Charter. This section shall not operate to limit or prejudice the power to remove officers or discharge employees as provided in this Charter.

3. Act 317 of 1968 (MCL 15.321 et seq.) (Contracts of Public Servants with Private Entities)

AN ACT relating to the conduct of public servants in respect to governmental decisions and contracts with public entities; to provide penalties for the violation of this act; to repeal certain acts and parts of acts; and to validate certain contracts.

Section 1. As used in this act:

(a) "Public servant" includes all persons serving any public entity, except members of the legislature and state officers who are within the provisions of section 10 of article 4 of the state constitution as implemented by legislative act.

(b) "Public entity" means the state including all agencies thereof, any public body corporate within the state, including all agencies thereof, or any non-incorporated public body within the state of whatever nature, including all agencies thereof.

Section 2.

(1) Except as provided in sections 3 and 3a, a public servant shall not be a party, directly or indirectly, to any contract between himself or herself and the public entity of which he or she is an officer or employee.

(2) Except as provided in section 3, a public servant shall not directly or indirectly solicit any contract between the public entity of which he or she is an officer or employee and any of the following:

(a) Him or herself.

(b) Any firm, meaning a co-partnership or other unincorporated association, of which he or she is a partner, member, or employee.

(c) Any private corporation in which he or she is a stockholder owning more than 1% of the total outstanding stock of any class if the stock is not listed on a stock exchange, or stock with a present total market value in excess of \$25,000.00 if the stock is listed on a stock exchange or of which he or she is a director, officer, or employee.

(d) Any trust of which he or she is a beneficiary or trustee.

(3) In regard to a contract described in subsection (2), a public servant shall not do either of the following:

(a) Take any part in the negotiations for such a contract or the renegotiation or amendment of the contract, or in the approval of the contract.

(b) Represent either party in the transaction.

Section 3.

(1) Section 2 does not apply to either of the following:

(a) A public servant who is paid for working an average of 25 hours per week or less for a public entity.

(b) A public servant who is an employee of a public community college, junior college, or state college or university.

(2) A contract as defined in and limited by section 2 involving a public entity and a public servant described in subsection (1) shall meet all of the following requirements:

(a) The public servant promptly discloses any pecuniary interest in the contract to the official body that has power to approve the contract, which disclosure shall be made a matter of record in its official proceedings. Unless the public servant making the disclosure will directly benefit from the contract in an amount less than \$250.00 and less than 5% of the public cost of the contract and the public servant files a sworn affidavit to that effect with the official body or the contract is for emergency repairs or services, the disclosure shall be made in either of the following manners:

(i) The public servant promptly discloses in writing to the presiding officer, or if the presiding officer is the public servant who is a party to the contract, to the clerk, the pecuniary interest in the contract at least 7 days prior to the meeting at which a vote will be taken. The disclosure shall be made public in the same manner as a public meeting notice.

(ii) The public servant discloses the pecuniary interest at a public meeting of the official body. The vote shall be taken at a meeting of the official body held at least 7 days after the meeting at which the disclosure is made. If the amount of the direct benefit to the public servant is more than \$5,000.00, disclosure must be made as provided under this subparagraph.

(b) The contract is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.

(c) The official body discloses the following summary information in its official minutes:

(i) The name of each party involved in the contract.

(ii) The terms of the contract, including duration, financial consideration between parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.

(iii) The nature of any pecuniary interest.

(3) This section and section 2 do not prevent a public servant from making or participating in making a governmental decision to the extent that the public servant's participation is required by law....

Section 5.

(1) This act is aimed to prevent public servants from engaging in certain activities and is not intended to penalize innocent persons. Therefore, no contract shall be absolutely void by reason of this act. Contracts involving prohibited activities on the part of public servants shall be voidable only by decree of a court of proper jurisdiction in an action by the public entity, which is a party thereto, as to any person, firm, corporation or trust that entered into the contract or took any assignment thereof, with actual knowledge of the prohibited activity. In the case of the corporation, the actual knowledge must be that of a person or body finally approving the contract for the corporation. All actions to avoid any contract hereunder shall be brought within 1 year after discovery of circumstances suggesting a violation of this act. In order to meet the ends of justice any such decree shall provide for the reimbursement of any person, firm, corporation or trust for the reasonable value of all moneys, goods, materials, labor or services furnished under the contract, to the extent that the public entity has benefited thereby. This provision shall not prohibit the parties from arriving at an amicable settlement.

Section 7.

Any person violating the provisions of this act is guilty of a misdemeanor.

Section 8.

It is the intention that this act shall constitute the sole law in this state and shall supersede all other acts in respect to conflicts of interest relative to public contracts, involving public servants other than members of the legislature and state officers, including but not limited to section 30 of 1851 PA 156, MCL 46.30. This act does not prohibit a unit of local government from adopting an ordinance or enforcing an existing ordinance relating to conflict of interest in subjects other than public contracts involving public servants.

C. Fact Investigation.

The investigation consisted of the following:

1. Interviews Conducted

Mayor and all other members of City Council

City Manager Lynne Ladner

City Attorney Timothy Wilhelm

Police Chief Lloyd Collins

Police Lt. Christopher Sovik

Charles Pullum

2. Documents Reviewed¹

Pullum initial quote (\$20, 941.36) (February 18, 2016) (Attachment 1)

Pro Bros Window & Sunroom quote (\$25,998.00) (February 26, 2016) (Attachment 2)

Police Department Budget Documents (Attachment 3)

Special City Council Meeting (Budget Workshop) minutes (April 23, 2016) (Attachment 4)

Amy Allen, SLARA Regional Director, May 26, 2016 email to Ladner regarding needed building repairs (Attachment 5)

¹ A copy of each document, with the exception of Councilmember Kivell's 2016 and 2017 pay stubs and his 2016 W-2 is included with this report.

May 31, 2016 Lt. Sovik Memo to Police Chief Collins re: window replacement quote (Attachment 6)

Pullum second quote (\$24,060.39) (July 11, 2016) (Attachment 7)

Memorandum from Lt. Sovik to Police Chief Collins (July 11, 2016) (Attachment 8)

August 8, 2016 Agenda Note: window replacement – Main Police Building (Attachment 9)

August 8, 2016 Agenda Note: consider approval of replacement windows at SLARA Building (Attachment 10)

August 8, 2016 Council Meeting Minutes (Excerpt) (Attachment 11)

Pullum Window September 9, 2016 letter to City Manager Ladner (Attachment 12)

Pullum Window September 13, 2016 letter to City Manager Ladner (Attachment 13)

Pullum Police Station Work Order (September 22, 2016) (Attachment 14)

SLARA Building Work Order (September 26, 2016) (Attachment 15)

City Attorney Wilhelm letter (11/26/2016) (Attachment 16)

Excerpt from Council Meeting Minutes (11/28/2016) (Attachment 17)

City Attorney Wilhelm letter (12/1/2016) (Attachment 18)

City Attorney Wilhelm letter (12/2/2016) (Attachment 19)

Councilmember Kivell's 2016 and January 2017 pay stubs

Councilmember Kivell's 2016 W-2.²

3. **Review of Various City Council Meetings** (Video and audio recording)

D. Legal Research

1. Research regarding meaning of terms contained in City Code and Charter, and interpretation of similar terms in case law, Attorney General Opinions, and State Ethics Board Opinions in the conflict of interest context.

² Councilmember Kivell voluntarily allowed me to review his paystubs and his 2016 W-2, and was very cooperative in responding to my questions and request for information.

2. Evaluation of potential application of various state statutes to the facts uncovered through the investigation, including Act 196 of 1973 (MCL 15.341 et seq.), Act 317 of 1968 (MCL 15.321 et seq.), MCL 750.478, and MCL 750.505.
3. Research regarding the interaction between potentially applicable statutes and the scope of preemption of certain statutes and local ordinances.
4. Research regarding case law and Michigan Attorney General opinions interpreting and applying potentially applicable statutes.
5. Research regarding potential consequences of violations of the statutes at issue.

E. Chronology

February 2016	Lt. Christopher Sovik contacted five window vendors soliciting quotes for replacing Police Department windows. Hanson’s Windows, one of the five contacted, declined to submit a quote as it does not service commercial properties, and recommended Pullum Window as an option.
February 18, 2016	Pullum submits a quote (\$20,941.36).
February 26, 2016	Pro Bros Window & Sunroom (“Pro Bros”) submits a quote (\$25,998.00)
April 9, 2016	Draft budget, which had previously been provided to councilmembers, discussed at Budget Workshop. Budget information from the Police Department included a line item for Capital Outlay of \$25,000 (line item 970) with the following explanation: “the original main police building windows are in need of repair/replacement”. Further, the Department’s five (5) year Capital Improvement Plan (2016/17 – 2020/21) contained a line item for FY 2016/17 of \$25,000 for replacement windows – Main Building. A cover document contained the following statement: Building Maintenance: The Main Police Building is in need of window replacement and/or repair, and is included in this year’s proposed fiscal budget (2016-2017). The current windows are not very energy efficient. As a result of the harsh winters, ice build-up on the roof caused water damage in the clerical area of the main building. We experienced drywall damage and ceiling leaks. During the winter season, one can feel the draft from the squad room windows.

April 23, 2016	Special City Council meeting (Budget Workshop). The line item for new windows for the Police building was raised by Councilmember Kramer. Chief Collins explained that new windows were needed because the building was drafty and the windows were in bad shape. (Councilmember Kivell was present.)
May 23, 2016	Budget approved by City Council.
May 26, 2016	Amy Allen, SLARA Regional Director, sent City Manager Lynne Ladner an email listing nine items she would like addressed regarding the SLARA Building. Number 6 on the list was: “Window – need replacing, bad seal, air and moisture getting in.”
May 31, 2016	Lt. Sovik Memo to Police Chief Collins in which he indicates that he had contacted Pullum at the suggestion of Hanson’s Windows.
June 4, 2016	City Manager Ladner starts leave of absence; Police Chief Collins serves as acting City Manager in her absence.
July 11, 2016	Pullum submits an updated quote (\$24,060.39). ³
July 11, 2016	Lt. Sovik Memo to Police Chief Collins re: Window Replacement - Main Police Building. The Memo states the reason for the need to replace the windows, summarizes Lt. Sovik’s efforts to obtain bids and discusses the two quotes that were received. Lt. Sovik recommended that Pullum be selected. In making his recommendation, Lt. Sovik pointed out that (a) Pullum was the low bidder, (b) the bid was below the budgeted amount, (c) despite steady increases in price, Pullum would not increase its quote, even though it would be two-three months before the windows would be installed, (d) it had been in business for several years and (e) it was a very reputable local company.
August 1, 2016	City Manager Ladner returns to work.
August 4, 2016	Council meeting agenda and packet, including Agenda Notes regarding window replacement at the two buildings in question, provided to councilmembers.

³ This quote followed a more extensive review by Charlie Pullum of the scope of the project.

August 8, 2016	Council approved the purchase and installation of replacement windows in the Main Police Building from Pullum in the amount of \$24,060.39.
	Council approved a motion to waive the bidding process in lieu of quotes on purchase and installation of windows in the SLARA Building. The minutes reflect that this was being done so that Council could vote at the meeting to approve the selection of Pullum to assemble and install replacement windows at the SLARA Building. Prior to the meeting City Manager Ladner had requested a quote from Charlie Pullum, which he provided.
	Council approved purchase and installation of replacement windows in City building rented by SLARA for \$18,000.92 from Pullum.
September 9, 2016	City Manager Ladner met with Charlie Pullum who proposed an upgrade at no cost to the City for both the Police and SLARA buildings.
	Letter from Charlie Pullum to City Manager Ladner which included improved potential energy savings at the Police Building at no additional cost to the City.
September 13, 2016	Letter from Charlie Pullum to Lt. Sovik with recommended specifications, which included improved potential energy savings for both projects at no additional cost to the City.
September 22, 2016	Approximate date assembly of Police Building windows began.
September 26, 2016	Approximate date assembly of SLARA Building windows began.
November 28, 2016	Council meeting at which Councilmember Kivell's employment with Pullum discussed.

F. Councilmember Kivell's Employment at Pullum Windows

Councilmember Kivell began working for Pullum in January 2016 as a window assembler, a position he continues to hold. As a window assembler, Kivell was not involved in the installation of the windows. Councilmember Kivell is paid by the hour and receives overtime compensation when he works more than 40 hours in a work week. As discussed

below it is my opinion that by virtue of his being an employee of Pullum, Councilmember Kivell had a financial interest in the “Pullum contracts”, particularly since he was assembling the windows that were installed, and was paid to do so. It should be pointed out, however, that Councilmember Kivell did not receive any compensation other than his normal wages. Thus, he did not receive any commission or bonus in or for 2016.. His hourly rate has not changed since he was hired.

Councilmember Kivell, along with up to a half dozen other employees, worked on the assembly of the windows for both buildings. According to the owner, Charlie Pullum, he strived to give his employees a full-time schedule, otherwise he was concerned that employees would not stay. Thus, in 2016, Councilmember Kivell averaged between 39 and 40 hours per week. Further, the hours worked per week by Councilmember Kivell in 2016, after factoring in holidays, were very consistent. Councilmember Kivell’s hours did not spike in the period leading up to the vote by Council, during the period between the August 8 Council meeting and the date assembly began, or during the period when the windows were assembled. Further, Councilmember Kivell’s hours did not drop after the windows were assembled, other than as a result of holidays in November and December.

G. Issues

The City’s request can be broken down into the following three groups: (1) Questions related to Councilmember Kivell’s role, if any, in (a) soliciting or developing the Pullum bid, and/or (b) recommending to the City Administrator the award of the contract to Pullum for one or both buildings. (2) Determination of whether by voting on the motions and not disclosing his status as an employee of Pullum, Councilmember Kivell violated either the City Code or City Charter, and if so, options for addressing the violations. (3) Recommendations to City Administration and City Council with respect to improvements to existing city policies and procedures related to conflict of interest.

The first issue can be resolved in short order. Given the importance of the third issue, it will be dealt with in a separate Report. With respect to the first issue, based upon my investigation, I conclude that Councilmember Kivell had no role in soliciting or developing the Pullum bid, and he did not recommend or advocate for Pullum to be selected as the vendor with respect to either building. Further, he had no role in recommending that the bidding process for replacement windows for the SLARA Building be waived. Specifically:

1. While it would have been reasonable for Councilmember Kivell to assume that Pullum would submit a bid to replace the windows, the first time that it was disclosed that Pullum had submitted bids was on August 4 when the August 8 Council meeting packet was provided to the councilmembers. Chief Collins, Lt. Sovik and City Manager Ladner did not disclose this information to Councilmember Kivell prior to that date.

2. Councilmember Kivell was not part of the bid process. He did not play any role in (a) solicitation of bids and/or (b) the development of the bid proposal by Pullum.

3. According to Councilmember Kivell, he had no discussions with Charlie Pullum regarding anything to do with replacing windows in the City buildings prior to Pullum being selected as the vendor. Charlie Pullum confirmed that statement.⁴

4. Councilmember Kivell did not recommend that the City waive the bidding process on the SLARA Building.

5. Councilmember Kivell did not recommend to City Manager Ladner or the City Council that Pullum be awarded the contract to replace windows in City buildings.

While seemingly straightforward, the second issue (the propriety of Councilmember Kivell voting on the three motions) is anything but. For example, while the City asked whether Councilmember Kivell had a “financial interest” as defined by the City Code and City Charter, neither document defines that phrase. Further, “financial interest” is subject to different meanings. Thus, does “interest” mean a share, right or title in the ownership in an entity, one common definition of that term, or does it mean a “concern”, a second common definition of that term? (See, e.g., Dictionary.com.) A second issue is the meaning of “personal interest”, used but not defined in City Code Section 2-75(a). A third issue is what is the difference between “financial interest” as used in City Code Section 2-75(a) and a “substantial or controlling financial interest” as used in City Code Section 2-75(b)(5)? A fourth issue is whether the first three issues are relevant, in light of Section 8 of 1968 PA 317 (“It is the intention that this act shall constitute the sole law in this state and shall supersede all other acts in respect to conflicts of interest relative to public contracts, involving public servants other than members of the legislature and state officers,....”). Further, as noted below, 1968 PA 317 (MCL 15.321 et seq.), is not a picture of clarity. It is also unclear to what extent other statutes such as MCL 15.341 et seq. (Standards of Conduct for Public Officers and Employees) apply here and/or are preempted by MCL 15.321 et seq.

It is in this context that Councilmember Kivell’s votes on the two motions to approve contracts between the City and Pullum, in addition to his vote on the motion to waive the bidding process for the second contract, will be discussed and analyzed.⁵ The question of whether Councilmember Kivell had a “financial interest” under the City Code and the City Charter will be discussed in connection with our evaluation of whether his conduct violated the Code, Charter, or applicable state statutes.

⁴ The November 28, 2016 Council meeting minutes reflect that Councilmember Kivell stated that “after the bid was achieved, Charlie Pullum told him that he doesn’t believe Lt. Sovik understood what exactly is going on with the windows.” In and of itself, this statement does not raise a question as to Councilmember Kivell’s veracity regarding his lack of interaction with Charlie Pullum before August 8 and no other evidence has been discovered that does.

⁵ This analysis includes consideration of sections of the Code of Ordinances and Charter identified by the City, as well as others I have identified.

H. Evaluation of the Votes Under The City Code and City Charter

1. Vote to Approve the Purchase and Installation of Replacement Windows By Pullum.

The votes to approve the purchase and installation of replacement windows by Pullum were tantamount to votes on a contract. As such, the propriety of Councilmember Kivell's actions on these two motions must be judged under state law and not either the City Code or City Charter, in light of Section 8 of Act 317 of 1968, MCL 15.321 et seq. (the "Act"), which provides as follows:

It is the intention that this act shall constitute the sole law in this state and shall supersede all other acts in respect to conflicts of interest relative to public contracts, involving public servants other than members of the legislature and state officers, including but not limited to section 30 of 1851 PA 156, MCL 46.30. This act does not prohibit a unit of local government from adopting an ordinance or enforcing an existing ordinance relating to conflict of interest in subjects other than public contracts involving public servants.

MCL 15.328. *See also* Opp. Mich. Atty. Gen. No. 6906 (June 25, 1996) (confirming that "the Legislature intended that 1968 PA 317 constitute the sole law regarding conflicts of interest arising out of public contracts involving public servants," and noting that other acts were superseded to the extent they could penalize a public servant for a conflict of interest arising out of a public contract).⁶ Application of this statute to the two votes to approve the contracts will be discussed below.

2. Vote to Waive Bidding Process for Replacement Windows in SLARA Building

The City Code and City Charter do apply, however, to Councilmember Kivell's vote to waive the bidding process for replacement windows for the SLARA Building, as this vote did not involve a contract, but rather was a vote to bypass normal bidding procedures.

(a) City Charter Section 4.6(c).

To determine if there has been a violation of Section 4.6(c) of City Charter, the question is whether by voting to waive the bidding process for replacement windows for the SLARA Building, Councilmember Kivell voted on a question in which he was "financially interested."

The City Charter does not define "financial interest." As mentioned above, the term can be defined narrowly, referring only to control or ownership of a business involved in a

⁶ Although opinions of the Michigan Attorney General are not binding on Michigan courts, they can serve as persuasive authority. *AG v. PowerPick Players' Club of Mich., LLC*, 287 Mich. App. 13, 34 (Mich. Ct. App. 2010) (quoting *Lysogorski v Bridgeport Charter Twp*, 256 Mich. App. 297, 301; 662 NW2d 108 (2003)).

transaction, or it can be defined more broadly, meaning to have any concern in the business or transaction, i.e., the possibility of deriving some financial benefit from the transaction.

In the context of interpreting a conflict of interest ordinance, or a charter provision, I believe the more expansive interpretation of “financial interest” is appropriate. My conclusion is based in part on the fact that Section 2-75(b)(5) of the City Charter specifically references “substantial or controlling financial interest in any business entity.” The use of that term suggests that “financial interest” as used in other sections of the Charter must mean something other than a financial interest that rises to the level of a “substantial or controlling” interest in a business entity.

Further, Michigan Attorney General Opinions concerning conflict of interest issues recognize that conflicts can arise from financial interests less substantial than control or ownership of a business. When asked to opine regarding potential conflicts arising where a board member is also an officer or employee of a financial institution that does business with the board, the Attorney General stated as follows:

[I]f the board member engages in any business transaction involving that board and his financial institution, a conflict of interest does exist where he is a director, president, general manager or other similar executive officer of the financial institution. But if he were simply an employee of the financial institution having a position other than those, the extent of his involvement with the financial institution as well as his involvement with the particular business transaction would determine in particular cases whether a conflict is present.

Op. Mich. Atty. Gen. 4555 (Apr. 12, 1967).

