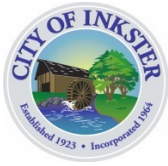


1. Agenda

Documents: [01-21 14 AGENDA.PDF](#)

2. Packet

Documents: [01-21 14 PACKET.PDF](#)



INKSTER CITY COUNCIL

January 21, 2014
26215 Trowbridge, Inkster, MI 48141
(313) 563-4232 www.cityofinkster.com

Mayor – Hilliard L. Hampton, II
Mayor Pro Tem – Marcus L. Hendricks, District II

Council Members:

Timothy Williams, District I
Lorenzo A. Moner, Jr., District III
Michael A. Canty, District IV
Kim Howard, District V
Dennard Shaw, District VI

FELICIA RUTLEDGE
CITY CLERK

RICHARD MARSH
CITY MANAGER

DAVID JONES
CITY ATTORNEY

Council may be addressed during the Regular Meeting by filling out the Public Participation Form. Address Council as a whole through the Mayor. Please state your name and your address for the record prior to providing your comments. Comments are limited to three (3) minutes.

Council Orientation Agenda – 6:00 PM

1. Call to Order
2. Discussion
 - A. Agenda
3. Presentations
4. Public Hearing
5. Public Participation (limit to 3 minutes)
6. CLOSED SESSION – Council may enter into Closed Session to discuss contract negotiations, purchase or lease of real property and/or pending litigation in accordance with MCL 15.268 (a), (c), (d), (e) and/or (f).
7. Adjournment

January 21, 2014
Regular City Council Agenda – 7:30 PM

1. Call Meeting to Order

- A. Pledge of Allegiance
- B. Roll Call

2. Approval of Agenda

3. Presentations/Discussion

- A. Presentation to the City Manager-Super Saturday Committee.
- B. Marvelettes-Proclamation.
- C. Inkster Viking Pride-Fundraising Presentation.
- D. Stratford Place Proposed Development-Al Bogden.
- E. Judeh and Associates-Jumana Judeh

4. Public Hearing

5. Consent Agenda

- A. December 16, 2013 Regular Council Meeting Minutes. **Pg. 1**
- B. December 14, 2014 Special Council Meeting Minutes. **Pg. 5**
- C. Receive & File City of Inkster Local Compensation Commission Report/Minutes. **Pg. 7**
- D. Allen Brothers & Associates PLLC December invoice \$ 21,230.08. **Pg. 8**

6. Boards and Commissions

- A. Update of current list of appointments to Boards & Commissions. **Pg. 9**

7. Previous Business

8. Ordinance(s)

A. First Reading(s)

1. Consider giving first reading and introduction to the City of Inkster Code of Ordinances with an Ordinance Addressing Floodplain Management Provisions of the State Construction Code. **Pg. 16**

B. Second Reading(s)

9. New Business

- A. Discussion/Action: (Mark Stuhldreher) Consider approval of a Resolution authorizing amendments to the general employees City of Inkster Retirement Income Plan that clarify and update certain language as required by the Internal Revenue Service. **Pg. 20**

- B. Discussion/Action: (Mark Stuhldreher) Consider authorization to rescind Commercial and Residential Water Shut Off Policies adopted July, 2011 and February, 2012 respectively. **Pg.94**

- C. Discussion/Action: (Mark Stuhldreher) Consider approval of a Service Agreement with UHY Advisors MI, Inc. to conduct a review of the City's legal program. **Pg. 97**

- D. Discussion/Action: (Jeannie Fields) Consider authorizing issuance of a request for proposals for development and acquisition of the Civic Center Area located near the northeast corner of Michigan Avenue and Inkster Road. **Pg. 103**

- E. Discussion/Action: (Jeannie Fields) Consider adopting 2014 meeting calendars of the Brownfield Development Authority, Downtown Development Authority, Planning Commission, Economic Development Corporation, Tax Increment Finance Authority and Zoning Board of Appeals. **Pg. 112**

- F. Discussion/Action: (Jeannie Fields) Consider an offer to purchase (Case # LD13-16) 29043 Avondale which is located on the south side of Avondale between Eastern and Central and is legally described as Lot 17 Grand View Gardens Sub T2S, R9E, L45, P94 WCR (Property ID # 005-01-0017-000) in the amount of \$3,200.00 to Alphonsus E. Obi. **Pg. 115**

- G. Discussion/Action: (Richard Marsh) Authorization to retain Risk Management Associates (RMA) to conduct an assessment and evaluation of the Inkster Police Department and to accept their proposal in the amount of \$19,000.00.