The Michigan Attorney General has more recently opined that an employee of a company has a financial interest in contracts between his employer and a public entity, especially—but not only—where the employee personally *provides* services pursuant to that contract:

For example, a building official that is an employee of the private organization that serves the building official’s governmental subdivision might only provide services as an employee to other governmental subdivisions. In other words, the building official for city “A” works as an employee of the private organization but the official only provides code enforcement and administration services to city “B” as an employee of the organization. Circumstances such as these are unlikely to raise conflict of interest concerns. **However, where the building official intends to provide services to city “A,” a conflict of interest is more likely. At a minimum, the building official has an indirect financial interest in any contract between the private organization and the city because of the building official’s status as an employee of the private organization. See, e.g., *Detroit Area Agency on Aging v Office of Services to the Aging*, 210 Mich App 708, 717;534 NW2d 229 (1995), lv den 451 Mich 897 (1996). This is because the private organization would benefit financially from the contract with the city, and in theory so would its employees.**

Op. Mich. Atty. Gen. No. 7285 (July 9, 2015) (emphasis added). *See also* Op. Mich. Atty. Gen. No. 6151 (May 12, 1983) (noting that a “substantial conflict of interest” may exist where a state legislator participates in the performance of a contract).

Although the vote to waive the bidding process was not directly a vote to enter into a contract with Councilmember Kivell’s private employer, it was clear from the Agenda Note to the August 8, 2016 meeting that if the motion to waive passed, it would be followed by a vote to approve a contract with Pullum to provide windows for the SLARA Building. And since the first contract with Pullum had already been approved before the waiver vote was taken, it was equally clear that if the waiver vote passed, the motion to approve the second contract with Pullum would likely be approved as well. As set forth above, there is authority in Michigan to support a finding that Councilmember Kivell had a financial interest in contracts between the City and his private employer, particularly because Councilmember Kivell was providing services pursuant to the contracts (i.e., he was assembling the windows in question). Thus, because the ultimate result of a successful motion to waive was likely to be a contract in which Councilmember Kivell would arguably have a financial interest, I believe there is evidence to support a finding that Councilmember Kivell was financially interested in the waiver vote, and that his vote on the question constituted a violation of Section 4.6(c) of the City Charter.

(b) City Charter Section 5.2.

To determine if there has been a violation of Section 5.2 of the City Charter, the question is whether by voting to waive the bidding process for replacement windows for the SLARA Building, Councilmember Kivell took an “official action on any contract with the City or other matter” in which he was “financially interested.”

The motion for waiver was an official action on an “other matter” in which, for reasons set forth above, Councilmember Kivell was financially interested, since a successful vote on the waiver motion was likely to lead to a contract in which Councilmember Kivell arguably would have a financial interest. I therefore believe there is evidence to support a finding that his vote on the motion for waiver was a violation of Section 5.2 of the City Charter.

(c) City Code Section 2-72.

To determine if there has been a violation of Section 2-72 of the City Code, the question is whether, in voting to waive the bidding process, Councilmember Kivell has “carr[ied] out impartially the laws of the . . . state,” and whether his conduct in his “official and private affairs” has been “above reproach.”

There is authority in Michigan suggesting that where a public official is in a position where “he cannot execute his public duties without affecting his private interests,” the public official cannot exercise impartial judgment. Op. Mich. Atty. Gen. No. 4869 (June 4, 1975). *See also Mettler Walloon, L.L.C. v. Melrose Twp.*, 281 Mich. App. 184, 214 (Mich. Ct. App. 2008) (“Logically, where a governmental actor has a personal pecuniary interest in the outcome of proceedings, he might not be an impartial decision maker.”); Op. Mich. Atty. Gen. No. 7285 (July 9, 2015) (noting that “[a] conflict of interest arises when the public official has an interest

not shared in common with the other members of the public . . .”) (quoting 63 Am. Jur. 2d, Public Officers and Employees, § 246).

In this case, by virtue of his employment with Pullum, there is an argument that Councilmember Kivell could not vote to waive the bidding process without affecting his private interests, because as set forth above, approval of the waiver would likely lead to approval of a contract in which he had a financial interest. Because he had a pecuniary (i.e. financial) interest in the outcome of the vote, I believe there is evidence to support a finding that Councilmember Kivell could not act impartially in voting on the waiver of the bidding process, and his vote therefore constituted a violation of Section 2-72 of the City Code.

(d) City Code Section 2-75(a).

To determine if there has been a violation of Section 2-75(a) of the City Code, the question is whether Councilmember Kivell had a “financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of his official duties in the public interest or would tend to impair his independence of judgment or action in the performance of his official duties.”

None of the relevant terms are defined in the City Code. We find no reason that the phrase “financial interest” should be given a different meaning under the City Code than it has under the City Charter, so the discussion above regarding “financial interest” applies equally here. With respect to the remaining language of the provision, the Michigan Attorney General has interpreted a state statute utilizing similar language (MCL 15.342(6) and (7)),⁷ and found that the statute prohibited public officials who also have private employment from considering approval of a permit requested by their private employer. *See* Op. Mich. Atty. Gen. No. 5864 (March 17, 1981) (citing MCL 15.342(6) and (7), and finding that “[b]y virtue of their employment nexus with the applicant, Dow Chemical Company, a fact which sets them apart from other members of the public, the two temporary members employed by Dow Chemical will be placed in a situation of conflict of interest in seeking to serve ‘both masters.’”). *See also* Op. Mich. Atty. Gen. No. 6134 (March 17, 1983) (finding a conflict under MCL 15.342(6) where public servant’s dual positions create the “possibility of making decisions which may conflict with the best interest of one of those responsibilities to the correlative disadvantage of the other responsibility.”); State Board of Ethics Opinion 2004-EA-01, *In re: Certificate of Need Commission Michigan Department of Community Health*, Nov. 5, 2004 (noting that the interest of a public officer’s employer is a personal interest of the public officer, and holding that public officials should abstain from deliberating and voting on standards that exclusively benefit their private employers).

Because the vote to waive the bidding process for the replacement windows for the SLARA Building arguably put Councilman Kivell in the position of serving two “masters,” I

⁷ Although you did not ask us to evaluate its applicability to the facts at hand, the language of Section 2-75(b)(1) of the City Code is also very similar to the language of MCL 15.342(6). Thus, our discussion of and conclusions regarding Section 2-75(a) of the City Code would be equally applicable to Section 2-75(b)(1) of the City Code.

believe there is evidence to support a finding that his vote constituted a violation of Section 2-75(a) of the City Code.

(e) City Code Section 2-75(b)(5).

City Code Section 2-75(b)(5) requires any councilman “who has a substantial or controlling financial interest in any business entity, transaction, or contract with the city” to “make known to the proper authority such interest in any matter on which he may be called to act in his official capacity,” and requires him to “refrain from voting upon or otherwise participating in the transaction or the making of such contract....”

I note that this section of the City Code is somewhat inconsistent with Section 4.6(c) of the City Charter, cited above. The City Charter section prohibits city officials from voting on any question in which they are “financially interested,” but the City Code section implies that city officials *can* properly vote upon or participate in matters or transactions unless they have a “*substantial or controlling* financial interest.”

Nonetheless, to determine whether this City Code section was violated, the issue is whether by virtue of his employment with Pullum, Councilmember Kivell had a substantial financial interest in Pullum or in the decision to waive the bidding process for the replacement windows for the SLARA Building. The City Code does not define “substantial or controlling financial interest,” but by adding the word “substantial,” the provision requires some degree of financial interest that goes beyond the interests regulated by the provisions discussed above.

I found very little authority to aid in defining “substantial interest” in this context. The Michigan Attorney General has suggested that whether an employee has a “substantial interest” in his employer or in a transaction involving his employer depends on the employee’s level of responsibility to the employer and on the benefits the employee stands to gain as a result of the transaction. *See* Op. Mich. Atty. Gen. 4646 (June 18, 1968) (noting that the “paradigm conflict of interest case” involves a contract between the state and a public servant “or some firm in which he has a substantial interest,” and whether a conflict exists depends on “the extent of that person’s involvement with the particular business transaction,” including factors such as whether the employee could “receive reward and recognition for obtaining and holding the business of the school district” or whether, on the other hand, the employee simply “performs skilled or semi-skilled craft, janitorial or purely ministerial functions for the bank.”).

In this case, although Councilmember Kivell works as a skilled craftsman for Pullum, it is undisputed that he was involved in the particular business transaction at issue, in that he was paid to construct the windows that were the subject of the contract for which he voted to waive the bidding process. He received no bonus or extra compensation for obtaining the contracts with the City, however, and the compensation he received while building windows for the City was consistent with the compensation he received while working on other projects. Given the competing evidence on this point, and the lack of clear authority establishing a benchmark for a “substantial” interest, I cannot conclude that Councilmember Kivell’s vote to waive the bidding process constituted a violation of City Code Section 2-75(b)(5).

(f) Consequences of Violations of City Code and City Charter

Section 2.77 of the City Code establishes a Board of Ethics, which is charged with investigating and reporting upon alleged violations of the City Code provisions pertaining to ethics. It is our understanding that no members have been appointed to this board, however.

Section 2.78 of the City Code provides that any councilperson who violates a provision of the code should consider voluntarily resigning his position, and that violation may also “constitute a cause for suspension, removal from office or employment, or other disciplinary action.”

Section 13.7 of the City Charter provides that a court of competent jurisdiction can punish officers found guilty of violating the City Charter. The punishment can include a monetary fine of up to \$500, imprisonment for not more than 90 days, and having the office declared vacant.

Section 5.2 of the Charter also includes its own sanction provision which is similar to that provided in Section 13.7, except that a conviction of a Councilman under Section 5.2 “shall operate in itself to forfeit his office.”

I. Evaluation of the Votes Under Applicable State Statutes

1. Vote to Approve the Purchase and Installation of Replacement Windows By Pullum.

a. Councilmember Kivell violated Act 317 of 1968 by voting on the Pullum contracts.

Act 317 of 1968, MCL 15.321 et seq., is entitled “Contracts of Public Servants with Public Entities,” (the “Act”). The preamble to the Act states that it “generally applies to a contract between a public entity and a public servant who serves the entity but also has a pecuniary interest in the contract.”

We believe this Act applies to Councilmember Kivell’s votes to approve two contracts between the City and Pullum, although it likely does not apply to the vote to waive the bidding process for the second contract. The Act applies here because Councilmember Kivell is a “public servant,” which the Act defines as “all persons serving any public entity,” subject to certain exceptions not applicable here. MCL 15.321(a). The City is a “public entity,” which the Act defines as “any public body corporate within the state.” MCL 15.321(b). *See also* Op. Mich. Atty. Gen., No. 6906 (June 25, 1996) (confirming that the Act applies to members of city councils).

The restrictions and requirements that the Act imposes with respect to contracts vary depending on the average number of hours a public servant with an interest in the contract is paid to work in a week for the public entity, with public servants working more than 25 hours per week subject to greater restrictions. Since Councilmember Kivell is paid to work 25 hours or

less per week for the City, our discussion is limited to the provisions of the Act that apply to that situation.

Although the applicable language of the Act is confusing and ambiguous,⁸ we believe that the reasonable interpretation and application of sections 15.322 and 15.323 is that prior to the City Council's vote on the contracts between the City and Pullum, Councilmember Kivell was required to disclose his pecuniary interest in the contracts (and the City Council's official minutes should have included the disclosure and other information as well), and Councilmember Kivell should have refrained from voting on the contracts.

The basis for our conclusion is as follows. Section 2 of the statute prohibits public servants who work more than 25 hours per week for a public entity from engaging in certain conduct with respect to various categories of contracts. For example, subsection 2 of section 2 prohibits those public servants from soliciting various types of contracts, including contracts between the public entity and a private corporation of which the public servant is an employee. MCL 15.322(2)(c). Section 3 of the statute incorporates by reference the categories of contracts identified in Section 2, and it imposes certain requirements on such contracts if they involve a public servant who works 25 hours or less for the public entity. MCL 15.323(2).

The contracts that were the subject of the two votes at issue here were between the City and a private corporation (Pullum) that employed a public servant (Kivell) who worked an average of 25 hours or less per week for the City. The contract was therefore subject to the requirements set forth in MCL 15.323(2), which include the following:

- (1) The public servant must promptly disclose any pecuniary interest in the contract to the official body that has power to approve the contract, and the disclosure must be made a matter of record in the official body's official proceedings. The manner of disclosure varies depending on the amount of the direct benefit to the public servant from the contract, but since no disclosure was made in this case, the manner in which any required disclosure should have been made is irrelevant and will not be discussed in this Report. MCL 15.323(2)(a).
- (2) The contract must be approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure. MCL 15.323(2)(b).
- (3) The official body must also make certain disclosures in its official minutes, including the names of the parties involved in the contract and the nature of the pecuniary interest. MCL 15.323(c).

⁸ For example, subsection 2 of section 2 of the statute prohibits certain public officials from soliciting various contracts. Subsection 3 of section 2 and section 3 of the statute both incorporate subsection 2 by reference, but it is unclear whether they incorporate the "solicitation" element from subsection 2. Further, it is not clear whether it is to be assumed that a public official has a pecuniary interest in the categories of contracts identified in MCL 15.322, or if a separate "pecuniary interest" must be established.

The required disclosures must be made prior to approval of the contracts at issue. Op. Mich. Atty. Gen. Mich., No. 6276 (March 1, 1985).

Whether Councilmember Kivell was required to make a disclosure under these statutory provisions depends on whether he had a “pecuniary interest” in the two contracts between the City and Pullum. The Act does not define “pecuniary interest”. Michigan case law suggests that the phrase “pecuniary interest” is essentially synonymous with the phrase “financial interest” and can be based on the potential of an indirect benefit. *See, e.g., Studier v. Mich. Pub. Sch. Emples. Ret. Bd.*, 472 Mich 642, 655 (2005) (noting dictionary definitions of “financial” that included “pertaining to monetary receipts and expenditures; pertaining or relating to money matters; pecuniary,” and noting dictionary definitions of “pecuniary” including “consisting of or given or extracted in money,” or “of or pertaining to money.”). *See also Crampton v. Michigan Dep’t of State*, 395 Mich 347, 351-52 (1975) (citing examples of cases involving pecuniary interests that prevented decisionmakers from acting impartially, including a mayor who was responsible for village finances and therefore “could not fairly adjudicate and impose fines for traffic offenses,” and members of a board of optometry who stood to gain business from proceedings brought against other optometrists).

Further, as set forth above, the Michigan Attorney General has opined that an employee has at least an indirect financial interest in contracts of its employer. Op. Mich. Atty. Gen. No. 7285 (July 9, 2015). It is worth noting, however, that most of the cases and Attorney General opinions applying this statute involve far more significant financial interests than Councilmember Kivell’s interest as an employee. *See, e.g., Wells Fargo Advantage Nat’l Tax Fee Fund v. Helicon Assocs.*, 520 F. App’x 367 (6th Cir. 2013) (chief administrative officer of charter school was also the general manager of an LLC that sold a building to the school for far more than its actual value); *People v. Redmond*, 2006 Mich App LEXIS 3222 (Nov. 14, 2006) (superintendent of Oakland County Intermediate School District was also chairman of the board of directors of a non-profit organization, and superintendent entered into contracts with the non-profit on behalf of the ISD that resulted in payments of more than \$500,000 for services, as well as payment of unauthorized severance packages and vacation payouts); *Van Buren v. Ackron*, 63 Mich App 600 (1975) (sewer and water commissioner was also controlling stockholder in construction company that contracted with the township at recommendation of sewer and water commission); Op. Mich. Atty. Gen. 6276 (Mar. 1, 1985) (city council member was part owner and operator of lumberyard that contracted with the city).

In any event, I believe there is evidence that would support a finding that Councilmember Kivell’s employment with Pullum constituted a pecuniary interest that should have been disclosed under MCL 15.323 prior to approval of the two contracts between the City and Pullum, and Councilmember Kivell should not have voted on the two contracts. Because no disclosures were made, and Councilmember Kivell voted on the contracts, I believe there is evidence to support a finding that there has been a violation of the Act.

b. Consequences Resulting From a Violation of the Act

There are criminal penalties for violations of the Act. *See* MCL 15.327 (any person violating the provisions of the act “is guilty of a misdemeanor.”).

Contracts entered into in violation of the Act are not absolutely void, however. Instead, a contract can be declared to be voidable through a decree issued by a court, if the public entity brings an action against a “person, firm, corporation or trust that entered into the contract . . . with actual knowledge of the prohibited activity. MCL 15.325(1). With respect to lawsuits brought against corporations, however, “the actual knowledge must be that of a person or body finally approving the contract for the corporation.” *Id.* Further, “to meet the ends of justice,” any decree rendering such a contract voidable “shall provide for the reimbursement of any person, firm, corporation or trust for the reasonable value of all . . . goods, materials, labor or services furnished under the contract, to the extent that the public entity has benefited thereby.” *Id.*

In this case, if the City wished to seek a declaration that the contracts between the City and Pullum are voidable, the City would need to file suit against Pullum (a corporation that entered into the contract) and would need to prove that the individual or board that approved the contracts on Pullum’s behalf had actual knowledge “of the prohibited activity.” Even if the City obtains a decree that the contracts are voidable, however, the decree would also provide for reimbursement to Pullum for the reasonable value of all goods and services furnished by Pullum to the City under the contracts. Given that Charlie Pullum provided superior product from what he had quoted, the reasonable value of the windows provided may have exceeded what the City paid. Further, it is noteworthy that the City has not received any complaints from Pro Bros Window & Sunroom or any other window vendor regarding the vote.

2. Vote to Waive Bidding Process for Replacement Windows in SLARA Building

(a) Act 317 of 1968, MCL 15.321 et seq.

Because the vote to waive the bidding process was not a vote to approve a contract, I do not believe that the Act applies to this vote. To the extent the Act does apply, the result would be the same as set forth above with respect to the votes to approve the contracts between the City and Pullum.

(b) Act 196 of 1973, MCL 15.341 et seq.

This act is entitled “Standards of Conduct for Public Officers and Employees,” and it establishes general ethical standards for public officers. The statute appears to have limited application to local officials, however. *See* MCL 15.341 (including employees and elected officials of political subdivisions of the state in the definition of “employee” and “public officer” covered by the statute only for purposes of application of the whistleblower provision); *but see* Op. Mich. Atty. Gen. 6005 (Nov. 2, 1981) (opining that ethical standards of the act apply to local officers and employees). Further, local officials are not subject to the jurisdiction of the State

Ethics Board which investigates violations of the act. *See id.* Because it is unclear the extent to which the ethical standards prescribed in this act apply to local officials, and local officials are not subject to the jurisdiction of the State Ethics Board, any violation of this statute that may have occurred is ultimately irrelevant to the analysis.

(c) MCL 750.478—Willful Neglect of Duty

Under section 478 of the Michigan Penal Code, willful neglect of duty by a public officer is a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$1,000. MCL 750.478.

Willful neglect of duty requires evidence of deliberate forbearance, and of an “intent to intentionally, knowingly, and purposely misbehave and engage in wrongful conduct.” *People v. Waterstone*, 296 Mich App 121, 142 (2012).

Proving a charge of willful neglect under this statute with respect to Councilman Kivell’s actions would likely require proof that he both knew he was required to make disclosures in connection with the vote to waive the bidding process, and that he intentionally failed to do so. From a review of video/audio recordings of various Council meetings, it appears that Councilmember Kivell was well acquainted with the conflict of interest provisions in the Code of Ordinances and Charter. That being said, there is a question of whether he knew or should have known that it applied to him based on his employment with Pullum. Further, there is the question of whether Councilmember Kivell intentionally failed to disclose his employment status. Whether such a charge could be proven is beyond our investigation and beyond the scope of this memorandum.

J. Conclusion

My conclusions can be summarized as follows:

1. Alleged Violations of City Charter Provisions

I believe there is evidence to support a finding that Councilmember Kivell had a financial interest in the waiver of the bidding process for the windows for the SLARA Building, and that his vote on the issue was therefore a violation of City Charter Section 4.6(c). Sanctions for violation of a City Charter provision can be imposed by a court of competent jurisdiction upon a finding of guilt, and can include monetary fines, imprisonment, and having the office declared vacant (See Section 13.7).

I also believe there is evidence to support a finding that by voting to waive the bidding process, Councilmember Kivell took “official action” on an “other matter” in which he was financially interested, and that his vote on the issue was a violation of Section 5.2 of the City Charter. Sanctions for a violation of this City Charter provision are similar to those for a violation of Section 4.6(c), except that a conviction under this section operates to forfeit the office of the convicted Councilmember.