10. Public Participation (limit to 3 minutes)

11. Mayor and Council Communication

12. City Clerk

13. City Manager

14. Closed Session

Council may enter into Closed Session to discuss contract negotiations, purchase or lease of real property and/or pending litigation in accordance with MCL 15.268 (a), (c), (d), (e) and/or (f).

15. Adjournment

Felicia Rutledge
City Clerk



INKSTER CITY COUNCIL

January 21, 2014
26215 Trowbridge, Inkster, MI 48141
(313) 563-4232 www.cityofinkster.com

Mayor – Hilliard L. Hampton, II
Mayor Pro Tem – Marcus L. Hendricks, District II

Council Members:

Timothy Williams, District I
Lorenzo A. Moner, Jr., District III
Michael A. Canty, District IV
Kim Howard, District V
Dennard Shaw, District VI

FELICIA RUTLEDGE
CITY CLERK

RICHARD MARSH
CITY MANAGER

DAVID JONES
CITY ATTORNEY

Council may be addressed during the Regular Meeting by filling out the Public Participation Form. Address Council as a whole through the Mayor. Please state your name and your address for the record prior to providing your comments. Comments are limited to three (3) minutes.

Council Orientation Agenda – 6:00 PM

1. Call to Order
2. Discussion
 - A. Agenda
3. Presentations
4. Public Hearing
5. Public Participation (limit to 3 minutes)
6. CLOSED SESSION – Council may enter into Closed Session to discuss contract negotiations, purchase or lease of real property and/or pending litigation in accordance with MCL 15.268 (a), (c), (d), (e) and/or (f).
7. Adjournment

January 21, 2014
Regular City Council Agenda – 7:30 PM

1. Call Meeting to Order
 - A. Pledge of Allegiance
 - B. Roll Call
2. Approval of Agenda
3. Presentations/Discussion
 - A. Presentation to the City Manager-Super Saturday Committee.
 - B. Marvelettes-Proclamation.
 - C. Inkster Viking Pride-Fundraising Presentation.
 - D. Stratford Place Proposed Development-Al Bogden.
 - E. Judeh and Associates-Jumana Judeh
4. Public Hearing
5. Consent Agenda
 - A. December 16, 2013 Regular Council Meeting Minutes. **Pg. 1**
 - B. December 14, 2014 Special Council Meeting Minutes. **Pg. 5**
 - C. Receive & File City of Inkster Local Compensation Commission Report/Minutes. **Pg. 7**
 - D. Allen Brothers & Associates PLLC December invoice \$ 21,230.08. **Pg. 8**
6. Boards and Commissions
 - A. Update of current list of appointments to Boards & Commissions. **Pg. 9**
7. Previous Business

8. Ordinance(s)

A. First Reading(s)

1. Consider giving first reading and introduction to the City of Inkster Code of Ordinances with an Ordinance Addressing Floodplain Management Provisions of the State Construction Code. **Pg. 16**

B. Second Reading(s)

9. New Business

- A. Discussion/Action: (Mark Stuhldreher) Consider approval of a Resolution authorizing amendments to the general employees City of Inkster Retirement Income Plan that clarify and update certain language as required by the Internal Revenue Service. **Pg. 20**

- B. Discussion/Action: (Mark Stuhldreher) Consider authorization to rescind Commercial and Residential Water Shut Off Policies adopted July, 2011 and February, 2012 respectively. **Pg.94**

- C. Discussion/Action: (Mark Stuhldreher) Consider approval of a Service Agreement with UHY Advisors MI, Inc. to conduct a review of the City's legal program. **Pg. 97**

- D. Discussion/Action: (Jeannie Fields) Consider authorizing issuance of a request for proposals for development and acquisition of the Civic Center Area located near the northeast corner of Michigan Avenue and Inkster Road. **Pg. 103**

- E. Discussion/Action: (Jeannie Fields) Consider adopting 2014 meeting calendars of the Brownfield Development Authority, Downtown Development Authority, Planning Commission, Economic Development Corporation, Tax Increment Finance Authority and Zoning Board of Appeals. **Pg. 112**

- F. Discussion/Action: (Jeannie Fields) Consider an offer to purchase (Case # LD13-16) 29043 Avondale which is located on the south side of Avondale between Eastern and Central and is legally described as Lot 17 Grand View Gardens Sub T2S, R9E, L45, P94 WCR (Property ID # 005-01-0017-000) in the amount of \$3,200.00 to Alphonsus E. Obi. **Pg. 115**

- G. Discussion/Action: (Richard Marsh) Authorization to retain Risk Management Associates (RMA) to conduct an assessment and evaluation of the Inkster Police Department and to accept their proposal in the amount of \$19,000.00.

10. Public Participation (limit to 3 minutes)

11. Mayor and Council Communication

12. City Clerk

13. City Manager

14. Closed Session

Council may enter into Closed Session to discuss contract negotiations, purchase or lease of real property and/or pending litigation in accordance with MCL 15.268 (a), (c), (d), (e) and/or (f).

15. Adjournment

Felicia Rutledge
City Clerk

December 16, 2013

Regular City Council Meeting – 7:30 PM

The regular meeting of the Council of the City of Inkster, Wayne County, Michigan convened in the Council Chambers, 26215 Trowbridge, on Monday, December 16, 2013

Prior to the Regular Council Meeting: The agenda was discussed.

Moved by Councilmember Canty, Seconded by Councilmember Williams that Council convenes into a Closed Executive Session at 7:20 p.m. to discuss pending litigation in accordance with MCL 15.286 (e).

Roll Call Vote:

YEAS: 6
NAYS: 0
ABSENT: 1 (Moner)

Moved by Councilmember Williams, Seconded by Councilmember Canty to adjourn the Closed Executive Session at 7:28 p.m. – Motion carried unanimously.

Call Meeting to Order

Mayor Hampton called the meeting to order at 7:30 p.m.

Pledge of Allegiance

City Council and the public in attendance pledged allegiance to the flag of the United States of America.

Roll Call

Mayor Hampton	Present	Councilwoman Howard	Present
Councilman Moner	Absent	Councilman Williams	Present
Mayor Pro Tem Hendricks	Present	Councilman Canty	Present
Councilman Shaw	Present		

***A Quorum was present**

Approval of Agenda

Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Williams to approve the agenda with added item "B" under Presentations.
Resolution 12-13-180R - Motion carried.

Presentations/Discussion

- A. Inkster Auxiliary Police-Proclamation.
- B. Mr. Hinton and Commander Stubbs-Veteran's Housing
- C.

Public Hearings (N/A)

Consent Agenda

- A. December 2, 2013 Regular City Council Meeting Minutes.

**Moved by Councilmember Canty, Seconded by Councilmember Shaw
to approve the consent agenda.**

Resolution 12-13-181R-Motion carried unanimously.

Boards and Commission

- A. Update of current list of appointments to Boards & Commissions.

Previous Business

Ordinance(s)

New Business

- A. Discussion/Action (Richard Marsh): Consider approval of an offer to purchase (Case # LD13-15) vacant residential land (3 lots) which is located on the south side of Carlisle between John Daly and Bayhan and is legally described as E 70 ft of Lot 259, W 35 ft of Lot 259 and Lot 260 Robt M. Gridleys Sub No. 10 of Little Farms T2S, R10E, L39, P70, WCR (Property ID # 023-01-0259-001, # 023-01-0259-002 and # 023-01-0260-300) in the amount of \$1,200.00 to Kenneth E. Letster.

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Williams
to approve an offer to purchase three vacant lots.**

Resolution 12-13-182R- Motion carried unanimously.

- B. Discussion/Action (Felicia Rutledge) Consider authorizing Polling Location Precinct consolidations.

**Moved by Councilmember Shaw, Seconded by Councilmember Williams
to approve polling location permanent precinct consolidations.**

Resolution 12-13-183R-Motion carried unanimously.

Public Participation

- Mary McClendon**-Informed residents of District 12 monthly talks beginning the first Monday in January at the Inkster Library at 12:30 p.m. additionally she wished all residents a Happy Holiday Season.
- Larry Bonereck**- Wised everyone a Merry Christmas and Happy New Year. He stated that the streets were plowed during the snowfall and about the automated phone system at City Hall.
- Willie Johnson**-Thanked the City Manager and Councilman Shaw for their efforts. He stated he attended the Police Press Conference and some windows were missing at a home on Chestnut.
- Rev. George Williams**-Would like to know in writing about how the funds were spent for the Senior, Parks and Recreation and Youth millage.
- Gina Wilson Steward**-Thanked the citizens and City Council for the support of the Telegram Newspaper. She informed residents that the City of Romulus would be hosing a Martin Luther

King free Pancake Breakfast. She wished everyone Happy Holiday's and also asked that residents start paying close attention to the State legislator and decisions that they have been making.