2. Alleged Violations of City Code Provisions

I believe there is evidence to support a finding that Councilmember Kivell could not act impartially in voting to waive the bidding process for replacement of the windows in the SLARA Building, because approval of the waiver was likely to lead to approval of a contract in which he arguably had a financial interest, and that his vote on the waiver therefore constituted a violation of Section 2-72 of the City Code.

I also believe there is evidence to support a finding that Councilmember Kivell had a financial interest in the contract likely to result from approval of the waiver (and therefore in the waiver motion) that would tend to impair his independence of judgment or action in the performance of his official duties, and that his vote therefore constituted a violation of Section 2-75(a) of the City Code.

It is unclear whether Councilmember Kivell had a substantial or controlling financial interest in the vote to waive the bidding process for the second contract, and I therefore cannot conclude that there has been a violation of City Code Section 2-75(b)(5).

Although you did not ask us to evaluate its applicability to the facts at hand, I believe that Councilmember Kivell was required by virtue of the language of Section 2-71 of the City Code, to have disclosed his employment with Pullum.

A violation of the City Code can “constitute a cause for suspension, removal from office or employment, or other disciplinary action.” City Code Section 2.78.

3. Alleged Violations of Statutory Provisions

I believe there is evidence to support a finding that Councilmember Kivell had a pecuniary interest in the two contracts between the City and Pullum, and by failing to disclose that interest prior to the City Council’s vote to approve the contracts and by failing to abstain from the vote, he violated MCL 15.323. There are potential criminal sanctions for a violation of the statute, and the City can seek a declaration that the contracts are voidable, although Pullum would be entitled to reimbursement for the reasonable value of goods and services provided under the contracts.

I do not believe that MCL 15.341 et seq. adds anything to the analysis, and the question of whether there was a violation of MCL 750.478 is beyond the scope of our investigation and this Report.

K. Summary of Options To Address Conduct At Issue

The City's options are as follows:

- For violations of the City Charter or statutory provisions that can result in a criminal penalty, the City can retain counsel to file and prosecute charges against Councilmember Kivell. (Charter Sections 5.2 and 13.7; MCL 15.327)
- The City could also file an action seeking to have the contracts with Pullum declared voidable, although Pullum would be entitled to recover the reasonable value of goods and services provided under the contracts.
- For violations of the City Code, the City Council could vote to suspend Councilmember Kivell, remove him from office, or impose other disciplinary actions as provided for in Section 2-78. The City Council could also consider appointing members of the public to the Ethics Board established by Section 2-77 of the City Code, and requesting that the Ethics Board investigate Councilmember Kivell's actions.

Respectfully Submitted,

Melvin J. Muskovitz
(734) 214-7633
mmuskovitz@dykema.com

4842-2165-2804.1

**INVESTIGATION REPORT
ATTACHMENTS**

1. Pullum initial quote (\$20, 941.36) (February 18, 2016)
 2. Pro Bros Window & Sunroom quote (\$25,998.00) (February 26, 2016)
 3. Police Department Budget Documents
 4. Special City Council Meeting (Budget Workshop) minutes (April 23, 2016)
 5. Amy Allen, SLARA Regional Director, May 26, 2016 email to Ladner regarding needed building repairs
 6. May 31, 2016 Sovik Memo to Collins re: window replacement quote
 7. Pullum second quote (\$24,060.39) (July 11, 2016)
 8. Memorandum from Lt. Sovik to Police Chief Collins (July 11, 2016)
 9. August 8, 2016 Agenda Note: window replacement – Main Police Building
 10. August 8, 2016 Agenda Note: consider approval of replacement windows at SLARA
 11. August 8, 2016 Council Meeting Minutes (Excerpt)
 12. Pullum Window September 9, 2016 letter to City Manager Ladner
 13. Pullum Window September 13, 2016 letter to Lt Sovik
 14. Pullum Police Station Invoice (September 22, 2016)
 15. SLARA Building Invoice (September 26, 2016)
 16. City Attorney Wilhelm letter (11/26/2016)
 17. Excerpt from Council Meeting Minutes (11/28/2016)
 18. City Attorney Wilhelm letter (12/1/2016)
 19. City Attorney Wilhelm letter (12/2/2016)
- Councilmember Kivell's 2016 and January 2017 pay stubs
- Councilmember Kivell's 2016 W-2.

INVESTIGATION REPORT
ATTACHMENT 1

FORM CODE # <QTE 80603 0> FORM: QUOTE FROM: PULLUM WINDOW CORP., 415 N. LAFAVETTE, SOUTH LYON, MI, 48178 <QTE 80603 0>
 PH: 248-491-4700 WEBSITE: www.pullumwindow.com

0 0 JOB PO#: BY: PO: ENTER: 02/18/2016 HD SC GR ALL SALES ARE FINAL. NO ORDER
 NAME: SOUTH LYON POLICE STATION PH: 1-248-437-0459 WK: X W/JB X X CHANGES AFTER ORDER ENTRY.
 LOT#: STR#: 219 WHIPPLE CT: SOUTH LYON ST: MI W/B0 * * * * *
 SUB: SID#: DEL SCREENS + GRILLS MAY BE BACK
 N/ S/ E/ W/ INST ORDERED FOR YOUR CONVENIENCE
 OFF OF/ ANDERSEN WOOD WINDOW REMOVAL - INSTALL QUAKER W/DRYWALL RETURNS NOTES: INSTALLER STORED PRODUCTS ARE DISCARDED
 1-248-486-0049 EXT: AFTER 90 DAYS. CP2 * * * * *
 INSTALL JOB CHARLIE PULLUM CALL FOR LIMITED WARRANTIES

L#	Q	DESC	P R O D U C T	P R O D U C T I O N	C O D E	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING												
}	|	TYPE	STYLE	LINE	SIZE	A	SIZE	B	SIZE	C	MULTI	GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LE	WIDTH	W	X	H

1}

QUAKER SPECIFICATIONS:

BRONZE ALUMINUM - LOW "E" / ARGON GLAZING
 UNEQUAL SILL UNITS TO BE FIELD MULLED BY INSTALLER

2}	6	T-L	QAK D.SET	A	JB 24	X 24	-	S	1	IG	LE/AG	1	LT	BRZ1	BRZ1	REPL	A	0	0	0	0	0
					JB WIDTH	24.000	|	JB LEFT	24.000	|	JB RIGHT	24.000														
					GUARDIAN LOWE# 7138 WITH ARGON GAS																					
3}	T-R	QAK	AWNING	A	JB 48	48	-	V	1	IG	LE/AG	.....	1	LT	.....	BRZ1	BRZ1	F	BZ	ROTO	REPL	A	0	0	0
					GUARDIAN LOWE# 7138 WITH ARGON GAS																					
4}	B-R	QAK	D.SET	A	JB 24	X 24	-	S	1	IG	LE/AG	.....	1	LT	.....	BRZ1	BRZ1	..	.....	REPL	A	0	0	0	0
					JB WIDTH	24.000	|	JB LEFT	24.000	|	JB RIGHT	24.000														
					GUARDIAN LOWE# 7138 WITH ARGON GAS																					
5}	5	---	QAK	C.MENT	A	JB 24	72	-	R	1	IG	LE/AG	.....	1	LT	.....	BRZ1	BRZ1	F	BZ	ROTO	REPL	B	0	0
					GUARDIAN LOWE# 7138 WITH ARGON GAS																					
6}	3	---	QAK	AWNING	A	JB 72	48	-	V	1	IG	LE/AG	.....	1	LT	.....	BRZ1	BRZ1	F	BZ	ROTO	REPL	C-1	0	0

FORM CODE # <QTE 80603 0> FROM: QUOTE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <QTE 80603 0>

CITY OF SOUTH LYON MI 48178 NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN MI 48178 LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 SUB: PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 2

L#	Q	DESC	PRODUCT	PRODUCT ION	CODE	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING												
}	|	TYPE	STYLE	LINE	SIZE	A	SIZE	B	SIZE	C	MULTI	GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	X	H

GUARDIAN LOWE# 7138 WITH ARGON GAS

Permit Costs are Required.

TOTAL: \$ 19,740.59 INCLUDING TAX

*** OPTIONS TO BASE LIST: ***

7} 3 --- OAK SLIDER A JB 72 X 48 . X0 1 1 IG LE/AG ... 1 LT ... BRZ1 BRZ1 F BZ STDO REPL C-2 0 0

GUARDIAN LOWE# 7138 WITH ARGON GAS

DEDUCT FOR THE ABOVE SLIDER IN LIEU OF AWNING (LINE 6):

\$ 574.94 INCL. TAX

OPTION: ADD FOR 1/4" BRONZE OUTER LITE ON BASE LIST (MUST BE TEMPERED PER QUAKER): \$ 1,200.77 INCL. TAX

\$ 20,941.36

CITY OF SOUTH LYON | NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN | LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 | SUB: | SEE PAYMENT TERMS BELOW
 | PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 3

L#	Q	DESC	PRODUCT	PRODUCT ION	CODE	GLAZING	(MULTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING												
}	|	TYPE	STYLE	LINE	SIZE	A	SIZE	B	SIZE	C	MULTI	GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	F	WIDTH	W	X	H

Purchaser agrees that all invoices are due 30 days after shipment unless agreed otherwise in writing. A 2% per month 24% APR, not compounded, time-price differential charge will be added to all past due balances plus all collection, legal expenses and attorney fees incurred in efforts to obtain payment.

All disputes and claims shall be submitted to arbitration with a single arbitrator pursuant to the Uniform Arbitration Act ct (MCL691.1681, et seq.) and the winner shall be entitled to interest, costs and reasonable attorney fees should the arbitrator rule in that party's favor. An arbitration award may be entered as a judgement in any circuit court having competent jurisdiction consistent with MCL691.1681, et seq.

Terms: 50% deposit (cash or check), Balance Due: Cashier's check prior to delivery, unless a credit account has been established.

Credit sales require a Notice Of Commencement executed by the owner. If not available: (initial: _____) and supply the following:

Owner: _____ Address: _____ PH#: _____
 Title Company: _____ Contact: _____ PH#: _____

Signature constitutes that sizing & specifications were checked & approved to order: _____ DATE _____
 Signature constitutes that sizing & specifications were checked & approved to order: _____ DATE _____

Unless specified: the material, shape and color of the insulated glass perimeter spacer may vary.

Ask your sales representative for a Michigan Uniform Energy Code (M.U.E.C.) Report listing the R-Values for the above products.

FLASHING: "Michigan Residential Code" R703.8 requires flashing on ALL Windows-Doors. Use "TAPE FLASHING" per their instructions.

PLEASE RELEASE SCREEN AND HARDWARE BACK ORDERS 3 1/2 WEEKS BEFORE REQUIRED.

SOUTH LYON POLICE STATION SOUTH LYON, MI

INSTALLATION NOTES:

1. Contractor shall be responsible for the cost & coordination of installation & field testing. Field testing shall be performed within thirty (30) days of installation.
2. All flashing or related materials shall be supplied by others (Unless Noted Otherwise).
3. Strap anchors, sub-sills, receptors and panning are field drilled for drilled for perimeter fastening by others (Unless Noted Otherwise).
4. Quaker does not provide insulation, blocking, shims, sealant or fastening anchors. Anchors shown on these shop drawings are not intended to depict type or size, merely location of anchors. Fasteners where shown, not to exceed 1/8" centers. Determining type and of fasteners is the responsibility of installer.
5. Quaker assumes no responsibility for water or air penetration due to failure of installer to properly seal joint of any field assembled products.
6. Quaker recommends insulation to be installed in all voids between window and existing wall condition. All performance data listed on Quaker window test reports were achieved with window voids filled with insulation.
7. Quaker window products will assume no responsibility for errors resulting from the use of these drawings by other trades.
8. Some elevations on the attached pages may require field mulling. Please contact Quaker for specific field mulling instructions for your specific Model/ Series.

DISSIMILAR METALS:

ANSI/AAMA 101-88 Recommendations for Dissimilar Materials

- A) Where Aluminum surfaces come in contact with metals other than Stainless Steel, Zinc, Cadmium or small areas of white bronze, keep Aluminum surfaces from direct contact with incompatible metals. This is achieved by providing suitable protection coating of part, by using good quality caulking material, between the surfaces, by using non-absorptive plastic or elastomeric tapes or gaskets, or in the case of steel, using a sufficiently thick galvanized coating. Coatings containing lead pigmentation must be avoided.
- B) Dissimilar metals should be painted if used in locations where drainage from them passes over aluminum.
- C) Wood or other absorbent materials which may become repeatedly wet and which are in contact with aluminum should be painted with 2 coats of Aluminum house paint and the joints sealed with a good quality caulking compound.
- D) Where Aluminum is in contact with treated wood, wood should be treated with Pentachlorophenol 5% minimum concentration, or Wolman Salt of Cresosol or Zinc Naphthalate (select one) and follow the protective measures outlined on container.

APPROVAL NOTICE:

For this job in accordance with the quote:
Quaker will proceed with fabrication of the products once a contractor has approved a set of these shop drawings and submitted back to Quaker. Fabrication will not commence until Quaker is in receipt of "approved" or "approved as noted" shop drawings. These shop drawings show our interpretation of the project and are submitted for approval. Our responsibility shall be limited to furnishing and/or fabricating the materials in accordance with these approved details. These shop drawings may deviate from architectural plans and specification, due to window contractors estimated quotation for this job presented to Quaker prior to any shop drawings. It is the responsibility of the window contractor to alert Quaker of any requirements for our windows or window products. Any other window fabrication due to inaccurate information, incorrect field measurements or architectural specifications will result in additional charges to window contractor. All window sizes and quantities shown on elevation sheets are for reference only. Window contractor is to check 08-27-12

GENERAL NOTES:

all sizes and quantities shown in accordance with actual building conditions, architectural plans and specifications. Please change and correct any sizing or window quantities as required on these shop drawings. Return a corrected or marked up set back to Quaker approved for window fabrication.

1. These drawings represent Quaker's concept of the application of its products in functional compliance with the architect's drawings and specifications referenced. Unless noted otherwise, Quaker's standard manufacturing shall apply. It is important that these drawings be reviewed with respect to the architect's intent, interfacing project conditions and materials, job site conditions and with consideration given to any anticipated building movements. Quaker assumes no responsibility for the integration of its products into any wall system or any other project.
2. Approved or reviewed shop drawings will take precedence over specifications in areas of conflict.
3. All elevations are viewed from the exterior.
4. Please verify all opening and reference dimensions, all elevation handling and quantities as Quaker will interpret that these drawings and any information contained herein are correct as shown unless specifically addressed on these drawings.
5. All windows & door units are factory glazed (Unless Noted Otherwise).
6. Requests for revisions after Quaker has been authorized to release materials for fabrication must be in writing and will be subject to a purchase price adjustment.
7. Window and screens are intended as barriers, against weather or insects. The requirement for any travel limited device, egress or special glazing must be explicitly identified by the architect.
8. Glass 5 balancers are adjustable and may require sight adjustment once final installation is complete.
9. Lead times are calculated from the date on which Quaker receives final approved information in writing. The lead time is approximate only and may vary depending upon delivery of materials to Quaker from Quaker's vendors. Quaker window disclaims any liability due to procurement problems with vendors.
10. Advertised performance ratings are based on individual window tests. Mullled units and / or Partner Accessories require different AAMA testing procedure. Please consult Quaker or your AAMA guideline booklet for more information.
11. ALL FIELD TEST ARE TO BE AAMA 502 TEST AT 2/2 TEST PRESSURE.

WARRANTY:

Contact Quaker for complete warranty coverage details.
Quaker's warranty does not apply and is null and void if its products are installed into structures that do not allow for appropriate water/moisture drainage. This includes, but is not limited to "Exterior Finish & Insulation System" (E.F.I.S.), a.k.a. "Synthetic Stucco".
Warranty does not apply to any damage by accident, fire, explosion, abuse, vandalism, or act of God.
This warranty does not apply to any damage caused by misuse. This includes, but is not limited to, the misuse of murtic acid or brick wash.
If using murtic acid or brick wash cleaning solutions, please follow the manufacturer's instructions found on product labeling or on the manufacturer's website.
Labor cost incurred because of any warranty claim are not covered by this warranty.

CONTRACTOR NOTE:

All dimensions to be field verified and guaranteed by contractor. Materials will be released for fabrication only upon receipt of signed and approved shop drawings.

SIGN _____ DATE _____

APPROVED APPROVED AS NOTED

Please return one print set marked with your signature, any comments and notation of approval from fabrication.

Drawings completed without specifications.

Owner requests value engineering options.

Following specifications to best of knowledge (Owner ultimately responsible for compliance)

* Quaker window will not be responsible for installation or any refinishing work associated with a warranty claim.

* Quaker's warranty is the only warranty applicable to this purchase. All other warranties, expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose are disclaimed.

It is understood and agreed that Quaker's liability, whether in contract, in tort, under any warranty, in negligence or otherwise, shall Quaker be liable for special, indirect, or consequential damages. The price paid by the purchaser/owner for the equipment is a consideration in limiting Quaker's liability. No action, regardless of form, arising out of the transaction under this agreement may be brought by the purchaser/owner more than one (1) year after the cause of action has accrued. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you. Quaker Window Products Company will not be held responsible, and Quaker's warranty does not apply and is null and void if inappropriate test measures are used in determining Quaker's advertised performance standards. These measures would include but are not limited to the use of an unaccredited test laboratory, testing on units that exceed the maximum test size, inappropriate calibration of on-site test equipment, and/or testing that is not performed within a reasonable time period (as described in AAMA's "Voluntary Specifications for Field Testing of Windows & Glass Doors"). This limited warranty gives you specific legal rights, and you may also have other rights which may vary from state to state.

MAINTENANCE:

As it pertains to Quaker's paint finishes, the cleaning recommendations for AAMA 2604 is an integral part of the warranty given for glass, color retention, and chalking. The warranty requires that regular cleaning has to be performed periodically, at least once a year, and twice a year for structures directly exposed to areas of high salt concentration, such as near a seashore.
The conditions are as follows:
* Clean water with slight amounts of mild alkaline detergents must be used.
* The cleaning effect may be increased by rubbing with a soft, non-scratching cloth or cotton with modest pressure.
* The temperature of the parts to be cleaned must not exceed 80° F.
* For removal of grease and oily substances (sopropy), Alcohol may be used.
* The cleaning solution must not be allowed to react for more than 1 (one) hour.
* After cleaning, the surface must be rinsed with clean, cold, water.
* A proper maintenance record has to be kept and documented. This documentation must contain the following information:
✓ Date
✓ Name and address of performing party.
✓ Description of cleaning procedure and detergents used.
✓ Signature of person performing the cleaning procedure.

	PHONE (573)-744-5211 FAX (573)-744-5586 COMMERCIAL FAX (573)-744-5822 www.quakerwindows.com	<h2 style="margin: 0;">COVER SHEET</h2>	Project Name: <h1 style="margin: 0; text-align: center;">POLICE STATION SOUTH LYON, MI</h1>
Drawn By: DG Date: 08-17-16 dgimm@quakerwindows.com	Scale: NONE Sheet #: A1	QUAKER WINDOW PRODUCTS WILL NOT BE RESPONSIBLE FOR FIELD MEASUREMENT, QUANTITIES, & INSTALLATION DESIGN. CONTRACTOR MUST VERIFY ALL DIMENSIONS.	

SYMBOL LEGEND

- INDICATES FIELD APPLIED SEALANT BY OTHERS
- FASTENERS BY OTHERS
- INDICATES BLOCKING BY OTHERS
- SHIM AS NEEDED BY OTHERS
- SHEET NUMBER
- CUT SECTION

FINISH SCHEDULE: COLOR

- 2604: DARK BRONZE
- 2605:
- ANODIZED:
- CUSTOMER TO PROVIDE COLOR CHIP
- OTHER:
- CUSTOMER TO VERIFY FINISH AND COLOR

GLAZING SCHEDULE

STANDARD GLAZING DESCRIPTION

GL1 - 1/4 / LOWE (DUAL SILVER) - DSB - Snd - Cardinal, TEMPERED.

GL2 - 1/4 / LOWE (DUAL SILVER) - 5/32 - Snd - Cardinal, TEMPERED.