Mayor and Council Communications

- **Councilman Williams-** Wished all residents a Happy Holiday season. Additionally he stated that he would be starting his Town Hall Meetings back on January 9, 2014 at 6:00 p.m. These meetings will be held to keep residents informed.
- **Councilman Canty-**Wished everyone Happy Holiday's. He stated that there would be a lot of work to do regarding the water delinquency. He asked that everyone keep Councilmember Moner in their prayers.
- **Councilman Shaw-**Asked questions about the audit report. He thanked Mark Stuhldreher and the City Manager, Richard Marsh for their efforts on the audit and allowing the process to be transparent. He asked about the upcoming Business forum.
- **Mayor Pro-Tem Hendricks-** Wished all residents a Happy Holiday Season. He asked about the upcoming Business forum.
- **Councilwoman Howard-**Wished everyone a Happy Holiday Season.
- **Mayor Hampton-**Asked about the website being updated. He asked who is overseeing the Planning and Economic Department, and stated that the 50th Anniversary plans need to be getting under way. He thanked the DPS staff for the streets being plowed in a timely manner and additionally thanked the citizens of Inkster, department heads and employees for their work.

City Clerk

- Thanked City Clerk office employee Yolanda Holmes for her efforts with the Polling location consolidations. She wished everyone Happy Holiday's.

City Manager

- Thanked Mark Stuhldreher and Jeannie Fields
- Thanked City Council for the opportunity to serve.
- Thanked all citizens and volunteers.
- Thanked residents for engaging city staff.
- Thanked City Clerk Rutledge and Kim Sledge for their efforts on the Employee Holiday Luncheon. He is looking forward to next year's event.
- Thanked Mr. Dwight Hines for the food that he prepared for the luncheon.
- He will be hosting a Chats with the City Manager.

Closed Session

Council convenes into a Closed Executive Session to discuss pending litigation in accordance with MCL 15.286 (e).

Adjournment

There being no further business to come before Council, on motion duly made by Councilmember Shaw, Seconded by Mayor Pro-Tem Hendricks and carried, the Regular Council meeting of December 16, 2013 was adjourned at 8:44 p.m.



Felicia Rutledge, City Clerk
City of Inkster

January 14, 2014,
Special City Council Meeting – 6:00 PM

The Special meeting of the Council of the City of Inkster, Wayne County, Michigan convened in the Council Chambers, 26215 Trowbridge, on Tuesday, January 14, 2014.

Call Meeting to Order

Mayor Hampton called the meeting to order at 6:00 p.m.

Roll Call

Mayor Hampton	Present	Councilwoman Howard	Present
Councilman Moner	Absent	Councilman Williams	Present
Mayor Pro Tem Hendricks	Present	Councilman Canty	Absent
Councilman Shaw	Present		

***A Quorum was present**

Public Participation

New Business

- A. Discussion/Action: (Mark Lloyd): Rehmann Robson FY 2013 Audit Statement Presentation and discussions.
- B. Discussion/Action: (City Council) Board and Commission Appointments

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Williams
to appoint Tom Costello to the Downtown Development Authority.**

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Williams
to appoint Cynthia Adams to the Downtown Development Authority.**

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Williams
to appoint Martha Theis to the Downtown Development Authority.**

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Shaw
to appoint Clarence Oden, Jr. to the Zoning Board of Appeals.**

**Moved by Mayor Pro-Tem Hendricks, Seconded by Councilmember Shaw,
to appoint Richard Wooten to the Zoning Board of Appeals.**

**Moved by Councilmember Williams, Seconded by Councilmember Shaw
to appoint Dorothy Gray to the Zoning Board of Appeals.**

Mayor and Council Communication

City Manager

Adjournment

There being no further business to come before Council, on motion duly made by Councilmember Williams, Seconded by Councilmember Howard and carried, the Special Council meeting of January 14, 2014, was adjourned at 8:50 p.m.



Felicia Rutledge, City Clerk
City of Inkster



CITY OF INKSTER

26215 Trowbridge St.
Inkster, MI 48141
www.cityofinkster.com
313.563.4232



December 12, 2013

To: Felicia Rutledge, City Clerk of Inkster

From: Eugene Thompson,

Re: Local Officer's Compensation Commission Meeting on December 4, 2013

According to Ordinance 409 Section four (4) and notices posted and mailed to the Compensation Commission on November 19, 2013 regarding a scheduled meeting to be held December 4, 2013 at 6:00 p.m.

Please be advised that a meeting held in the City Council Chambers located at 26215 Trowbridge in the City of Inkster, MI. was scheduled. According to our agenda, the meeting was called to order at 6:35 p.m. and Roll Call was taken. Present Members were: Eugene Thompson and Dorothy Gardner. A quorum was not present. Therefore, no business could be conducted as to salaries of Mayor and City Council Members. The meeting was adjourned at 6:45 p.m.

Please review subsection duties 32.007, line five (5), which states that in case of no quorum, salaries remain the same.

Respectfully Submitted,

City of Inkster Local Compensation Commission
Eugene Thompson, Chair

Cc: All Compensation Commissioners

Allen Brothers
Attorneys & Counselors, PLLC
400 Monroe Street, Suite 220
Detroit, MI 48226-2963

Inkster, City of
26215 Trowbridge Street
Inkster, MI 48141

Attn: City Manager

Page: 1
12/30/2013
Account No: 1897M

BREAKDOWN OF FEES/EXPENSES BY CATEGORY

Category	Fees/Costs
Flat fee/City Attorney work	\$6,000.00
Municipal Legal Services	\$309.50
Labor	\$1,626.75
Litigation	\$24,451.97
Total Billed for December 2013	\$32,388.22
Previous Unpaid Balance	\$50,721.13
LESS Check# 128829 posted 12/22/13	\$61,879.27
BALANCE DUE - PAY THIS AMOUNT	\$21,230.08

CITY OF INKSTER

Boards & Commissions

[MADE OPERATIVE BY STATE LAW, CITY OF INKSTER CHARTER PROVISION OR CITY OF INKSTER ORDINANCE]

AGING COMMISSION

[MEETINGS: Third Friday of each month at 1:00 p.m., Twin Towers Activity Room]

2 Year Term	9 Members	Ordinances: 414,457 & 508
Richard Marsh, Jr., Director		Tenure
Denise Champagne, Project Dir.		Tenure
- (Ex-Officio Member)		
Rochelle Wells		Exp. 08/20/14
April Walton		Exp. 01/18/15
Audrey Jean Searcy		Exp. 06/02/14
Doris Horne		Exp. 09/07/14
Theola Jones		Exp. 11/15/14
Henry Wade		Exp. 03/07/15
Dorothy M. Moore		Exp. 11/15/15
Nellene Moore		Exp. 08/16/14
Dorothy Gardner		Exp. 06/16/14
Chuck Coleman		Exp. 04/04/15
Gabe Henderson		Exp. 04/04/15

BOARD OF REVIEW

[MEETINGS: March, July and December]

Annual Appointment	3 Members	Charter Provision and State Law
Alfreda Robinson		Clerk of the Board – Non Voting
Gloria Brown		Exp. 12/31/14
Ned Sanders (Alternate)		Exp. 05/02/14
Dante Williams		Exp. 03/19/14
Celeste McDuffie		Exp. 03/19/14

BEAUTIFICATION COMMITTEE

[MEETINGS: Second Monday of each month @ 6:00 p.m., Recreation Center]

2 Year Term	
Toni Bailey	Exp. 04/26/14
Enoch Jackson	Exp. 04/26/14
Joe Burton	Exp. 04/26/14
Rev. George Williams (T)	Exp. 04/26/14
Eunice Williams (C)	Exp. 04/26/14
Wyanetta Motley (S)	Exp. 04/16/14
Horace Jordan	Exp. 04/26/14
Larry Motley (C)	Exp. 04/26/14
Dorothy McClendon	Exp. 05/14*
Dr. Evelyn Clark	Exp. 05/14*
Tommie Jones	Exp. 05/14*
Cephus Thomas	Exp. 04/26/14
Clareese Jordan	Exp. 11/13
LaShawn Westbrook	Exp. 05/14*
Blinda Jones	Exp. 05/14*
Robert Broadnax	Exp. 05/07/14
Minnie Johnson	Exp. 05/14*
Alana Glover	Exp. 05/07/14
Gabe Henderson	Exp. 05/7/14
Shera Johnson	Exp. 05/14*
Demetrius Dalton	Exp. 05/21/14
Henry Wade	Exp. 05/14*

January 21, 2014

BEAUTIFICATION COMMITTEE (continued)

John W. Gee, Jr.	Exp. 05/14*
Tania James	Exp. 05/14*
Khalisha Nathan	Exp. 05/21/14
Toya Ellis	Exp. 05/14*
Princella Ellis	Exp. 05/21/14
Theresa Lindsey	Exp. 05/21/14
Norma Taylor	Exp. 05/21/14
Alto Baker	Exp. 05/14*
Kent Hudson	Exp. 05/14*
Donna Towns	Exp. 06/04/14
Elcfernack M. Lotman	Exp. 06/14*
Epson Johnson	Exp. 06/14*
Patricia Morgan	Exp. 06/14*
LeVania Henderson	Exp. 06/18/14
DeShandra Motley	Exp. 6/17/15
Denise Motley	Exp. 06/17/15