VARIATIONS FROM STANDARD (NOTED ON WINDOW ELEVATIONS)

SYMBOL DESCRIPTION

CUSTOMER TO VERIFY GLAZING OPTIONS

ABBREVIATIONS

M.O. = MASONRY OPENING
 O.R.O. = OVERALL ROUGH OPENING
 O.U.D. = OVERALL UNIT DIMENSION
 R.D. = RECEPTOR DIMENSION
 R.O. = ROUGH OPENING
 T.T.P. = TIP TO TIP OF PANNING
 U.D. = UNIT DIMENSION

AWN = AWNING
 CA = CASEMENT
 DH = DOUBLE HUNG
 DS = DIRECT SET (FIXED)
 HOP = HOPPER
 SH = SINGLE HUNG
 SL = HORIZONTAL SLIDING

INDEX

SHEET #	DESCRIPTION
A1	COVER SHEET
A2	GENERAL NOTES
A3	ELEVATIONS
C1 - C2	CUT DETAILS

GENERAL WINDOW DETAILS AND NOTES

ELEVATIONS ARE VIEWED FROM THE EXTERIOR
 DEVATIONS FROM GENERAL WINDOW DETAILS AND NOTES TO BE LISTED ON WINDOW ELEVATIONS
 CUSTOMER TO VERIFY COUNTS AND SIZES

SERIES: T600
 CONFIGURATIONS: DS, AWN, CA
 GRIDS: NA

HARDWARE: STANDARD BLACK (AWN & CA)

SCREENS:
 • FULL SCREEN BETTER VIEW (AWN & CA)
 • ADDITIONAL PARTS:

EXAMPLE ELEVATION DESCRIPTION

WINDOW TYPE	TYPE X
WINDOW CONFIGURATION	XX
DEVIATIONS FROM GENERAL DETAILS AND NOTES	XXXXX
QUANTITY	QTY. X

WARRANTY

FINISH: 5 YEAR
 GLASS: 5 YEAR
 HARDWARE: 1 YEAR

NO.	REVISIONS	BY	DATE
1	SIZE CHANGES	Q.W.P.	00-00-00

GENERAL NOTES

QUAKER WINDOW PRODUCTS WILL NOT BE RESPONSIBLE FOR FIELD MEASUREMENT, QUANTITIES, & INSTALLATION DESIGN. CONTRACTOR MUST VERIFY ALL DIMENSIONS.

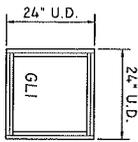
Project Name: **POLICE STATION SOUTH LYON, MI**



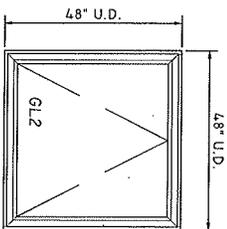
PHONE (573)-744-5211
 FAX (573)-744-5566
 COMMERCIAL
 FAX (573)-744-5822
 www.quakerwindows.com

Drawn By: **DG**
 Date: **08-17-16**
 504 Highway 63 South
 Freeburg, MO 65035
 dgirrm@quakerwindows.com

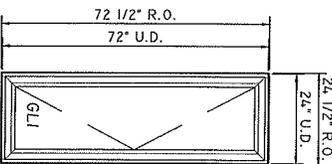
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 Sheet #: **A2**



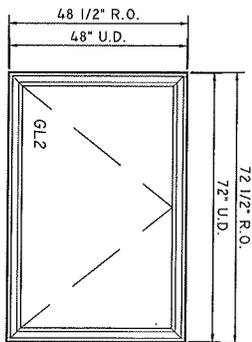
TYPE A DS
DS - PART OF COMBO
QTY. 12



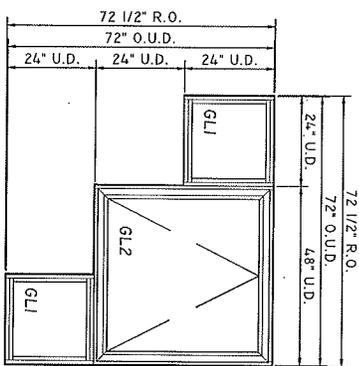
TYPE A AWN
AWN - PART OF COMBO
CRANK HANDLE
QTY. 6



TYPE B CA
CA RIGHT HINGE
ROTO HDWR
QTY. 5

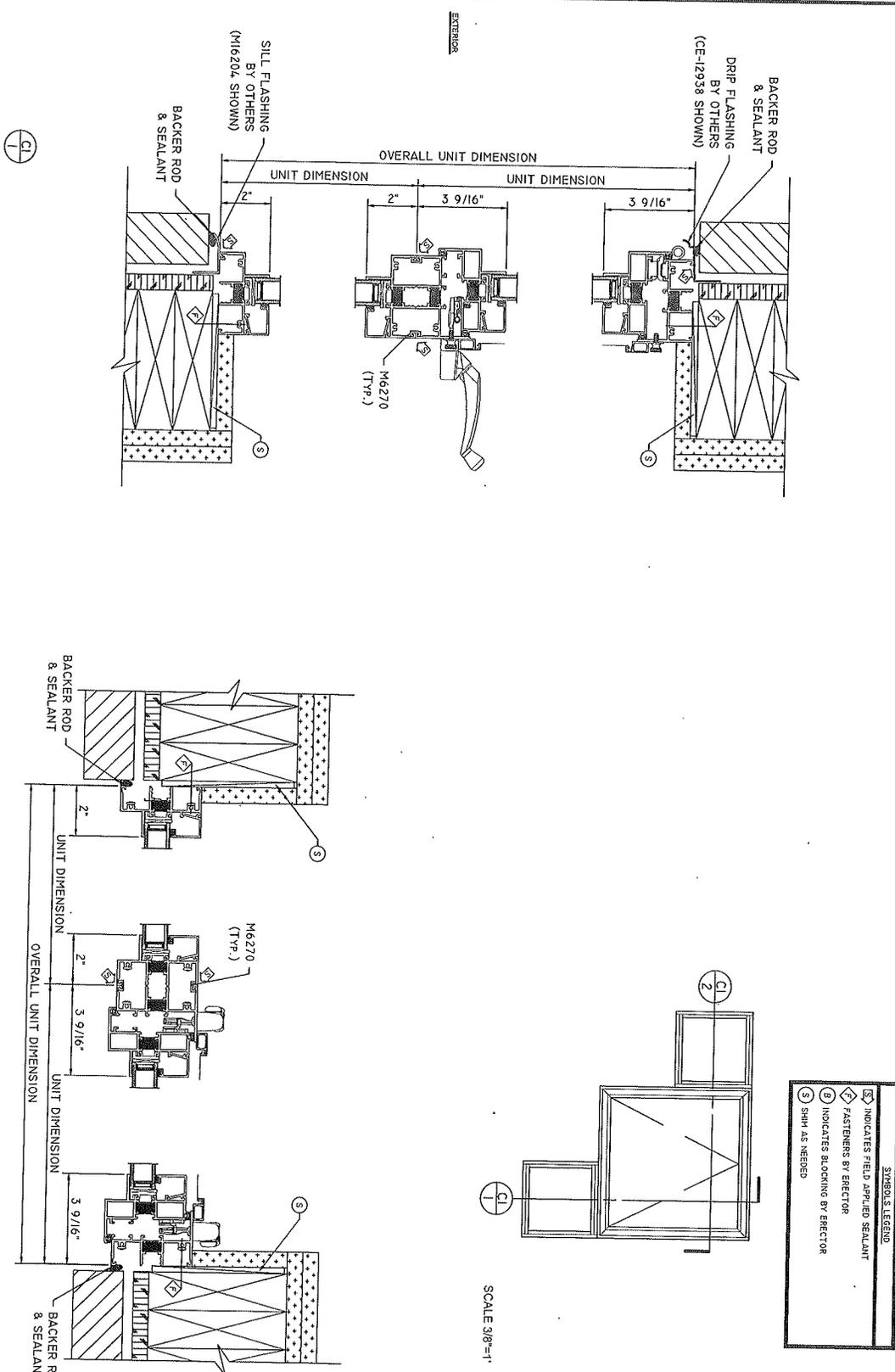


TYPE C1 AWN
AWN - CRANK HANDLE
QTY. 3



TYPE A COMBO
FOR ILLUSTRATION
C-MULL
QTY. 6

	PHONE (573)-744-5211 FAX (573)-744-5586 COMMERCIAL FAX (573)-744-5822 www.quakerwindows.com	Description: ELEVATIONS	Project Name: POLICE STATION SOUTH LYON, MI
	Drawn By: DG Date: 08-17-16	504 Highway 63 South Freeburg, MO 65035 dgrimm@quakerwindows.com	QUAKER WINDOW PRODUCTS WILL NOT BE RESPONSIBLE FOR FIELD MEASUREMENT, QUANTITIES, & INSTALLATION DESIGN. CONTRACTOR MUST VERIFY ALL DIMENSIONS.



SYMBOLS LEGEND

- INDICATES FIELD APPLIED SEALANT
- ◇ FASTENERS BY EFFECTOR
- INDICATES BLOCKING BY EFFECTOR
- ⊗ SHIM AS NEEDED

NOTICE:
 QUAKER WINDOW PRODUCTS, INC. IS NOT RESPONSIBLE FOR THE PROPER INSTALLATION OF SEALANTS, SHIMS, BACKER ROD OR SHIM. UNLESS OTHERWISE NOTED.

VERIFY INSTALLATION
 ALL PANNING SHALL BE FIELD FIT & TRIMMED BY THE INSTALLER.
 SEALANT MUST MEET OR EXCEED ASTM SPECIFICATION.
 PROVIDE ANCHORAGE BY GOING TO SUPPORT THE SILL OF THE WINDOW.
 REPAIR AND REPAIR ANCHORAGE WINDOW FRAME. DO NOT USE EXPANDED POLYURETHANE FOAM.

QUAKER
 COMMERCIAL WINDOW PRODUCTS

Drawn By: DG
 Date: 08-17-16

504 Highway 63 South
 Freeburg, MO 65035
 dgrimm@quakerwindows.com

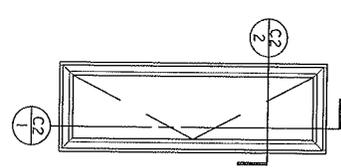
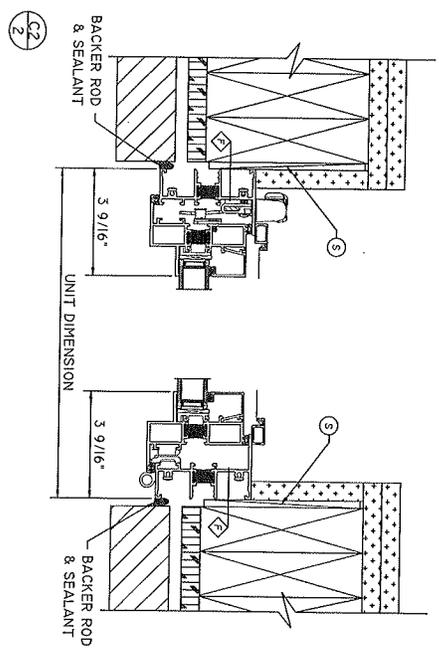
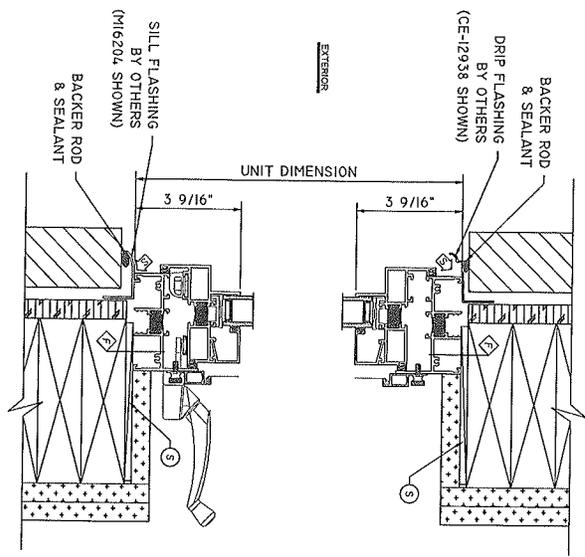
PHONE (573)-744-5211
 FAX (573)-744-5586
 COMMERCIAL
 FAX (573)-744-5822
 www.quakerwindows.com

Scale: 3"=1'
 Sheet #: C1

Description: **CUT DETAILS**

QUAKER WINDOW PRODUCTS WILL NOT BE RESPONSIBLE FOR FIELD MEASUREMENT, QUANTITIES, & INSTALLATION DESIGN. CONTRACTOR MUST VERIFY ALL DIMENSIONS.

Project Name: **POLICE STATION SOUTH LYON, MI**



SCALE 3/8"=1'

SYMBOLS LEGEND

	INDICATES FIELD APPLIED SEALANT FASTENERS BY ERECTOR
	INDICATES BLOCKING BY ERECTOR
	SHW AS MEEDED

NOTICE:
 QUAKER DOES NOT SHOWN ANY
 SILL FLASHING, SILING, BACKER ROD, OR
 SEALANT. THESE ARE THE RESPONSIBILITIES
 OF THE ERECTOR.

ALL FINISHES SHALL BE FIELD FIT &
 FINISHED BY THE ERECTOR.
 ALL FINISHING TO BE SEALED IN THE
 FIELD BY SYSTEM.
 SEALANT MUST NOT EXCEED
 1/8" IN THICKNESS.
 PRODUCE POSITIVE BLOCKING TO
 SUPPORT THE SILL OF THE WINDOW.
 PACK INSULATION AROUND WINDOW
 SILL AND FINISH THE EXTERIOR OR
 INTERIOR WALL DETAIL.

	PHONE (573)-744-5211 FAX (573)-744-5586 COMMERCIAL FAX (573)-744-5822 www.quakerwindows.com	Description: CUT DETAILS QUAKER WINDOW PRODUCTS WILL NOT BE RESPONSIBLE FOR FIELD MEASUREMENT, QUANTITIES, & INSTALLATION DESIGN. CONTRACTOR MUST VERIFY ALL DIMENSIONS.	Project Name: POLICE STATION SOUTH LYON, MI
	Drawn By: DG Date: 08-17-16	504 Highway 63 South Freeburg, MO 65035 dgrimm@quakerwindows.com	Scale: 3"=1' Sheet #: C2

INVESTIGATION REPORT
ATTACHMENT 2

PROPOSAL DATE 2/26/16

PAGE 1 OF 1

 <p>7335 Grand River • Suite 700 Brighton, Michigan 48114 (810) 225-5100</p>		PROPOSAL SUBMITTED TO NAME <u>SOUTH LYON POLICE DEPARTMENT</u> STREET <u>219 WHIPPLE</u> CITY <u>SOUTH LYON</u> STATE <u>MI</u> ZIP <u>48172</u> PHONES: HOME _____ WORK _____ MOBILE # <u>248 437 1773</u> <u>248 437 7193</u>		JOB LOCATION NAME _____ STREET _____ CITY _____ STATE _____ ZIP _____ PHONES: HOME _____ WORK _____ MOBILE # _____		INSTALLATION DETAILS INS. FALL TIME <input type="checkbox"/> ONE STORY <input type="checkbox"/> TWO STORY YARD SIGN CK <input type="checkbox"/> APPROX. INSTALLATION LEAD TIME TO _____ WEEK MINIMUM									
LINE	QUANTITY	SIZE	SHARD	TYPE	EDGE	FINISH	GRACE	GLASS	SHARD	SCREEN	T.T.L.	NO. OF	VENTING	VIEWED	DESCRIPTION
1	5		RESISTANCE	FWOH PW	WHITE	GARTHER	NO	NO	MULTIPLY 4	1/2		4			4 (LARGE PW TINTED)
2															
3	5		CAS							4		1			(TEMPERED)
4															
5															
6	1		PW OH							1/2		3			1
7															
8	3		CAS							4		3	WSR		(1/2 1/2 1/2)
9															
10															
11															
12															
13															
14															
INTERIOR TRIM PACKAGE			NOTES: (FULL FRAME REMOVAL)												
PINK CASING AND EXTENDERS															
EXTERIOR EXTERIOR COLOR: <u>FAITHFUL</u> VINYL CLAD <input type="checkbox"/> STAINLESS ALUMINUM <input type="checkbox"/> <input type="checkbox"/> FRAME <input type="checkbox"/> BRUSH <input type="checkbox"/> BROWN <input type="checkbox"/> BLACK REMOVAL: <input type="checkbox"/> ALUMINUM <input checked="" type="checkbox"/> WOOD <input type="checkbox"/> STEEL <input type="checkbox"/> VINYL DONE BY OTHERS: <input checked="" type="checkbox"/> SHADDS <input checked="" type="checkbox"/> PAINT <input checked="" type="checkbox"/> ELEC. <input checked="" type="checkbox"/> ALARM								PAYMENT TO BE MADE AS FOLLOWS DOWN BALANCE UPON INSTALLATION (PRICE GOOD 90 DAYS) INTERIM SIGNATURE: _____ DATE: _____				LABOR <u>INC</u> TAX <u>INC</u> TOTAL <u>25938.00</u> DEPOSIT _____ BALANCE _____			
INSULATION: <input checked="" type="checkbox"/> FOAM <input type="checkbox"/> FIBERGLASS <input checked="" type="checkbox"/> SOLAR GLAZ <input type="checkbox"/> OTHER								AFTER INSTALLATION, IF THE JOB IS NOT COMPLETE, CUSTOMER MAY RETAIN 5% OF TOTAL GOOD UP UNTIL COMPLETION. CALLER'S SIGNATURE: _____ DATE: _____				GARR <input type="checkbox"/> CHK NO. _____			

INVESTIGATION REPORT
ATTACHMENT 3

POLICE DEPARTMENT

Fiscal Year 2016-2017

Goals and Objectives

“Safeguarding our Community”

The Mission of the South Lyon Police Department is to efficiently provide quality police service to our community by promoting a safe environment through a police-citizen partnership, with an emphasis on mutual trust, integrity, fairness, and professionalism.

- Due to the continuing threat of incidents of terrorism, the Police Department will persist in collaborating with local, state, and federal enforcement and intelligence agencies and fusion centers. Special emphasis and asset allocation will be placed upon surveillance and protection of vulnerable targets including schools and critical infrastructure such as water, sewer, and energy systems. As part of our association with OakTac consortium, officers will continue to train with other agencies in preparation for major incidents requiring mutual aid. The Police Department will continue coordinated active shooter training exercises with the South Lyon Fire Department.
- Police Department personnel will continue school safety checks and surveillance. Checks include all public schools within the city. Uniform officers are present on school property during student arrival and dismissal times, and also perform walk-through checks on a daily basis. Detectives also conduct random surveillance checks of schools during school hours.
- The Police department will continue to utilize social media outlets (Facebook, Twitter & Nixle) in addition to the department website and the local news media in order to facilitate information sharing with the public.
- The Police Department will continue the development of personnel through in-service training, and by facilitating furthered college education. We will continue periodic staff meetings to ensure that department expectations are communicated and achieved.
- As a component of the Community Oriented Policing Program, participation in the Lakes Area Citizens Police Academy is a highly regarded public relation activity. The Police Department will continue participation with partner agencies.
- The Police Department will continue to promote collaborative partnerships within our community, as well as with surrounding communities, as an effective and efficient way to maintain order and improve quality of life.

POLICE DEPARTMENT
Fiscal Year 2016-2017
Expenditures

702 Wages and Salaries

This line item includes salaries and wages for a chief, lieutenant, four sergeants, ten police officers, one clerk, school crossing guards, part-time police cadets, and a maintenance person. The \$25,934 increase is due to anticipated contractual adjustments including a 2% wage increase, overtime including holiday pay, cost of living payments, longevity pay, and projected overtime for additional downtown events.

715-720 Fringe Benefits

This line item includes the following fringe benefits: F.I.C.A., Retirement, Uniforms and Cleaning, Life and Dental Insurance, Optical Insurance, ASR/EHIM, Workman's Compensation, and Disability Insurance. The \$45,334 increase reflects an increase in Health Care Costs and MERS contributions. (AVG: 13% increase ASR)

721 Uniforms and Cleaning Allowance

This line item covers uniform and cleaning allowances that are mandated by labor agreements. The \$4,600 increase reflects an increase of \$250 per officer and \$600 for cadet uniforms.

722 Tuition Reimbursement

This line item includes tuition reimbursement for police personnel mandated by contract, (\$800/semester/officer; \$1,600 max./yr./officer). The \$4,800 would cover the expense of three officers continuing education for the contract year. This remains unchanged.

727 Office Supplies

This line item covers all consumable office supplies including refill cartridges for printers and faxes throughout the department, and remains unchanged.

740 Operating Expense

This line item is a general account designed to provide for all expenditures that do not fit in other line items. It covers expenses ranging from physical and psychological exams for employees to legal reference manuals and other non-consumable items, and remains unchanged.

745 Ammunition

This line item covers the costs for practice and duty ammunition, and reflects training levels required to minimize liability exposure with respect to firearms. Included are both training and duty ammunition for pistols, rifles, and shotguns. Also included are replacements for pepper spray, simunitions, and Taser cartridges, and remains unchanged.

860 Gas and Oil

This line item is for the fuel and oil used by the department's fleet of vehicles. The \$34,000 budgeted remains the same as the F.Y. 2015-16.

861 Transportation and Mileage

This line item is used to reimburse staff for the use of personal vehicles on department business.

863 Vehicle Maintenance

These funds provide repairs for police vehicles and equipment, and pay the police department's contribution to fund the City's mechanic.

910 Insurance and Bonds

This line item pays for the police department's portion of the insurance costs of the City. The \$24,806 includes building insurance, fleet insurance, professional liability insurance, and remains unchanged.

920 Utilities

This line item covers the cost of Consumers Power, Detroit Edison, and the South Lyon Water Department, projected at \$17,500 which is an increase of \$1,000 from the previous year.

930 Repairs and Maintenance

This fund pays for repairs to the department's small equipment not covered by contract such as typewriters and shredders.

931 Building Maintenance

This line item pays for repairs and maintenance to police department buildings, including carpet cleaning and cleaning supplies. The amount budgeted allows for anticipated costs for maintaining two aging buildings.

957 Education and Training

These funds are used for the training of department personnel. It is mandatory that the department maintains a \$4,000 base level to qualify for receipt of training funds from the State of Michigan. The balance reflects costs of driver training mandated by our insurance carrier, limited conference expenses, and annual in-service training for officers.

958-1 Witness Fees

These funds are used to pay witness fees and mileage for civilians subpoenaed to court on the City's behalf.

970 Capital Outlay

The original main police building windows are in need of repair / replacement. (TBD)

101-300 GENERAL FUND OPERATION						
POLICE						
		Audit	Adopted	Amended	Proposed	Proposed
Expenditure	Description	2014-2015	2015-2016	2015-2016	2016-2017	2017-2018
702	Wages/Salaries	1,373,138	1,414,014	1,414,014	1,439,948	1,468,747
715-720	Fringe benefits	543,063	611,267	611,267	656,601	669,733
721	Uniforms & Cleaning Allowance	14,540	14,700	14,700	19,300	19,300
722	Tuition Reimbursement	2,140	4,800	4,800	4,800	4,800
727	Office supplies	4,417	5,500	5,500	5,500	5,500
740	Operating Expense	12,097	14,000	14,000	14,000	14,000
745	Ammunition	5,431	5,500	5,500	5,500	6,000
801	Professional Services	10,367	12,248	12,248	12,408	12,408
802	Contractual Services	104,735	118,989	118,989	114,878	116,854
803	Prisoner board		100	100	100	100
810	Animal collection		500	500	500	500
820	Computer Expense	4,581	7,000	7,000	7,000	7,000
826	Legal fees	21,460	27,000	27,000	29,000	29,000
830	Memberships & dues	545	675	675	720	720
851	Radio Maintenance	2,008	2,000	2,000	2,000	2,000
853	Telephone	10,038	10,000	10,000	10,000	10,000
860	Gas & Oil	26,033	34,000	34,000	34,000	34,000
861	Transportation & Mileage		200	200	200	200
863	Vehicle Maintenance	22,073	20,000	20,000	20,000	20,000
910	Insurance & Bonds	21,278	24,806	24,806	24,806	24,806
920	Utilities	16,159	16,500	16,500	17,500	17,500
930	Repairs & Maintenance	1,978	2,000	2,000	2,000	2,000
931	Building Maintenance	8,350	7,700	7,700	7,700	7,700
957	Education/Training	3,974	7,000	7,000	7,000	7,000
958-100	Witness fees	64	300	300	300	300
970	Capital Outlay		23,000	23,000	25,000	20,000
977	Equipment Purchases	3,268	9,382	9,382	9,235	9,235
978	Capital Equipment		57,965	57,965	72,282	78,000
	TOTAL	2,211,737	2,451,146	2,451,146	2,542,278	2,587,403

SOUTH LYON POLICE DEPARTMENT
5 YEAR CAPITAL IMPROVEMENT PLAN
2016/17 – 2020/21

Additional Personnel: The Police Department's yearly number of Calls for Service has greatly increased over the last four years. Many homes are currently being built inside our jurisdictional borders. Lyon Township is growing as well which will bring more people into and through our City. In 2012, our agency responded or generated 5,581 Calls for Service. In 2015, our agency responded to or generated 12,876 Calls for Service. Having an additional officer on a staggered shift (during higher call volume periods) will ensure continued excellent response times and service to the community by our officers. Over the past four years, our department has not replaced two full-time police officers (retirements) and one clerical position. The Police Department should staff one additional full-time police officer within the next two to three years.

Motor Vehicles and Equipment: The replacement vehicles for this 5-Year Capital Improvement Plan will include (6) Ford Interceptor AWD SUVs. We will continue purchasing Ford Interceptor AWD SUVs by adding them to the fleet as needed. Eventually, when the older SUVs are removed from the fleet, they can be stored and used for parts to replenish aging vehicles before being removed from patrol usage. This practice worked when our department utilized older Crown Victoria vehicles in the past, which saved thousands of dollars when operable fleet vehicles were in need of repair. These vehicles will require emergency equipment necessary to perform law enforcement functions, equipped with lights, siren console, prisoner partition, in-car camera system, in-car computer system as well as various other items necessary for safety and proper implementation of the vehicle for law enforcement functions. Much of the necessary emergency equipment can be removed from vehicles being taken out of service and installed into new patrol vehicles. However, most of the additional expense will come from equipping new Ford Interceptor AWD SUVs during their initial implementation. Most of the equipment in vehicles other than Ford Interceptor AWD SUVs cannot be transferred to new vehicles. Police patrol vehicles are constantly used under extreme conditions thus requiring regular maintenance and eventual replacement. Maintaining a fleet of patrol vehicles in good working order is vital to the effort to provide the citizens of South Lyon with the highest level of emergency response and general law enforcement services.

Two vehicles that will be taken out of service in 2016 are (1) 2009 Ford Explorer (291) with 124,934 miles & (1) 2004 Chevrolet Impala (242) with 120,000 miles. Maintenance for 291 & 242 during the past year ran into the thousands.

Two vehicles that will be taken out of service in 2017 are (2) 2012 Ford Interceptor Sedans (221 & 222).

It is anticipated that we will see an increase in both mileage and maintenance costs for the aforementioned vehicles since 221 and 222 are the primary vehicles currently assigned to patrol and are utilized more than any other vehicles at this time.

Additional Equipment: This plan includes body-worn cameras and docking stations (10) with additional expense for ample hard drive storage and retention of data (2016). This purchase will also require computer software in order to be compliant with Freedom of Information Act requests while protecting the privacy of citizen rights by having the ability to redact certain portions of requested material.

Building Maintenance: The Main Police Building is in need of window replacement and / or repair, and is included in this year's proposed fiscal budget (2016-2017). The current windows are not very energy efficient. As a result of the harsh winters, ice build-up on the roof caused water damage in the clerical area of the main building. We experienced drywall damage and ceiling leaks. During the winter season, one can feel the draft from the squad room windows.

The interior of the main police building needs a new coat of paint to present a more positive professional image to the public as we often conduct tours for various community groups. The officers are willing to perform the labor in order to cut down on the expense.

The police administration building containing the Detective Bureau consists of two separate rooms on the west wing of the 52-year-old building. The rooms need an upgrade (construction materials) in order to present a more positive professional image. The current décor is dismal and old. The wall separating the two rooms could be eliminated to make better use of the space (2017).

The fencing on the west and south sides of the main police building is in need of replacement. Last year, we replaced an 80' strip of fencing on the west side of the building which greatly improved the appearance of the property. We are looking to improve the appearance of the remaining sides of the building with the same contractor and fencing.

Office Furniture: The Police Department needs to replace and upgrade the Main Building Police Department office furniture at a total cost of \$20,000 in year 2017, and the Admin Building office furniture at a total cost of \$8,000 in 2018. Although functional, some of the furniture is in poor shape and some is unsightly. Most of it was purchased at the time right after the original construction of the building (25yrs old). Most of the office furniture in the police administration building is much older and more unsightly.

Additional Computer Equipment: Our current server is five years old. In 2019, our department will need an upgrade as software and hardware becomes more technologically sophisticated.

SOUTH LYON POLICE DEPARTMENT

2016/17 – 2020/21

5-YEAR CIP PERFORMANCE GOALS

We pride ourselves on being a transparent organization that is accessible and responsive to the needs of the residents of the City of South Lyon. We strongly believe that each citizen has a right to know what type of law enforcement services and activities have occurred within South Lyon and, more importantly, provide insight into the inner-workings of the Department and how we provide the many police services they have come to expect and deserve.

1. Continue to practice long range capital planning, as it strengthens the linkages between community infrastructure needs and the financial capacity of the City. In addition, increase coordination between departments, agencies, and other political jurisdictions.
2. Continue to identify and prioritize future infrastructure needs in order to determine the best use of available resources.
3. Provide a balanced program for capital improvements given anticipated funding revenues over a five-year planning period in order to sustain and thrive while delivering essential services to the community.

**Police Department
Capital Improvement Plan
2016/17 - 2020/21**

Activity	2016/17	2017/18	2018/19	2019/20	2020/21
Personnel					
(1) Full-Time Police Officer			\$101,357		
Motor Vehicles and Equipment					
Replace One marked Patrol Vehicle 2009	\$27,641				
Police Vehicle Equipment (2 vehicles)	\$15,000				
Replace One unmarked Police Vehicle 2004	\$27,641				
Police Vehicle Equipment (2 vehicles)		\$20,000			
Replace One Marked Patrol Vehicle 2012		\$28,641			
Replace One Marked Patrol Vehicle 2012		\$28,641			
Police Vehicle Equipment (1 vehicle)			\$10,000		
Replace One Marked Patrol Vehicle 2013			\$29,641		
Police Vehicle Equipment (1 vehicle)				\$11,000	
Replace One Marked Patrol Vehicle 2014				\$30,641	
Additional Equipment					
Body Cameras / Storage / Software		\$20,000			
Building Maintenance					
Replace Windows - Main Building	\$25,000				
Interior Paint - Main Building		\$2,000			
Upgrade Detective Bureau Rooms		\$10,000			
Wooden Fencing - West & South Side Main Bldg		\$12,000			
Office Furniture					
Replace Office Furniture - Main Building		\$20,000			
Replace Office Furniture - Admin Building			\$8,000		
Additional Computer Equipment					
Server				\$8,000	
Total Capital for Police Department	\$95,282	\$141,282	\$47,641	\$8,000	\$41,641

INVESTIGATION REPORT
ATTACHMENT 4

The City of South Lyon
Special City Council Meeting
Budget Workshop
April 23, 2016

Mayor Galeas called the meeting to order at 9:20 a.m.

Mayor Galeas led those present in the Pledge of Allegiance.

PRESENT: Mayor Galeas
Council Members: Dedakis, Kivell, Kramer, Kurtzweil, Rzyzi and Wedell
Also Present: City Manager Ladner, Chief Collins, Chief Kennedy, Attorney Wilhelm,
Bookkeeper Mosier and Clerk Deaton

Department Head Martin was not required to attend

PUBLIC COMMENT:

Carl Richards of 390 Lenox stated he believes Council should raise the ceiling on the money the City Manager and Department Head Martin should be able to spend without Council approval.

City Manager Ladner stated she has given Council copies of revised General Fund revenue for the next fiscal year. She stated there is a line item for sidewalk grants, but it is under Miscellaneous. She is recommending transfer \$250,000 from the unrestricted funds of wastewater operating funds to general funds. She stated when we added the 2.5 mills it took 2.5 mills of potential property taxes from general fund for buying street improvements, fund balance, or any other improvements. It is a 40 year bond. She further stated we have the ability to transfer money from unrestricted enterprise funds.

Councilmember Rzyzi stated the fund revenue report reflects the audit total expenditures of 4.7 million and it ended up being 5.8 million. If that continues do we propose 5.6 million, but we are going from a 73% fund balance to 38%. City Manager Ladner stated we are proposing we amend the 2015-2016 budget lower because we never approved the DDA position, we also had 3 months without Kristen Delaney, and we replaced her with a lower salary person. She stated the significant change in revenue was the purchase of the Fire Truck, as well as increase in cost of commodities, we purchased 2 police cars. She further stated the audited fund balance estimate was 73%. We have not spent everything that was budgeted for. Councilmember Kramer asked if we have added personal cost in the past year.

Councilmember Kivell stated the costs are rising, but our taxable value is as well, therefore we are moving in the right direction. City Manager Ladner stated we hired one new employee for the DPW. She stated that is approximately \$70,000. Councilmember Kramer stated it doesn't seem like our personnel costs have gone up, and if you take away the fire truck, there is still a huge shortfall. City Manager Ladner stated she based the wages and benefits based on what Bookkeeper Mosier gave her. Ms. Mosier stated she based everything on a 2% raise, last year was the first time some employees had a raise in 5 years. She further stated the insurance cost has gone up as well. She further stated she included a 7-10% increase which is what has happened historically in the fringe benefits. She further stated the DPW employee was hired to replace a previous employee. City Manager Ladner stated the fringe cost for

4/23/16

administration went up \$100,000 and \$40,000 for Police and \$1,000 for Fire Department. She further stated she is trying to generate our revenues more conservatively than past City Managers. Councilmembers Kramer stated fund balance should not be used for salaries, and he is concerned. City Manager Ladner stated employees went without raises for years, after that we negotiated raises and employees began paying towards their health care. Further discussion was held regarding the MERS cost the City pays towards the employees. City Manager Ladner stated the State average is 5%, but the City of South Lyon contributes over 12% and that shouldn't have continued through the years. Councilmember Kramer stated we are still not offsetting the unfunded liability. Councilmember Kurtzweil stated she has done some research on this issue, and we can't control the costs of healthcare and retirement benefits. City Manager Ladner stated we can hire the new employees with a defined benefit plan with a 1.5 multiplier and it does not require us to accelerate our defined benefit plan, and it doesn't require us to close our existing plan. She further stated we have several employees who will be retiring in the next few years, and we can either leave those positions vacant, or they can be on the cheaper benefit plan. City Manager Ladner stated commodities aren't getting cheaper; it isn't just health care and employee costs, such as publishing, gas, and diesel. She further stated the City hasn't raised fees in over a decade. We take a \$300.00 loss each time we have a site plan review just from the publishing costs versus the fee we charge. City Manager Ladner stated we need to review and raise fees, not just on the Cemetery. Councilmember Kivell stated redevelopment is the only way to generate a lot of tax revenue and we don't have that and in the meanwhile our neighbors are moving forward. Discussion was held regarding the final payment of the Fire truck and the possibility of financing for 7 years, as opposed to paying the balance out of General Fund to save money. City Manager Ladner stated the Building Department is now using the I.C.C fees which was approved by Council a few years ago, until now we were using the old fees this is a significant increase. Councilmember Kivell stated our fees should be comparable to the communities around us. Attorney Wilhelm suggests the City Manager and Council to review the City's fees and raise whatever is necessary to cover the City's cost. Councilmember Wedell stated there have been so many changes in the revenue report and he doesn't have faith in any of the numbers in the spreadsheet. Discussion was held on the Wastewater Bond. City Manager Ladner stated the bond payments are no longer supported by the 2.5 mill tax revenue since the 2008 crash. Councilmember Kurtzweil stated she would like to see the terms and conditions of the bond because sometimes the bond will allow you to raise mills without an Election. Councilmember Kivell stated we ran on 2 mills for a long time, but recently had to raise it to 2.5 mills. Councilmember Kramer stated he would like to know what is leading to the decline of the general fund and would like the personnel cost, and the cost we are paying for the bond payments from the general fund. Councilmember Kramer stated he also wants the balance of the unreported accounts. City Manager Ladner stated this was brought to Council's attention in 2013, and we have been spending money from the General Fund to help cover the bond payments. City Manager stated she will gather the information requested by Council. Discussion was held regarding the miscellaneous line item. Ms. Mosier stated if there are any changes for that account, she can give Council a report with a breakdown of what was added.

Chief Collins stated the Officer that worked with the DEA is back on staff. There is potential to gain some of the money earned while he was on that program, but as of right now we have not. Councilmember Kivell stated he wasn't aware it was up to them to decide if they share the funds. Chief Collins stated since the program began, the legislature has decided to use that money to cover short falls in other government accounts.

4/23/16

Chief Collins stated he has budgeted for 2 vehicles. He further stated the two vehicles he would like to replace have been very expensive to keep running. Chief Collins stated many of the repairs were major. He further stated they would like to end up with all four wheel drive vehicles, but he only asks for new vehicles when necessary. Currently we don't have a mileage limit or age limit, so we base the need of vehicles by cost of repairs and maintenance history. Councilmember Kramer asked if the light bars and computers are figured in with the budget as well. Chief Collins stated they are.

Councilmember Kramer questioned the line item for new windows under building maintenance. Chief Collins stated the windows are very drafty and in bad shape. He stated they tried to have them repaired, but they cannot get anyone to come out. He stated they could wait another year to replace them if necessary, but with the drafty windows, it also raises the heating and cooling bills. Mayor Galeas asked the status of the building. Chief Collins stated the windows are going, and we had to replace the roof last year. He further stated we do not have adequate room but we make do. Chief Collins stated they would like a new facility in the future when possible.

Discussion was held regarding the future cost of body cameras. Councilmember Wedell questioned the line item for the body cameras, software and storage. Chief Collins stated the body cameras are currently \$800.00-\$1200.00 but the cost could go down in the future. He further stated body cameras are a scary thing, because personnel costs for any FOIA costs will be very high. He stated some Police Departments have had to hire personal just to deal with the redacting and viewing of the footage for FOIA requests. He isn't opposed to the body cameras, but there are a lot of costs that will go along with that. He stated they are continually watching what is out there. Councilmember Dedakis stated she is aware the legislature is pushing for body cameras throughout the nation, so it probably will be required. Further discussion was held regarding FOIA requests.

Chief Kennedy stated he is not asking for any large expenditure for the next fiscal year. He further stated in 2018 he would like to replace a 14 year old vehicle. He further stated he would like to replace the laptops they are currently using with iPads which is not a significant cost. Chief Kennedy stated we need to purchase a stationary air compressor. We may need to add a 40 hour full time person in the next 2-3 years. Chief Kennedy stated we may need the roof of the Fire Department replaced in 2018, we have spent \$3,000 for repair to some leaks we have had this year. Councilmember Kivell asked if we are having the problem where we are training people, and then they leave for a full time job. Chief Kennedy stated that hasn't been a problem. Discussion was held regarding the maintenance of the Fire Hall. Mayor Galeas stated both the Chief of Police and the Fire Chief are very diligent with their budgets.

Councilmember Wedell asked why the line item for operating expense is so high. City Manager Ladner stated that line item is for various functions such as the holiday party, office supplies as well as other expenses. City Manager Ladner stated we can lower that line item. City Manager Ladner stated the contractual services cover the copiers, the mail machine, as well as the cost of the contract for Oakland County for Assessing Services. She stated she has lowered that line item as well. Councilmember Wedell asked why the line item for planning is so high. City Manager Ladner stated she has lowered that to 40,000. Councilmember Kurtzweil asked if the increase in the Election line item is higher due to the

Presidential Election this year. Clerk Deaton stated we will need additional election workers for the August and November Election as well as they will be working additional hours.

Councilmember Rzyzi asked if the website will be updated soon. City Manager Ladner stated the new website is underway; she has received all of the pictures that were needed. She further stated everyone at City Hall will be trained on updating the website. Councilmember Kivell asked if there is additional functionality or will the new website just look different. City Manager Ladner stated there is additional functionality and our current website is very outdated.

Councilmember Kurtzweil asked if the general fund operating millage of 10.32 was voted on by the voters. City Manager Ladner stated it was not. The City Council has held the operating millage of 13.75 which 2.5 mills of that was the debt service. She stated the rest is split between capital improvement, land acquisition and bldg. authority land acquisition and general fund. She is recommending we change the general fund to 10.3662. Discussion was held regarding shifting the Building Authority Land Acquisition to general fund. Bookkeeper Mosier stated the Building Authority Land Acquisition fund is used to pay on the bond for Volunteer Park so we cannot shift that portion of the mills. City Manager Ladner stated the 0.3000 will cover the cost of the bond payment, therefore we could move a small portion of that mill.

Councilmember Kurtzweil stated there were a number of properties that went before the Michigan Tax Tribunal that had their taxes reduced. She asked if our Assessor has anything in place to ensure these properties get back up to the correct value. City Manager Ladner stated she will be meeting with our Assessor to discuss why there were so many successful challenges to our values. She further stated south Lyon Square was able to get theirs reduced significantly for two years. Councilmember Kurtzweil stated they get their taxes reduced, but the City has no benefit, because they don't use their tax savings to improve their property. City Manager Ladner stated she has discussed having a yearly inspection fee for any vacant property and charge them a fee to do so, which basically penalizes them for having vacant buildings. Councilmember Kurtzweil stated the City has basically become a profit loss center because landowners are having their taxes lowered, but they are not improving the property. Mayor Galeas stated a friend of his told him if you own extra buildings, but then you get hit with fines, they sometimes will try to sell the building instead of just letting it sit. Councilmember Kivell stated anything we can do to keep landowners from leaving their buildings vacant is what we need to do. Attorney Wilhelm stated it costs money to fight the cases and sometimes the tax dollars that could be gained doesn't justify the expense. He stated we don't have a great number of cases, and he thinks the numbers will continue to rise in value. He further stated that the Assessors goal should be to accurately assess properties to avoid any MTT cases. Further discussion was held regarding MTT cases.