BUILDING AUTHORITY COMMISSION - Inactive

[MEETINGS: Second Monday in January]

3 Year Term

5 Members

State Law and Resolution 74-1-39

Nathaniel Elcock
Hersey Bryant, (C)
Horace Wells

Exp. 12/31/05
Exp. 12/31/00
Exp. 12/31/01

CABLE TELEVISION COMMISSION

[MEETINGS: Second Tuesday of each month at 6:00 p.m., Recreation Center]

3 Year Term

9 Members

Ordinances 593 and 609

Timothy Williams Ex-Official		Exp. 11/16/12
Danny Van Schoiack	Dist. 1	Exp. 12/01/11
Vacant	Dist. 2	
Vacant	Dist. 3	
Alfreda Flowers	Dist. 4	Exp. 06/04/15
Vacant	Dist. 5	
Lewis Gregory (C)	Dist. 6	Exp. 01/04/13
George Celler	Mayoral	Exp. 03/16/12
Carmen Mitchell	At-Large	Exp. 02/18/11

CANVASSERS BOARD

[MEETINGS: As Required]

4 Year Term

4 Members

State Law

Deborah Owens (Dem)
Gloria Brown (Dem)
Courtney Owens (Dem)
Eugene Brazeal (Rep)

Exp. 12/31/15
Exp. 06/04/16
Exp. 06/04/16
Exp. 08/06/16

CIVIL SERVICE COMMISSION AND BOARD OF ETHICS

[MEETINGS: Monthly]

3 Year Term

3 Members

Ordinances 237 & 559

Clarence Oden
Vacant - (Employee Representative)
~~James White~~
- (Commission Appointment)

Exp. 6/18/15
Exp. 12/04/11

CONSTRUCTION BOARD OF APPEALS/DANGEROUS BUILDING BOARD

[MEETINGS: As required]

3 Year Term	3 Members	Ordinance
Theola Jones		Exp. 04/14
Henry Wade		Exp. 05/11
- (Licensed Plumber)		
Kenyatta Mason		Exp. 11/12
- (Licensed Electrician)		
Marcus Hendricks – Temporary Alternative		
- (Licensed Electrician)		
- Building Inspector		
- (Licensed Engineer/Inspector)		
Yuri Mayorchak		Exp. 11/13
George A. Chatman		
David Stevens		

DOWNTOWN DEVELOPMENT AUTHORITY

[MEETINGS: Third Tuesday of each month, 6:00 p.m. City Hall Council Chambers]

4 Year Term	12 Members	State Law and Ordinances 687 and 741
-------------	------------	--------------------------------------

Hilliard L. Hampton, II	Tenure
Martha Theis	Exp. 01/14/18
Lewis Gregory (Treasurer)	Exp. 09/20/14
Cynthia Adams	Exp. 01/14/18
Tom Costello (VC)	Exp. 10/06/18
Vacant (C)	Exp. 11/03/12
Cheryl Brown	Exp. 07/19/14
Andrea Parson	Exp. 08/01/15
Winston Wade (Secretary)	Exp. 12/17/16
Vacant	

ECONOMIC DEVELOPMENT CORPORATION (BOARD OF DIRECTORS)

[MEETINGS: Second Thursday each month, held in the Conference Room, City Hall]

6 Year Term	11 Members	State Law and Ordinances 517 and 570
-------------	------------	--------------------------------------

Hilliard L. Hampton, II	
Bishop Walter Starghill, Jr.	Exp. 06/07/16
Vacant	Exp. 06/07/16
Vacant	Exp. 06/07/16
Deborah Walker	Exp. 06/07/16
Mary Weislo	Exp. 03/07/17
Cassandra Leonard	Exp. 06/07/16
Herbert Johnson	Exp. 06/07/16
Dennis Weislo	EXP. 06/07/19
Vacant	

ELECTRICAL EXAMINING BOARD

Indefinite Terms	4 Members	State Law and Ordinance 616
------------------	-----------	-----------------------------

Walter Bays (Elec. Cont.)
 Andrew Hughes (Adm. Official)
 Carlton Trouteaud (Rep. of Detroit Edison)

HOUSING AND REDEVELOPMENT

[MEETINGS: Third Tuesday of each month at 6:30 p.m., 4500 Inkster Road]

5 Year Term

6 Members

State Law and Ordinance 99

Tony Love, Director & Secretary
 William Acklin
 Ernest Hendricks
 James Orr
 Ernestine Williams
 Delphine Oden