Josey Kearns from the Cultural Arts Commission stated the Commission received the planning grant they were attempting to get, but that also means they have to change their budget. She further stated they are almost ready for the survey they intend on doing. Ms. Kearns stated they received a donation of art supplies worth approximately \$350.00 She further stated they received a total of donations of \$1200.00 Ms. Kearns stated corporate sponsoring is a long process, but they are considering pursuing it. Discussion was held regarding the expenditures for the current year. Ms. Kearns stated they are looking into other grants. Councilmember Rzyzi stated he doesn't have any issues with the \$2,525 line item for the Cultural Arts, but he is hoping they can check into having some kind of statue placed downtown celebrating our history. Councilmember Kivell stated he is happy they are realizing the budget is just a

starting point and changes can always be made. Mayor Galeas if they are considering an art show in the future? Ms. Kearns stated they would love to.

Councilmember Rzyzi stated he would like an update on the South Lyon Car Wash sign. City Manager Ladner stated as of yesterday it was turned off. The brightness is not supposed to succeed one candlight off of his property, and right now it is much brighter. She further stated we are working with him to solve the problems. She stated the sign is currently conforming, but the electronic message board is slightly larger than what was approved. Councilmember Kurtzweil stated it is back on, but today it has a company name of D&G and she thinks he put this sign in as a revenue generating sign. Attorney Wilhelm stated he cannot do any off premises advertising. He further stated they have the prosecutor involved and they will work with the City Manager on this problem. Attorney Wilhelm stated the owner of the car wash has been working with the City. Further discussion was held regarding the sign.

CM 4-1-16 MOTION TO ADJOURN

Motion by Kramer, supported by Kivell
Motion to adjourn meeting at 12:10

VOTE: MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Mayor John Galeas

Lisa Deaton Clerk/Treasurer

INVESTIGATION REPORT
ATTACHMENT 5

From: Amy Allen [mailto:aallen@slrec.com]
Sent: Thursday, May 26, 2016 10:37 AM
To: Lynne Ladner <lladner@southlyonmi.org>
Cc: StCharles, Mark <Mark.StCharles@greenoaktwp.com>; Patti Carcone (pcarcone@lyontwp.org) <pcarcone@lyontwp.org>; Amy Allen <aallen@slrec.com>
Subject: Priority Listing for Building

Here is a listing showing what we would like addressed in order for the building.

1. Lights – in back office and director's office lights flicker and/or are out. It's not a matter of new bulbs, we need new ballasts.
2. Back Door – floor at the bottom is crumbling away. Tripping hazard.
3. Bathroom Re-model – we would like to see the whole thing redone or updated. Please add in fan and vanity with storage. Floor needs replaced so toilet can seal.
4. Electrical Issues Addressed – we have issues with blowing fuses all the time if multiple things are turned on in the back. We can't use microwave if a space heater is being used or we blow a fuse. If we plug in phone chargers it blows fuses.
5. Backroom Kitchen Update – would like new sink fixture (high faucet so we can place bucket under) and updating shelving.
6. Windows – need replacing, bad seals, air and moisture getting in
7. Gym type door in back – need to seal it so draft doesn't come in.
8. Cracks in cinder block – walls are starting to show more cracks. May need to be caulked again in spots.
9. Painting – we would love to have the building interior painted if possible. This may be something the SLARA takes on as an expense. Just let me know.

Lynne, can you let me know what the next step is in this process?

PS. Can you send me any contacts you may have for carpeting? Otherwise I will start having my secretaries pull some companies to recruit some bids..

Amy L. Allen, CPRP

Recreation Director
South Lyon Area Recreation Authority
318 W. Lake Street
South Lyon, MI 48178
Phone: 248-437-8105
Fax: 248-437-4324
aallen@slrec.com



INVESTIGATION REPORT
ATTACHMENT 6

**SOUTH LYON POLICE DEPARTMENT
MEMORANDUM**

Subject: Window Replacement Quote

To: Chief Collins

From: Lt. Sovik

Date: May 31, 2016

I contacted Hanson's Windows (1-888-497-8930) to inquire about receiving a quote to replace the windows on the main police building. Customer Service Representative Tina indicated that their company does not service commercial properties. During her search of local area window installers, Tina recommended Pullum Windows as an option, and has recommended Pullum windows to several others inquiring about commercial windows in the area.

INVESTIGATION REPORT
ATTACHMENT 7

FORM CODE # <QTE 80603 0> FORM: QUOTE FROM: PULLUM WINDOW CORP., 415 N.LAFAYETTE, SOUTH LYON, MI., 48178 <QTE 80603 0>

CITY OF SOUTH LYON NAME: SOUTH LYON POLICE STATION SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE SEE PAYMENT TERMS BELOW
 SOUTH LYON MI 48178 SUB: PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 2

L#	Q	DESC	PRODUCT	PRODUCTION	CODE	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING										
			TYPE	STYLE	LINE	SIZE A	SIZE B	SIZE C	MULT	GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	X	H

BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GUARDIAN LOWE# 7138 WITH ARGON GAS

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

5)	5	---	OAK CEMENT A	JB 24	72	R	1	IGT LE/AG BRZ	---	1	LT	----	BRZ1	BRZ1	F	BZ	ROTO	REPL	B	0	0			
----	---	-----	--------------	-------	----	---	---	---------------	-----	---	----	------	------	------	---	----	------	------	---	---	---	--	--	--

BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GUARDIAN LOWE# 7138 WITH ARGON GAS

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

6)	3	---	OAK ANHING A	JB 72	48	V	1	IGT LE/AG BRZ	---	1	LT	----	BRZ1	BRZ1	F	BZ	ROTO	REPL	C-1	0	0			
----	---	-----	--------------	-------	----	---	---	---------------	-----	---	----	------	------	------	---	----	------	------	-----	---	---	--	--	--

BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GUARDIAN LOWE# 7138 WITH ARGON GAS

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

TOTAL: \$ 24,060.39 INCLUDING TAX

FORM CODE # <QTE 80603 0> FORM: QUOTE FROM: PULLUM WINDOW CORP., 415 N.LAFAYETTE, SOUTH LYON,MI., 48178 <QTE 80603 0>

CITY OF SOUTH LYON NAME: SOUTH LYON POLICE STATION SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE SEE PAYMENT TERMS BELOW
 SOUTH LYON MI 48178 SUB: PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 3

L#	Q	DESC	PRODUCT	PRODUCTION CODE	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH OPENING											
			TYPE	STYLE	LINE	SIZE A	SIZE B	SIZE C	MULT	GLASS	TYPE	CUT-UP TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	x	H

Purchaser agrees that all invoices are due 30 days after shipment unless agreed otherwise in writing. A 2% per month 24% APR, not compounded, time-price differential charge will be added to all past due balances plus all collection, legal expenses and attorney fees incurred in efforts to obtain payment.

All disputes and claims shall be submitted to arbitration with a single arbitrator pursuant to the Uniform Arbitration Act ct (MCL691.1681, et seq.) and the winner shall be entitled to interest, costs and reasonable attorney fees should the arbitrator rule in that party's favor. An arbitration award may be entered as a judgement in any circuit court having competent jurisdiction consistent with MCL691.1681, et seq.

Terms: 50% deposit (cash or check), Balance Due: Cashier's check prior to delivery, unless a credit account has been established.

Credit sales require a Notice Of Commencement executed by the owner. If not available:(initial: _____) and supply the following:

Owner: _____ Address: _____ Ph#: _____

Title Company: _____ Contact: _____ Ph#: _____

Signature constitutes that sizing & specifications were checked & approved to order: _____ DATE _____

Unless specified; the material, shape and color of the insulated glass perimeter spacer may vary.

FLASHING: "Michigan Residential Code" R703.8 requires flashing on ALL Windows+Doors. Use "TAPE FLASHING" per their instructions.

PLEASE RELEASE SCREEN AND HARDWARE BACK ORDERS 3 1/2 WEEKS BEFORE REQUIRED.

INVESTIGATION REPORT
ATTACHMENT 8

SOUTH LYON POLICE DEPARTMENT MEMORANDUM

Subject: Window Replacement – Main Police Building

To: Chief Collins

From: Lt. Sovik

Date: July 11, 2016

The main police building windows have been in need of replacement for the past several years. As a result of the deterioration, there are wide gaps between the windows and block encasements. The squad room during the winter months requires a space heater in order to maintain a comfortable temperature, or increasing the setting temperature well above normal for that time of the year. Several of the windows seals have broken causing a film between the glass panes.

Anticipating this need, we budgeted \$25,000.00 for replacement windows in FY 2016-17. I contacted five different vendors for quotes beginning early February of this year. Only two of the five submitted written quotes. The two quotes are attached; one from Pro Bros Window & Sunroom (\$25,938.00) and Pullum Windows (\$24,060.39). Wallside Windows appeared on site, took measurements, and later sent me an email indicating that their window products are more for a residential setting. They declined to submit a quote.

I contacted Hansons Windows (1-888-497-8930) to inquire about receiving a quote to replace the windows on the main police building. Customer Service Representative Tina indicated that their company does not service commercial properties. During her search of local area window installers, Tina recommended Pullum Windows as an option, and has recommended Pullum windows to several others inquiring about commercial windows in the area.

A representative from Pella windows appeared on site to take measurements, but never submitted a bid.

I recommend we go with the low bid submitted by Pullum Windows. They are a very reputable local company and have been in business for several years. I have recently been in contact with Charlie Pullum. He indicated that his quote would not increase, although the industry has seen steady increases in manufacturing and installation. It takes at least twelve weeks from order date for manufacturing, and then our building will be placed on the list for installation. He indicated that it would be two or three months before the windows would be installed. I don't think we should wait on this purchase any longer. I would like to have the new windows installed before the cold season arrives.

The Pullum Window bid is under than the amount approved for this project.

INVESTIGATION REPORT
ATTACHMENT 9

AGENDA NOTE

New Business Item: Window Replacement - Main Police Building

MEETING DATE: August 8, 2016

PERSON PLACING ITEM ON AGENDA: Police Chief

AGENDA TOPIC: Window Replacement – Main Police Building

EXPLANATION OF TOPIC: The main police building windows have been in need of replacement for the past several years. As a result of the deterioration, there are wide gaps between the windows and block encasements. The squad room during the winter months requires a space heater in order to maintain a comfortable temperature, or increasing the setting temperature well above normal for that time of the year. Several of the windows seals have broken causing a film between the glass panes. Five vendors were contacted for quotes. The low bid of \$24,060.39 was submitted by Pullum Windows.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Memo from Lt. Sovik; Response correspondence; bids from Pullum Windows (\$24,060.39) and Pro Bros Window & Showroom (\$25,938.00)

POSSIBLE COURSES OF ACTION: Approve/Do Not Approve the purchase of the replacement windows from Pullum Windows in the amount of \$24,060.39.

RECOMMENDATION: Approve the purchase and installation as bid by Pullum Windows

SUGGESTED MOTION: Motion by _____, supported by _____ to approve the purchase and installation of windows by Pullum Windows in the amount of \$24,060.39.

08/08/16

INVESTIGATION REPORT
ATTACHMENT 10

AGENDA NOTE

New Business: Item #

MEETING DATE: August 8, 2016

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Consider approval of Purchase and installation of replacement windows in City building rented by SLARA at 318 Lake St.

EXPLANATION OF TOPIC: For several years the City has rented the building located at 318 W Lake St. to the South Lyon Area Recreation Authority. During that time very little preventative or on-going maintenance has been done to the building except when necessary to repair significant issues. The building has reached a point that if steps are not taken to begin addressing maintenance items in the building it will become an eyesore and potentially unsafe for the employees working there. Bob Martin and I have toured the building reviewing the priority list of items that most predominantly need addressed. Several of these items Bob believes can be handled by members of the DPW and Water and Waste Water crews. However, the windows in the building have reached the end of their useful life. The existing windows allow wind and snow to enter the building when closed requiring staff to utilize towels and other cloth items to attempt to insulate at the bottom of the frames to stay warm. During the winter condensation collects on the windows emphasizing the difference between the interior and exterior temperatures.

The City of South Lyon collects rent from SLARA for the use of this building and should be reinvesting that money into the upkeep and maintenance of the building. I was given a priority list of items from the Director in May after we had already approved the budget but with the Police Department having bid for new windows for their building I would like to piggyback on that low bid and I had Pullum Windows provide a quote to replace the windows for this building. If the replacement is approved, it will be necessary to approve a budget amendment in the General Fund at the August 22 Council meeting as this is not an item that was budgeted for this fiscal year. The budget to replace the windows which does not include the replacement of any of the glass doors only the windows for this building is \$18,000.92. This price includes installation.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Bid from Pullum Windows

POSSIBLE COURSES OF ACTION: Authorize/Reject Bid from Pullum Windows for replacement of windows in building at 318 W Lake St.

RECOMMENDATION: Approve Bid from Pullum Windows

SUGGESTED MOTION: Motion by _____, supported by _____ to Approve Bid from Pullum Windows in the amount of \$18,000.92 to replace and install windows at 318 W Lake St

08/08/16

INVESTIGATION REPORT
ATTACHMENT 11

**CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
AUGUST 8, 2016**

Mayor Galeas called the meeting to order at 7:30 p.m.
Mayor Galeas led those present in the Pledge of Allegiance

PRESENT: Mayor Galeas
ALSO PRESENT: Council Members: Dedakis, Kivell, Kramer, Kurtzweil, Rzyzi and Wedell
City Manager Ladner, Police Chief Collins, City Attorney Wilhelm,
Department Head Martin, DDA Bob Donahue, Bookkeeper Lori Mosier
and Recording Secretary Marianne Jamison

ABSENT: Clerk/Treasurer Deaton

MINUTES

CM 8-8-16 MOTION TO APPROVE MINUTES

Motion by Kivell, supported by Kramer
Motion to approve the minutes as amended

VOTE: **MOTION CARRIED UNANIMOUSLY**

Wedell – On Page 4 under heading CM 7-3-16 MOTION TO APPROVE 2% PAY INCREASE FOR NON-UNION EMPLOYEES AND DEPARTMENT HEADS –Moved by Kivell with no support (strike supported by Kurtzweil).

BILLS

CM 8-8-16 MOTION TO APPROVE BILLS

Motion by Wedell, supported by Rzyzi
Motion to Approve the Monthly Bills as presented

VOTE: **MOTION CARRIED UNANIMOUSLY**

Kivell questioned on Page 3 of 5 of the Check Register at the top – Civic Research Services in the amount of \$500.

Mosier explained this is from the Cultural Arts and was the facilitator fee.

Kivell questioned, also on Page 5 Visicom Services in the amount of \$11,096.93.

Mosier responded that Visicom is our IT Company and this covers 2 months of services and the Police Department purchased 3 computers as well. There is limited room; only so much information can be put on the description line.

8/8/16

10. Consider approval of Purchase and installation of replacement windows in Main Police Building

During the Budget Workshop we discussed this issue with Council. We estimated the cost would be about \$25,000 to replace the drafty and leaking windows in the Police facility. We do have \$25,000 approved in this FY budget. We attempted to get numerous estimates and a number of vendors would not give a bid for a commercial building. The vendor that originally installed the windows did not want to bid. Only 2 places that bid; Pro Brother's Windows and Showroom for \$25, 938.00 and we got an estimate from a local merchant Pullum Windows for \$24,069.39. The Police Department requests the approval of local vendor Pullum.

Dedakis attested to the Police Department building needing some TLC. There was talk of a combined Police/Fire Department in maybe 5-10 years. You need windows! The Fire and DPW needs attention too. The building is actually separating from the ground. You have my vote on this. Maybe in the future we can have a feasibility session of the combo complex

Collins noted we have had a preliminary meeting with HRC to talk about investigating feasibility of sites.

Galeas noted the problems with the window installation originally at that building.

Kurtzweil stated she thanks Sgt. Sovik for noting this was a budgeted item also. That way she can note if a budget item will need an amendment down the line.

CM 8-8-16 CONSIDER APPROVAL OF PURCHASE AND INSTALLATION OF REPLACEMENT WINDOWS IN MAIN POLICE BUILDING

Motion by Kurtzweil, supported by Kramer

Motion to approve the purchase and installation of replacement windows by Pullum Windows in the amount of \$24,069.39.

VOTE:

MOTION CARRIED UNANIMOUSLY

11. Consider approval of Purchase and installation of replacement windows in City Building rented by SLARA at 318 W. Lake St.

Ladner stated that the City rents the building at 318 W. Lake St. to SLARA (South Lyon Area Recreation Authority). Very little preventative or on-going maintenance has been done to the building unless when it is absolutely necessary to repair it. It is going to reach a point where it becomes an eyesore and potentially unsafe for the employees working there. Martin and I toured the building this week and Amy is here if Council has any questions of her. Several of the items can be handled by the Department of Public Works and Water & Wastewater. SLARA as a board is looking into doing the carpet replacement and paying for that themselves. There

is cracking of the cinder block and light is coming through from the outside. The windows are so drafty they have to put T-shirts along the edge of the windows to stop the draft. The bathroom floor is cracked and heaving so that the toilet does not sit level. It needs significant maintenance. Since the Police Department was doing windows I contacted Pullum Windows to see if we could a quote (discount) to purchase and replaced the windows at the same time. The price to replace the windows (not the glass doors front or back) with new windows is \$18,000.92. It is not a budgeted item but will require a budget amendment out of the General Fund but it is something that needs to be done before winter since it does affect utility bills. It is a building that is dedicated to a woman; there is a plaque outside the door.

Kurtzweil asked if the building needs this much work, how you got through the budget session. How did this happen?

Ladner noted she received the information from Amy after the budget was done. There are small items we can fix in between. Add a slop sink for mopping. Major remodeling of the bathrooms. An exterior door in the back where concrete needs to be reworked. A door on the back that opens onto the driveway so it is a hazard and unusable. I can pass on to Council the full evaluation of needs.

CM 8-8-16 TO WAIVE THE BIDDING PROCESS ON PURCHASE AND INSTALLATION OF WINDOWS IN LEIU OF QUOTES.

Motion by Kramer, supported by Weddell

Motion to waive the bidding process for the replacement of windows in the City Building at 318 W. Lake St.

VOTE:

MOTION CARRIED UNANIMOUSLY

CM 8-8-16 CONSIDER APPROVAL OF PURCHASE AND INSTALLATION OF REPLACEMENT WINDOWS IN CITY BUILDING RENTED BY SLARA AT 318 W. LAKE ST.

Motion by Kramer, supported by Rzyzi

Motion to approve the purchase and installation of replacement windows in the City Building located at 318 W. Lake St. in the amount of \$18,000.92 from Pullum Windows.

VOTE:

MOTION CARRIED UNANIMOUSLY

12. Consider First reading of Ordinance rezoning Parcel 21-19-126-002 from RM-1 (Multiple Family Residential) to PD (Planned Development)

Attorney Wilhelm stated as indicated in the agenda note this is a housekeeping matter. Looking back on November 23, 2015 this matter was brought before the Council for preliminary

8/8/16

INVESTIGATION REPORT
ATTACHMENT 12

Pullum Window Corporation

**415 N. Lafayette
South Lyon, Mi., 48178**

9/9/2016

Lynne Ladner,

South Lyon City Manager

Re: Window Orders for the Police Station and 318 Lake, South Lyon

We are ready to release the window orders for the Police Station and 318 Lake, South Lyon . I have some recommendations on how to improve on the potential energy savings in both projects for the same amount of money the city council approved (no additional cost).

Recommended Specifications:

- **ColorClad Aluminum Clad Wood Windows manufactured in South Lyon by Pullum Window Corporation**
- **Casement and Awning Style Windows (Fixed and Venting)**
- **AAMA 2604 Bronze Field Tested Exterior Powder Coated Cladding**
- **Red Oak interior and Red Oak Interior Trim Clear Coated by PWC**
- **Oil Rubbed Bronze Hardware & Bronze Screen Frames**
- **Glazing: Exterior Pane with Triple Silver Soft Coat Low-e & Interior Pane with U4 Hard Coat Lowe and in addition Argon Gas with Super Spacers (No Bronze Tinted Glass)**
- **Window layout as per the attached elevations Dated 9/9/2016**
- **Installation to include Insulation, Exterior Caulking, Interior Trim**
- **All debris to be disposed of by Pullum Window Corporation**

What do we need to do next to keep the process moving forward?

Thank You

Charlie Pullum

INVESTIGATION REPORT
ATTACHMENT 13

Pullum Window Corporation

**415 N. Lafayette
South Lyon, Mi., 48178**

9/13/2016

**Attn: Lieutenant Christopher Sovik
South Lyon Police Department
219 Whipple, South Lyon, Mi., 48178**

Re: The Window Order for the Police Station

We are ready to release the window orders for the South Lyon Police Department . I have some recommendations on how to improve on the potential energy savings in both projects for the same amount of money the city council approved (no additional cost).

Recommended Specifications:

- **ColorClad Aluminum Clad Wood Windows manufactured in South Lyon by Pullum Window Corporation**
- **Casement and Awning Style Windows (Fixed and Venting)**
- **AAMA 2604 Bronze Field Tested Exterior Powder Coated Cladding**
- **Red Oak Window Interior and Red Oak Interior Trim Clear Coated**
- **Oil Rubbed Bronze Hardware & Bronze Screen Frames**
- **Glazing: Exterior Pane to be Bronze Tinted Glass & Interior Pane with Double Silver Lowe and in addition Argon Gas with Super Spacers**
- **Window layout as per the attached elevations Dated 9/9/2016**
- **Installation to include Insulation, Exterior Caulking, Interior Trim**
- **All debris to be disposed of by Pullum Window Corporation**

NOTE: South Lyon Police Department to remove and reinstall steel bars.

Thank You

Charlie Pullum

INVESTIGATION REPORT
ATTACHMENT 14

FORM CODE # <INV S 17558 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17558 0>
 PH: 248-491-4700 WEBSITE: www.pullumwindow.com

QTE 80878 0 JOB PO#: 44129 BY: LADNER PO: 09/09/2016 ENTER: 09/22/2016 HD SC GR
 NAME: SOUTH LYON POLICE STATION PH: 1-248-437-1773 WK: X W/JB X X
 LOT#: STR#: 219 WHIPPLE CT: SOUTH LYON ST: MI W/B0
 SUB: N/ OFF OF/ S/ E/ W/ INST DEL
 CITY OF SOUTH LYON 355 SOUTH WARREN SOUTH LYON MI 48178

1-248-437-1735 EXT: ANDERSEN WOOD WINDOW REMOVAL IN BLOCK WALL WITH BRICK VENEER
 INSTALL CLD UNITS WITH RED OAK INTERIOR W/CLEAR COAT
 CONTACT: LIEUTENANT CHRISTOPHER SOVIK CHARLIE PULLUM CP2
 CALL FOR LIMITED WARRANTIES

L#	DESC	P R O D U C T			P R O D U C T I O N			MULT	GLAZING	(MOUNT)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING			
		TYPE	STYLE	LINE	SIZE A	SIZE B	SIZE C											GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	X	H

1} PULLUM WINDOW SPECIFICATIONS:
 INSTALLATION INSTRUCTIONS - WINDOW FRAME = BLOCK - 3/8" ON ALL SIDES (3/4" OVER ALL WIDTH AND HEIGHT)
 FOAM BETWEEN BLOCK AND JAMB
 CAULK EXTERIOR WITH BACKER RODS
 INTERIOR TRIM TO BE RED OAK STOP ONLY (NO EXTENSION JAMB - NO CASING)
 SOUTH LYON POLICE DEPARTMENT TO REMOVE AND RE-INSTALL INTERIOR STEEL SECURITY BARS

2} COLORCLAD SPECIFICATIONS:
 BRONZE ALUMINUM CLAD - LOW "E" / ARGON GLAZING
 3/16" BRONZE TINTED GLASS IN THE EXTERIOR PANE
 RED OAK INTERIOR WITH CLEAR COAT FACTORY APPLIED - REMOVE FINIS
 SEE DRAWINGS FOR UNEQUAL STACKED ASSEMBLIES
 [* * FRONT ELEVATION * *]

3} 1 TOP CLD CEMENT C JB 72.125 24.875 S 1 IG LE/AG BRZ ... 1 LT ... ROAK BRZI ... 4 9/16 F-1 0 0

FORM CODE # <INV S 17558 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17558 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 SUB: SEE PAYMENT TERMS BELOW
 SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 2

L#	Q	DESC	P R O D U C T	P R O D U C T I O N	C O D E	MULT	GLAZING	(MOUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING										
			TYPE	STYLE	LINE	SIZE	A	SIZE	B	SIZE	C	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH		W	X	H

GLASS SIZE: 67.625 x 20.375 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK

4} CTR CLD AMMING A JB 48 23.875 V 1 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 F-1 0 0
 GLASS SIZE: 43.5 x 19.375 A1/8 / A1/8 SCREEN SIZE: 44.875 x 19.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

5} BOT CLD CEMENT A JB 23.625 24.125 S 1 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 4 9/16 F-1 73 1/8 49 7/8
 GLASS SIZE: 19.125 x 19.625 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK

6} 1 ... CLD CEMENT C JB 23.5 72.875 L 1 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 F-2 24 1/2 73 3/8
 PRODUCT SERIES: COLORGLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 19 x 68.375 A1/8 / A1/8 SCREEN SIZE: 20.375 x 68.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

CITY OF SOUTH LYON MI 48178 NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 SUB: SEE PAYMENT TERMS BELOW
 SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 3

L#	Q	DESC	PRDUC T	PRDUC T I O N	C O D E	MULT	GLAZING	(MOUNTIN)	FINISH	SCR	HARD JAMB	ROOM	ROUGH OPENING
			TYPE STYLE LINE	SIZE A	SIZE B	SIZE C	TYPE	CUT-UP TYPE CL	INT EXT	S CL	L LF	WIDTH	W X H

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE
 HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR
 7} 1 TOP CLD CEMENT C JB 72 25.375 S 1 IG LE/AG BRZ ... 1 LT ... ROAK BRZ1 ... 4 9/16 F-3 0 0
 GLASS SIZE: 67.5 x 20.875 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 8} CTR CLD ANNING C JB 47.75 23.75 V 1 IG LE/AG BRZ ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 F-3 0 0
 GLASS SIZE: 43.25 x 19.25 A1/8 / A1/8 SCREEN SIZE: 44.625 x 19.625
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

9} BOT CLD CEMENT C JB 23.5 24.25 S 1 IG LE/AG BRZ ... 1 LT ... ROAK BRZ1 ... 4 9/16 F-3 73 50 5/8
 GLASS SIZE: 19 x 19.75 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

FORM CODE # <INV S 17558 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17558 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 SUB:

} Q DESC P R O D U C T P R O D U C T I O N C O D E M U L T GLAZING (M U N T I N) F I N I S H S C R H A R D J A M B R O O M R O U G H O P E N I N G
 TYPE STYLE LINE SIZE A SIZE B SIZE C GLASS TYPE CUT-UP TYPE CL INT EXT S CL L LF WIDTH W X H

10} 1 TOP CLD CEMENT C JB 72 25.375 S 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 .. 4 9/16 R-1 0 0
 GLASS SIZE: 67.5 x 20.875 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 [* * RIGHT ELEVATION * *]

11} CTR CLD ANNING C JB 47.75 23.875 V 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 R-1 0 0
 GLASS SIZE: 43.25 x 19.375 A1/8 / A1/8 SCREEN SIZE: 44.625 x 19.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

12} BOT CLD CEMENT C JB 23.875 24.625 S 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 .. 4 9/16 R-1 73 50 7/8
 GLASS SIZE: 19.375 x 20.125 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK

SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 4

FORM CODE # <INV S 17558 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17558 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON MI 48178 SUB:

SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 5

L#	Q	DESC	PRODUCT TYPE	STYLE	LINE	PRODUCT SIZE A	CTION SIZE B	CODE SIZE C	MULT	GLAZING GLASS TYPE	(MUNTN) CUT-UP TYPE	FINISH INT EXT	SCR S CL	HARD L LF	JAMB WIDTH	ROOM	ROUGH OPENING W x H
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13}	2	...	CLD	C	'MENT	C	JB 23.5	73.875	L	1	IG	LE/AG BRZ	...	1	LT	...	ROAK BRZ1 F	BZ ORBZ 4 9/16 R-2, R-3	24 1/2	74 3/8
-----	---	-----	-----	---	-------	---	---------	--------	---	---	----	-----------	-----	---	----	-----	-------------	-------------------------	--------	--------

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 19 x 69.375 A1/8 / A1/8 SCREEN SIZE: 20.375 x 69.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE
 HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00
 CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

[* * RIGHT ELEVATION * *]

14}	1	TOP	CLD	C	'MENT	C	JB 71.75	25.875	S	1	IG	LE/AG BRZ	...	1	LT	...	ROAK BRZ1	...	4 9/16	R-4	0	0
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GLASS SIZE: 67.25 x 21.375 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK

15}	CTR	CLD	AWNING	C			JB 47.75	23.875	V	1	IG	LE/AG BRZ	...	1	LT	...	ROAK BRZ1 F	BZ ORBZ 4 9/16	R-4	0	0
-----	-----	-----	--------	---	--	--	----------	--------	---	---	----	-----------	-----	---	----	-----	-------------	----------------	-----	---	---

GLASS SIZE: 43.25 x 19.375 A1/8 / A1/8 SCREEN SIZE: 44.625 x 19.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

CITY OF SOUTH LYON MI 48178 NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON SUB: SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 6

L#	Q	DESC	PRODUCT TYPE	STYLE	LINE	SIZE A	SIZE B	SIZE C	GLAZING	MUNTIN	CUT-UP	TYPE	CL	INT	EXT	SCR	HARD	JAMB	ROOM	ROUGH	OPENING
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16} BOT CLD CEMENT C JB 23.875 23.5 S 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 ... 4 9/16 R-4 72 3/4 50 3/8

GLASS SIZE: 19.375 x 19 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

17} 3 ... CLD AMMING C JB 72 49.375 V 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 B-1.2.3 73 49 7/8

GLASS SIZE: 67.5 x 44.875 A1/8 / A1/8
 SCREEN SIZE: 68.875 x 45.25
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

18} 2 ... CLD CEMENT C JB 23.5 73.875 L 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 B-4, B-5 24 1/2 74 3/8

GLASS SIZE: 19 x 69.375 A1/8 / A1/8
 SCREEN SIZE: 20.375 x 69.75
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE
 GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

GLASS SIZE: 19 x 69.375 A1/8 / A1/8
 SCREEN SIZE: 20.375 x 69.75

BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

CITY OF SOUTH LYON
 355 SOUTH WARREN
 SOUTH LYON MI 48178

NAME: SOUTH LYON POLICE STATION
 LOT:
 STR#: 219 WHIPPLE

SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY.

PAGE# 7

L#	Q	DESC	PR O D U C T	PR O D U C T I O N	C O D E	MULT	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING
			TYPE STYLE LINE	SIZE A	SIZE B	SIZE C	TYPE	CUT-UP TYPE	CL INT EXT	S CL	L LF	WIDTH		W	X H

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

[* * LEFT ELEVATION * *]

19} 1 TOP CLD CEMENT C JB 72 24.875 S 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 ... 4 9/16 L-1 0 0

GLASS SIZE: 67.5 x 20.375 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

20} CTR CLD AMMING C JB 47.75 24.25 V 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 L-1 0 0

GLASS SIZE: 43.25 x 19.75 A1/8 / A1/8
 SCREEN SIZE: 44.625 x 20.125
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

GLAZING: AGC CS36 DOUBLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

21} BOT CLD CEMENT C JB 23.5 24 S 1 IG LE/AG BRZ ... 1 LT ROAK BRZ1 ... 4 9/16 L-1 73 49 7/8

GLASS SIZE: 19 x 19.5 A1/8 / A1/8
 BRONZE TINTED GLASS IN THE EXTERIOR INSULATED GLASS SURFACE

FORM CODE # <INV S 17558 0-> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAVETTE, SOUTH LYON, MI, 48178 <INV S 17558 0->

CITY OF SOUTH LYON MI 48178 NAME: SOUTH LYON POLICE STATION
 355 SOUTH WARREN LOT: STR#: 219 WHIPPLE
 SOUTH LYON SUB: SEE PAYMENT TERMS BELOW
 SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 9

L#	Q	DESC	P R O D U C T	P R O D U C T I O N	C O D E	MULT	GLAZING	(MUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH OPENING					
			TYPE	SIZE A	SIZE B	SIZE C	GLASS	CUT-UP	INT	EXT	S	CL	L	LF	WIDTH		W	X	H

TOTAL WITHOUT TAX \$ 24,060.39 TAX ID# NO TAX TOTAL DUE AFTER 30 DAYS \$ 24,310.39 + CHARGE PER MONTH + ALL COLLECTION FEES AND COSTS.

PAYMENT: TAX# NO TAX

INVESTIGATION REPORT
ATTACHMENT 15

QTE 80882 0 JOB PO#: 44130 BY: LADNER PO: 09/09/2016 ENTER: 09/26/2016 HD SC GR
 NAME: SOUTH LYON RECREATION CTR PH: 1-248-437-8105 WK: X W/JB X X
 LOT#: STR#: 318 LAKE ST. CT: SOUTH LYON ST: MI W/BO
 SUB: N/ OFF OF/ LAKE STREET (LAKE ST. IS 10 MILE) S/ E/ DEL
 CALL ANY TO SCHEDULE ALUMINUM WINDOW REMOVAL IN MASONRY W/ LAFAYETTE INST
 INSTALL CLD ALUMINUM CLAD WINDOWS W/RED OAK INTERIOR CHARLIE PULLUM CP2
 ALL SALES ARE FINAL. NO ORDER CHANGES AFTER ORDER ENTRY.
 * * * * *
 SCREENS + GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE * * * * *
 STORED PRODUCTS ARE DISCARDED AFTER 90 DAYS. * * * * *
 CALL FOR LIMITED WARRANTIES

L#	Q	DESC	P R O D U C T			P R O D U C T I O N			MULT	GLAZING	(MOUNT)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING					
			TYPE	STYLE	LINE	SIZE	A	SIZE											B	SIZE	C	GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	X	H
1}																							

PULLUM WINDOW SPECIFICATIONS:

INSTALLATION INSTRUCTIONS: - WINDOW FRAME = BLOCK - 3/8" ON ALL SIDES (3/4" OVERALL WIDTH & HEIGHT)
 FOAM BETWEEN BLOCK AND JAMB
 CAULK EXTERIOR WITH BACKER RODS
 INTERIOR TRIM TO BE RED OAK STOP ONLY (NO EXTENSION JAMBS - NO CASING)

COLORCLAD SPECIFICATIONS:

BRONZE ALUMINUM CLAD EXTERIOR - RED OAK INTERIOR WITH CLEAR COAT - U4/LOW-E/ARGON GLAZING W/PYROLITIC SURF. #4
 NO INTERIOR CASING - JUST 1/4 ROUND IN RED OAK WITH CLEAR COAT
 [* * FRONT ELEVATION * *]
 PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 27.0938 x 43.5 AI/8 / AI/8 SCREEN SIZE: 28.4688 x 43.875
 GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

3}	1	CLD C'MENT C	JB 31.5938	48	SLS	3	IG	LE/AG	1 LT	ROAK BRZ1 F	BZ ORBZ 4	9/16	FRT	LEFT	95	3/4	48	1/2
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FORM CODE # <INV S 17560 0> FORM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17560 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST. SEE PAYMENT TERMS BELOW
 SOUTH LYON MI 48178 SUB: LAKE ST. PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 2

L#	DESC	PRD DUCT TYPE	STYLE	LINE	PRD DUCT TYPE	SIZE A	SIZE B	SIZE C	CODE	MULT	GLAZING GLASS TYPE	(MUNTIN)	FINISH	SCR	HARD JAMB	ROOM	ROUGH OPENING
----	------	---------------	-------	------	---------------	--------	--------	--------	------	------	--------------------	----------	--------	-----	-----------	------	---------------

INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE
 HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

4} 1 ... CLD C'MENT C JB 31.4375 47.375 SRS 3 IG LE/AG ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 FRT RIGH 95 1/4 47 7/8

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 26.9375 x 42.875 A1/8 / A1/8 SCREEN SIZE: 28.3125 x 43.25

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00
 [* * RIGHT ELEVATION * *]

5} 2 ... CLD AWNING C JB 46.25 49.25 V 1 IG LE/AG ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 REAR 47 1/4 49 3/4

GLASS SIZE: 41.75 x 44.75 A1/8 / A1/8 SCREEN SIZE: 43.125 x 45.125
 GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK
 HANDLE: STD OIL RUBBED BRONZE

6} 1 ... CLD C'MENT C JB 17.25 49.25 L 1 IGT LE/AG ... OBS 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 RT ELEV 18 1/4 49 3/4

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 12.75 x 44.75 T1/8 / T1/8 SCREEN SIZE: 14.125 x 45.125

FORM CODE # <INV S 17560 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17560 0>

CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST. SEE PAYMENT TERMS BELOW
 SOUTH LYON MI 48178 SUB: PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 3

L#	DESC	PR O D U C T TYPE STYLE LINE	PR O D U C T I O N SIZE A	SIZE B	SIZE C	MULT	GLAZING GLASS TYPE	(MOUNTIN) CUT-UP TYPE CL	FINISH INT EXT	SCR S CL	HARD L LF	JAMB WIDTH	ROOM	ROUGH OPENING W X H
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OBSCURE GLASS

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

PLAN REFERENCE: C

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

73 1 --- CLD C'MENT C JB 17.25 49.25 R 1 1GT LE/AG --- OBS 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 RT ELEV 18 1/4 49 3/4

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

GLASS SIZE: 12.75 x 44.75 T1/8 / T1/8 SCREEN SIZE: 14.125 x 45.125

OBSCURE GLASS

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

PLAN REFERENCE: C

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

FORM CODE # <INV S 17560 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N.LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 17560 0>

CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST.
 SOUTH LYON MI 48178 SUB: S

L#	Q	BESC	PR O D U C T	PR O D U C T I O N	C O D E	MULT	GLAZING	(MUNTIN)	FINISH	SCR	HARD JAMB	ROOM	ROUGH OPENING
			TYPE STYLE LINE	SIZE A	SIZE B	SIZE C	GLASS TYPE	CUT-UP TYPE CL	INT EXT	S CL	L LF	WIDTH	W X H

[* * REAR ELEVATION * *]

8}	2	---	CLD AMNING C	JB 46.25	49.25	V	1	IG LE/AG 1 LT	ROAK BRZ1 F	BZ ORBZ 4.9/16	RT ELEV 47 1/4 49 3/4
----	---	-----	--------------	----------	-------	---	---	----------	-----------	-------	-------------	----------------	-----------------------

GLASS SIZE: 41.75 x 44.75 A1/8 / A1/8 SCREEN SIZE: 43.125 x 45.125

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

TOTAL WITHOUT TAX \$ 18,000.92 | TAX ID# NO TAX TOTAL DUE AFTER 30 DAYS \$ 18,250.92 + CHARGE PER MONTH + ALL COLLECTION FEES AND COSTS.