Tenure
 Exp. 03/17
 Exp. 03/13
 Exp. 11/13
 Exp. 03/13
 Exp. 08/14

INKSTER HISTORICAL COMMISSION

[MEETINGS: Third Saturday of each month at 10:30a.m. Library Study Room]

2 Year Term

7 Members

State Law and Ordinance 196

Vacant	Dist. 1
Vacant	Dist. 2
Vacant	Dist. 3
Vacant	Dist. 4
Vacant	Dist. 5
Michael Wells	Dist. 6
Vacant	

Exp. 12/20/12

LIBRARY BOARD

4 year term

Michael Wells
 Sandra Markwart
 Dorothy Gardner
 Dosys Thompson
 LaDon Gibbs
 Paulette Dye

Exp. 2015
 Exp. 2015
 Exp. 2015
 Exp. 2015
 Exp. 2015
 Exp. 2015

LOCAL BUSINESS ENTERPRISE ADVISORY COMMITTEE

[MEETINGS: Third Tuesday of every month at 6:30 P.M., Inkster City Hall]

2 Year Term

7 Members

Ordinance: 603

Vacant	Dist. 1
Curtistine Barge	Dist. 2
Vacant	Dist. 3
Vacant	Dist. 4
Vacant	Dist. 5
Vacant	Dist. 6
Vacant	Mayoral

Exp. 12/05/13

LOCAL OFFICERS COMPENSATION COMMISSION

[MEETINGS: Minimum of One Meeting Each Odd-Numbered Year.]

7 Year Term

7 Members

State Law and Ordinance 409

Theodore Mimms
 Eugene Thompson (VC)
 Dorothy Gardner
 Darwin Howard
 William Howard
 Cheryl Stinson
 Vacant

Exp. 11/19/14
 Exp. 11/19/14
 Exp. 11/19/14
 Exp. 12/15/14
 Exp. 11/03/15
 Exp. 02/02/16

January 21, 2014

PARKS AND RECREATION COMMISSION

[MEETINGS: First Tuesday of each month at 7:30 P.M., Recreation Complex]

2 Year Term

9 Members

Ordinances: 493 & 551

Sandra French	Dist. 1	Exp. 04/30/14
Shirley Miller	Dist. 2	Exp. 03/25/14
Shelby Johnson	Dist. 3	Exp. 01/03/14
Vernell Massey	Dist. 4	Exp. 11/04/14
Gloria Mitchell	Dist. 5	Exp. 07/18/13
James Richardson IV	Dist. 6	Exp. 01/03/14
Tonia Williams	Mayoral	Exp. 04/04/13
Sheila Garland	Mayoral	Exp. 05/21/14
Norma McDaniel	Council	Exp. 12/20/14

PARKS AND RECREATION YOUTH COMMISSION

2 Year Term

6 Members

Vacant	Dist. 1	
Vacant	Dist. 2	
Cory Wells	Dist. 3	Exp. 12/05/13
Vacant	Dist. 4	
Vacant	Dist. 5	
Vacant	Dist. 6	
Vacant	Mayoral	

PLANNING COMMISSION

[MEETINGS: Fourth Monday of each month at 6:00 p.m., City Council Chambers]

3 Year Term

9 Members

State Law and Ordinance 33

Marcus Hendricks	Tenure
Hilliard L. Hampton, II	Tenure
Darryl Davis (City appointee) (Vice Chairman)	Exp. 10/15
Robert Thomas (Secretary)	Exp. 10/15
Emmereal Wells	Exp. 01/15
James Garrett	Exp. 02/14
April Walton	Exp. 09/16
Sam Brown (Chairman)	Exp. 10/14
Richard Wooten	Exp. 08/16

POLICE AND FIREMAN RETIREMENT SYSTEM BOARD OF TRUSTEES

[MEETINGS: First Thursday of each month at 6:00 p.m., Fire Station]

2 Year Term

5 Members

Charter

Jean Overman	Mayoral	Exp. 10/14
Barry O'Bryan		Exp. 12/13
Christopher Crawley		Exp. 12/13
Hilliard L. Hampton II	Council	Exp. 12/14
Charles Hines (Pension Board Appt)		Exp. 12/12

WATER REVIEW COMMITTEE

[MEETINGS: Scheduled by Chairman Marcus Hendricks, City Hall TIFA Room]

Sam Brown	App. 01/07/13
Carl Woods	App. 01/07/13
Ann Coleman	App. 01/07/13
Courtney Owens	App. 01/07/13
Councilmember Williams	App. 02/04/13
Mayor Pro-Tem Hendricks	App. 02/18/13
Dennis Welslo	App. 02/18/13