PAYMENT: TAX# NO TAX

SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 4

FORM CODE # <INV S 1/7560 0> FORM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI., 48178 <INV S 1/7560 0>
 PH: 248-491-4700 WEBSITE: www.pullumwindow.com

QTE 80882 0 JOB PO#: 44130 BY: LADNER PO: 09/09/2016 ENTER: 09/26/2016 HD SC GR
 NAME: SOUTH LYON RECREATION CTR PH: 1-248-437-8105 WK: X W/JB X X
 LOT#: STR#: 318 LAKE ST. CT: SOUTH LYON ST: MI W/BO
 SUB: N/ OFF OF/ LAKE STREET (LAKE ST. IS 10 MILE) S/ E/ DEL
 W/ LAFAYETTE W/ LAFAYETTE INST
 CALL AMY TO SCHEDULE ALUMINUM WINDOW REMOVAL IN MASONRY P.M.C. CP2
 ALL SALES ARE FINAL. NO ORDER CHANGES AFTER ORDER ENTRY.
 * * * GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE * * *
 STORED PRODUCTS ARE DISCARDED AFTER 90 DAYS. * * *
 CALL FOR LIMITED WARRANTIES

L#	Q	DESC	P R O D U C T	P R O D U C T I O N	C O D E	MULT	GLAZING	(MOUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING
			TYPE STYLE LINE	SIZE A	SIZE B	SIZE C	GLASS TYPE	CUT-UP TYPE CL	INT EXT	S CL	L LF	WIDTH		W	X H

1} PULLUM WINDOW SPECIFICATIONS:
 INSTALLATION INSTRUCTIONS: - WINDOW FRAME = BLOCK - 3/8" ON ALL SIDES (3/4" OVERALL WIDTH & HEIGHT)
 FOAM BETWEEN BLOCK AND JAMB
 CAULK EXTERIOR WITH BACKER RODS
 INTERIOR TRIM TO BE RED OAK STOP ONLY (NO EXTENSION JAMBS - NO CASING)

2} COLORCLAD SPECIFICATIONS:
 BRONZE ALUMINUM CLAD EXTERIOR - RED OAK INTERIOR WITH CLEAR COAT - U4/LOW-E/ARGON GLAZING W/PYROLITIC SURF.#4
 NO INTERIOR CASING - JUST 1/4 ROUND IN RED OAK WITH CLEAR COAT
 [* * FRONT ELEVATION * *]
 PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE
 GLASS SIZE: 27.0938 x 43.5 A1/8 / A1/8 SCREEN SIZE: 28.4688 x 43.875
 GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

3} 1 ... CLD C'MENT C JB 31.5938 48 SLS 3 IG LE/AG ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 FRT LEFT 95 3/4 48 1/2

FORM CODE # <INV S 1/7560 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI, 48178 <INV S 17560 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST. SEE PAYMENT TERMS BELOW
 SOUTH LYON MI 48178 SUB: LAKE ST. PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 2

L#	Q	DESC	PRODUCT TYPE	STYLE	LINE	PRODUCT SIZE A	STATION SIZE B	CODE SIZE C	MULT	GLAZING TYPE	(MUNTIN) CUT-UP TYPE	FINISH INT EXT	SCR S CL	HARDWARE L F	JAMB WIDTH	ROOM	ROUGH OPENING W X H
----	---	------	--------------	-------	------	----------------	----------------	-------------	------	--------------	----------------------	----------------	----------	--------------	------------	------	---------------------

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

4} 1 --- CLD C'MENT C JB 31.4375 47.375 SRS 3 IG LE/AG ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 FRT RIGH 95 1/4 47 7/8

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

GLASS SIZE: 26.9375 x 42.875 A1/8 / A1/8 SCREEN SIZE: 28.3125 x 43.25

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

[* * RIGHT ELEVATION * *]

5} 2 --- CLD AWNING C JB 46.25 49.25 V 1 IG LE/AG ... 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 REAR 47 1/4 49 3/4

GLASS SIZE: 41.75 x 44.75 A1/8 / A1/8 SCREEN SIZE: 43.125 x 45.125

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

6} 1 --- CLD C'MENT C JB 17.25 49.25 L 1 IGT LE/AG ... OBS 1 LT ... ROAK BRZ1 F BZ ORBZ 4 9/16 RT ELEV 18 1/4 49 3/4

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

GLASS SIZE: 12.75 x 44.75 T1/8 / T1/8 SCREEN SIZE: 14.125 x 45.125

FORM CODE # <INV S 17560 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI, 48178 <INV S 17560 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST.
 SOUTH LYON MI 48178 SUB: SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 3

L#	Q	DESC	PR O D U C T	TYPE	STYLE	LINE	PR O D U C T I O N	C O D E	MULT	GLAZING	(MOUNTIN)	FINISH	SCR	HARD	JAMB	ROOM	ROUGH	OPENING						
			SIZE A	SIZE B	SIZE C					GLASS	TYPE	CUT-UP	TYPE	CL	INT	EXT	S	CL	L	LF	WIDTH	W	X	H

OBSCURE GLASS

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL
 INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

PLAN REFERENCE: C

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

7} 1 ---- CLD C'MENT C JB 17.25 49.25 R 1 IGT LE/AG ... OBS 1 LT ROAK BRZ1 F BZ ORBZ 4 9/16 RT ELEV 18 1/4 49 3/4

PRODUCT SERIES: COLORCLAD WITH MULTIPPOINT HARDWARE

GLASS SIZE: 12.75 x 44.75 TL/8 / TL/8 SCREEN SIZE: 14.125 x 45.125

OBSCURE GLASS

GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL

INTERIOR: RED OAK

HANDLE: STD OIL RUBBED BRONZE

HINGE TYPE: STANDARD WASHABILITY HINGES# 14.76.00

CASEMENT WINDOWS NARROWER THAN 24 INCHES MUST HAVE A DYAD SPLIT ARM OPERATOR

PLAN REFERENCE: C

*** THE ABOVE LINE ITEM CONTAINS TEMPERED GLASS IN THE EXTERIOR AND INTERIOR LITES. ***

FORM CODE # <INV S 17560 0> FROM: INVOICE FROM: PULLUM WINDOW CORP., 415 N. LAFAYETTE, SOUTH LYON, MI, 48178 <INV S 17560 0>
 CITY OF SOUTH LYON NAME: SOUTH LYON RECREATION CTR
 355 SOUTH WARREN LOT: STR#: 318 LAKE ST.
 SOUTH LYON MI 48178 SUB: S C O D E

SCREENS AND GRILLS MAY BE BACK ORDERED FOR YOUR CONVENIENCE.
 SEE PAYMENT TERMS BELOW
 PLEASE CALL FOR A COPY OF THE LIMITED WARRANTY. PAGE# 4

[* * REAR ELEVATION * *]

L#	Q	DESC	PR O D U C T	PR O D U C T I O N	C O D E	MULT	GLAZING	(MOUNTN)	FINISH	SCR	HARD JAMB	ROOM	ROUGH OPENING
			TYPE STYLE LINE	SIZE A	SIZE B	SIZE C	GLASS TYPE	CUT-UP TYPE CL	INT EXT	S CL	L LF	WIDTH	W X H
8}	2	----	CLD AMNING C	JB 46.25	49.25	V	1	IG LE/AG	.... 1 LT	.....	ROAK BRZ1 F	BZ ORBZ 4.9/16	RT ELEV 47 1/4 49 3/4
				GLASS SIZE: 41.75 x 44.75	A1/8	/ A1/8	SCREEN SIZE: 43.125 x 45.125						
				GLAZING: AGC CS28 TRIPLE SILVER LOWE WITH ARGON GAS & BLACK SUPERSPACER DUAL SEALED WITH HOT MELT BUTYL									
				INTERIOR: RED OAK									
				HANDLE: STD OIL RUBBED BRONZE									

TOTAL WITHOUT TAX \$ 18,000.92 | TAX ID# NO TAX TOTAL DUE AFTER 30 DAYS \$ 18,250.92 + CHARGE PER MONTH + ALL COLLECTION FEES AND COSTS.

PAYMENT: TAX# NO TAX

INVESTIGATION REPORT
ATTACHMENT 16



JOHNSON ROSATI SCHULTZ JOPPICH PC

27555 Executive Drive Suite 250 ~ Farmington Hills, Michigan 48331

Phone: 248.489.4100 | Fax: 248.489.1726

Timothy S. Wilhelm
twilhelm@jrslaw.com

www.jrslaw.com

November 26, 2016

Mayor John Galeas, Jr. and City Council
City of South Lyon
335 S. Warren Street
South Lyon, MI 48178

RE: Pullum Window Corporation Contracts – Conflict of Interest

Dear Mayor Galeas and Council Members:

It has been brought to my attention that Council Member Kivell was employed by Pullum Window Corporation ("Pullum") on August 8, 2016, when City Council approved the Pullum bids to install windows in the Police Department and SLARA buildings. The August 8, 2016 Council minutes are enclosed, see pages 15-16. Council Member Kivell voted on both matters and did not disclose his employment relationship with Pullum. His employment at Pullum was a clear conflict of interest as it would tend to impair his independence of judgment as a Council member. His failure to disclose his employment relationship with a bidder for contracts with the City and voting to approve them was improper and contrary to the City's Code of Ethics contained in Sections 2-71 through 2-76 of the Code of Ordinances.

Furthermore, his participation in the review and approval of these bids and contracts raises questions regarding their validity which will need to be addressed. But, before I can provide a specific recommendation for addressing this conflict of interest I need to conduct additional legal research and obtain additional information regarding Council Member Kivell's employment relationship with Pullum and the bid and contract details. Depending the facts and circumstances, Charter Sections 4.6(c) and 5.2 and Code Section 2-75(b)(5) may be applicable, each of which prohibits a council member from voting on a contract or other matter in which he or she has a financial interest.

Charter Section 4.6(c) pertains to the Rules of Council and states:

Section 4.6 The Council shall determine the rules of its proceedings
subject to the following provisions:

(c) No Councilman shall vote on any question in which he is financially interested or on any question concerning his own official conduct; but on all other questions every Councilman present shall vote unless excused by unanimous consent of the remaining members present.

Charter Section 5.2 entitled "Financial Interests Prohibited" states as follows:

Section 5.2 No person holding any elective or appointive office under the City government shall take any official action on any contract with the City or other matter in which he is financially interested, or be a bondsman or surety on any contract or bond given to the City. Any member of the Council or other officer found guilty of violating the provisions of this section may be punished by a fine of not to exceed five hundred dollars (\$500.00) or be imprisoned for not more than ninety (90) days or both within the discretion of the court. The conviction of any Councilman or officer under this section shall operate in itself to forfeit his office. (Emphasis added).

Code Section 2-75(b)(5) also addresses contracts with the City and states:

(5) Contracts with the city. Any councilman or other official or employee who has a substantial or controlling financial interest in any business entity, transaction, or contract with the city, or in the sale of real estate, materials, supplies, or services to the city, shall make known to the proper authority such interest in any matter on which he may be called to act in his official capacity. He shall refrain from voting upon or otherwise participating in the transaction or the making of such contract or sale.

A councilman or other official or employee shall not be deemed interested in any contract or purchase or sale of land or other thing of value unless such contract or sale is approved, awarded, entered into, or authorized by him in his official capacity.

Note, the Charter and Code do not prohibit the approval of contracts between the City and a council member or where a council member has a financial interest; rather, under those authorities, generally the financial interest must be identified and disclosed and the interested council member is prohibited from voting on or participating in the matter. Other facts that may impact this issue include whether Pullum has installed the windows, and, if so, whether the City has paid Pullum for the work.

Mayor John Galeas, Jr. and City Council
Pullum Window Corp Contracts – Conflict of Interest
November 26, 2016
Page 3

Although I do not yet have a definitive recommendation for addressing this issue, I felt it necessary to bring this to your attention. If you have any question or concerns regarding the foregoing in advance of the Council meeting, please do not hesitate to contact me.

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.

A handwritten signature in black ink, appearing to read 'T. Wilhelm', with a long horizontal flourish extending to the right.

Timothy S. Wilhelm

end

cc Lynne Ladner, City Manager
Lloyd Collins, Police Chief

INVESTIGATION REPORT
ATTACHMENT 17

CM 11-10-16 MOTION TO APPROVE PURCHASE OF 2014 FORD 4X4 SE ESCAPE FROM VARSITY FORD

Motion by Kurtzweil, supported by Kramer

Motion to approve purchase of 2014 Ford 4X4 SE Escape from Varsity Ford

VOTE:

MOTION CARRIED UNANIMOUSLY

8. Discussion regarding conflict of interest with Councilmember Kivell and Pullum Windows

Councilmember Kivell stated when the item was brought up about the Police Department needing new windows, he wasn't aware of anything else until the bids were brought back to Council by Lt. Sovik or Chief Collins. At that time, he noticed Pullum Windows had made a very competitive bid winning the low bid of the project. He was happy the owner of the business stepped up with an interest to help out his community. He further stated he has no interest financially, he builds windows. He further stated he doesn't get anything extra. Mr. Kivell stated after the bid was achieved Charlie Pullum told him he

doesn't believe Lt. Sovik understood what exactly is going on with the windows. He stated they sell many different high end windows. He further stated Charlie Pullum wanted to make their own windows for that building with an oak interior. Mr. Kivell stated he was adamant about pursuing that. He further stated when the bid approval came about, he didn't think twice about it, he has no financial gain. He further stated it would have been in his and Council's best interest if he had recognized that, to eliminate the potential of a conflict of interest, and for that he apologizes.

Councilmember Rzyzi stated he added this to the discussion because it is very serious and more serious than an oversight. He further stated most of the people on Council care about the residents, and everyone puts on their best face, but behind the scenes not everyone is so nice. He stated he was offended by the letter from City Attorney Wilhelm regarding the conflict of interest of Councilmember Kurtzweil. He further stated additionally, he felt as though he was cut off by Mayor Galeas. He stated Attorney Wilhelm stated has shown bias regarding himself and Councilmember Kurtzweil on multiple occasions. He further there is more than meets the eye with how people are treated on this Council. He stated he wants to commend Councilmember Kurtzweil for bringing her conflict of interest forth. He further stated Councilmembers Kivell conflict is a serious topic. He quoted a letter from the City Attorney which stated his employment with Pullum was a clear conflict of interest because it would tend to impair his independence of judgement as a Councilmember. He further quoted his failure to disclose his employment with a potential bidder was improper and contrary to the City's Code of Ethics.

Mayor Galeas stated the overall tone of this Council of being mean and rude to people across the board is unacceptable, and it doesn't matter who it comes from. We should treat people the way we want to be treated and we should be able to discuss things in a business-like matter whether everyone agrees with each other or not. He further stated you have to pay attention and some things are done innocently and you can't let personal things from the past interfere with your decisions. He stated when he was on Council years ago, someone did some work on his vehicle, and he then found out that person was also doing some work for the City. He let the City Manager know. He further stated if you don't acknowledge it, everyone thinks the worse. He thinks differently than other people and he thinks we need to pay attention to the real issues, not what is personally happening. Mayor Galeas stated there is a lot of good going on, but the sidetracking and the things that are taking our minds off of what we should be doing as a Council.

11/28/16

INVESTIGATION REPORT
ATTACHMENT 18



JOHNSON ROSATI SCHULTZ JOPPICH PC

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Phone: 248.489.4100 | Fax: 248.489.1726

Timothy S. Wilhelm
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December 1, 2016

Mayor John Galeas, Jr. and City Council
City of South Lyon
335 S. Warren Street
South Lyon, MI 48178

RE: Pullum Windows Bids – Council Member Kivell Conflict of Interest

Dear Mayor Galeas and Council Members:

On November 26, 2016, I provided correspondence advising you of Council Member Kivell's conflict of interest with respect to the approvals of Pullum Window Corporation's bids for the installation of windows at the Police Department and SLARA buildings. Council Member Kivell was employed by Pullum when the Council approved the Pullum bids, but he did not disclose his employment or the conflict of interest and voted on the approvals rather than recusing himself.

Because he did not disclose his conflict of interest as to Pullum and voted on the approvals, the validity and legality of the approvals is in question. There is case law in Michigan to the effect that an improper vote due a conflict of interest invalidates a contract. See, *Elieff v. Marquardt*, 69 Mich. App. 311, 244 N.W.2d 624 (1976). The problem that arises here is that the windows have already been installed at both the Police Department and SLARA building. The City Council approved the payment to Pullum for the Police Department windows on November 14, 2016, but the invoice for the SLARA windows has not yet been presented to Council for payment.

Voiding the bids and contracts would not end the issue. If not paid pursuant to an actual written contract, the contractor would very likely have a good claim for payment under an equitable theory for unjust enrichment or quantum meruit (the principle that one is entitled to be paid for the value of the work done for another even in the absence of a contract). Here, that would be true.

Because all members of Council, even exclusive of Council Member Kivell, were in favor of the Pullum bids, as was the City Administration, the best course at this point may be to consider simply ratifying, or re-doing, the August 8th votes and approvals with Council Member Kivell recusing himself due to his conflict of interest.

The three Council motions from August 8th include: i) consider approval of the Pullum bid to install windows at the Police Department; ii) consider waiving the bid process for the SLARA window project; and iii) consider approval of the Pullum bid to install windows at the SLARA building. The vote on each of these actions was unanimous, and it appears the Pullum bids were recommended because Pullum is a reputable local business and submitted the lowest bids.

Also, based on his statements during the November 28, 2016, Council meeting, it does not appear Council Member Kivell has or had a financial interest in the Pullum bids or contracts. He stated he was not aware of the Pullum bids prior them being presented to Council, and he did not participate in the bidding process in any way. Further, he explained that as an employee of Pullum he makes windows and is paid by the hour. He is not employed as a salesperson and did not receive any compensation or other financial benefit from the City's approvals of the Pullum bids.

Based on the foregoing, I recommend that Council address any question regarding the validity of the approvals of the Pullum bids and the City's authority to accept and pay for the windows that Pullum has already installed by ratifying or re-approving the Pullum bids and contracts. Council Member Kivell should recuse himself from any such actions.

If Council ratifies or re-approves its prior actions, I do not believe any further action by Council will be required on this matter. But, if Council wishes to take other actions or would like information on other options, I remain ready to provide any assistance I can or as otherwise directed.

Should you have any questions or concerns regarding the foregoing, please do not hesitate to contact me.

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.



Timothy S. Wilhelm

cc L. Ladner, City Manager
L. Collins, Police Chief

INVESTIGATION REPORT
ATTACHMENT 19



JOHNSON ROSATI SCHULTZ JOPPICH PC

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Timothy S. Wilhelm
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December 2, 2016

Mayor John Galeas, Jr. and City Council
City of South Lyon
335 S. Warren Street
South Lyon, MI 48178

RE: Pullum Windows Bids – Council Member Kivell Conflict of Interest

Dear Mayor Galeas and Council Members:

This correspondence is provided in response to the requests for information on the City's options for addressing Council Member Kivell's conflict of interest, which arose when he voted to approve the Pullum Window Corporation bids and contracts on August 8, 2016, while employed by Pullum but without disclosing his conflict of interest.

I previously addressed this issue in correspondence dated November 26, 2016 and December 1, 2016. In the latter correspondence, I advised that the concerns regarding the validity of the Pullum bid approvals presented by Council Member Kivell's conflict of interest could be addressed by re-approving or ratifying the approvals, and if re-approved, no further action by Council would be required. This position is based on the available information and circumstances surrounding this matter, including how the Pullum bids were obtained and approved and other information regarding Council Member Kivell's employment at Pullum.

As to the bid for the Police Department windows, the City, through its Police Department, approached Pullum for a bid, for a budgeted expenditure, after another contractor suggested that the City should contact Pullum. Also, Pullum's bid for the SLARA building was initiated on short notice by the City Manager following demands by SLARA that the City address various maintenance issues. The City Administration recommended approval of the bids because Pullum is a reputable local company and submitted the lowest bid which was consistent with the other bid the City received. Furthermore, the votes on all three motions relating to the Pullum bids were unanimous voice votes.

Further, there is nothing indicating Council Member Kivell influenced or participated in the bid process in any way, particularly because the two bids were handled by different departments. Council Member Kivell stated publicly that he works in the shop for Pullum making and assembling windows, and he gets paid by the hour. He stated he had no financial interest in the Pullum contracts and did not receive any financial benefit or additional compensation as a result of the approvals of the contracts with the City. Mr. Pullum has confirmed that Mr. Kivell received no financial benefit from the contracts. Thus, based on the available information, there is nothing indicating there was a violation of Charter Sections 4.6(c) or 5.2 or Code Section 2-75(b)(5) which prohibit a council member from voting on a matter in which the member is financially interested.

As I stated previously, Council Member Kivell should have disclosed his conflict of interest and recused himself from participating in and voting on the Pullum bids. But, his voting on the approvals does not appear to have been intentional, and there is no information indicating that he intended to or did improperly influence the bid process or benefit himself financially. The legal issues raised by his failure to disclose his conflict of interest can be addressed if Council were to re-approve or ratify the approvals.

As to the requests for information on what else the City could do regarding this matter, I offer the following:

1. Council could hire an outside attorney or other individual to conduct an investigation and provide findings, conclusions, and/or recommendations to Council. As indicated in the City Manager's email, she has already obtained the names of several attorneys from the Michigan Municipal League that may be able to assist the City in this capacity.
2. The matter could be referred to a law enforcement agency, as was done earlier this year, such as the Oakland County Prosecutors Office, for an investigation. As referenced by Chief Collins in his email, this could be done following or in conjunction with an outside investigation. If Council were to refer this matter to law enforcement, I would recommend against having the South Lyon Police Department conduct the investigation.
3. The matter could be referred to the City's Ethics Commission as provided for in the City's Code of Ethics, Code Sections 2-71 through 2-78, but doing so would require that Council first appoint members to the Commission.
4. Council could take other disciplinary-like actions, such as "censure," which is inherent in the Council's authority.

Should you have any questions or concerns regarding the foregoing, please do not hesitate to contact me.

Mayor Galeas and City Council
December 2, 2016
Page 3

Very truly yours,

JOHNSON, ROSATI, SCHULTZ & JOPPICH, P.C.



Timothy S. Wilhelm

cc L. Ladner, City Manager
L. Collins, Police Chief