January 21, 2014

ZONING BOARD OF APPEALS (ZBA)

[MEETINGS: First Thursday of each month at 6:00 P.M., City Council Chambers]

3 Year Term

7 Members

State Law and Ordinance 277

Dorothy Gray	Dist. 1	Exp. 01/14/17
Clarence Oden, Jr.	Dist. 2	Exp. 01/14/17
James Cross (VC)	Dist. 3	Exp. 07/01/16
Roosevelt Stubbs	Dist. 4	Exp. 05/16/14
Vanola Williams	Dist. 5	Exp. 09/03/16
Norma McDaniel (S)	Dist. 6	Exp. 10/19/15
Richard Wooten (Planning Comm. Appointee)		Exp. 01/14/17

Nankin Transit

[Meetings: Third Thursday of each month at 5:45 p.m., Nankin Transit 37137 Marquette, Westland, MI. 48185]

Michael Canty, Council Appointee

Exp. Tenure

Denise Champagne, Council Appointee

Exp. (Appointed in 2009)

COMMITTEES FORMED BY COUNCIL RESOLUTIONS

TAX INCREMENT FINANCE AUTHORITY

[MEETINGS: Second Thursday of each month at 6:30 P.M., City Hall Council]

6 Year Term

13 Members

Resolution 85-8-331

Hilliard L. Hampton, II

Tenure

Richard Marsh

Tenure

Bishop Walter L. Starghill, Jr.

Exp. 06/07/16

Herbert Johnson

Exp. 06/07/16

Deborah Walker

Exp. 06/07/16

Vacant

Exp. 06/07/16

Dennis Weislow

Exp. 06/07/19

Cassandra Leonard

Exp. 06/07/16

Mary Weislow

Exp. 06/07/16

TIFA WORKING COMMITTEE FOR THE JUSTICE CENTER

5 Members

Bishop Walter L. Starghill

Exp. 06/07/16

Herbert Johnson

Exp. 06/07/16

Deborah Walker

Exp. 06/07/16

Vacant

Exp. 06/07/16

Vacant

BROWNFIELD REDEVELOPMENT AUTHORITY

[MEETINGS: Second Tuesday of each month at 5:00 P.M., City Hall Council Chambers]

Terms 1, 2 and 3 years Up to 9 members

Resolution 02-9-458

Timothy Williams, City Council Representative

Tenure

Richard Marsh, City Manager

Tenure

Mark Stuhldreher, Treasurer

Tenure

Mark Lloyd, Community Development Director (VC)

Tenure

Tonia C. Williams (C)

Exp. 6/27/14

Dorothy Gardner

Exp. 10/05/15

CARVER HOMES DISTRICT CITIZENS COUNCIL- *Inactive*

[MEETINGS: Third Thursday of each month at 6:30 P.M., St. Clements Manor]

Velma Hammons

Daniel Henderson

Willie Johnson

Bessie Jones

Melodie Jones

Clara Gray-Joiner

Geneva Lyles

Norma McDaniel

Ramona Rogers

Antonio Shaw

Jacqueline Treadway

Rita Watson

Barbara Whatley

Julius Williams

Gladynda Wright

Chris Yatooma

NOTES:

 Vacancies and/or Expired terms

*Has not taken the oath

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 6, 2014

From: Jeannie Fields, Manager
Community Development

mgf

Date for Council Consideration: January 21, 2014

ACTION REQUESTED: Consider introduction and first reading of an ordinance to affirm responsibility by the City of Inkster to enforce responsibility of regulated flood hazard areas under the provisions of the State Construction Code Act, Act No. 230 of the Public Acts of 1972, as amended and set February 3, 2014 for the public hearing and second reading.

Current Action x Emergency Future

Funds Budgeted: If Yes Account # No N/A x

Treasurer's Approval *MDS*

BACKGROUND INFORMATION

The City currently has responsibility for enforcing to provisions of the Flood Disaster Protection Act of 1973. Since the Act was enacted, property owners within National Flood Insurance Program communities have been eligible to purchase flood insurance that provides federal financial assistance for the construction and acquisition of structures in the Federal Emergency Management Agency's (FEMA) defined flood-prone areas. The federal assistance includes federally guaranteed mortgages, direct loans, federal disaster relief loans and grants along with any other applicable federal disaster assistance. The City has participated since April, 1974 and has seven (7) properties within recognized flood prone areas.

Recent minor technical amendments to adopted maps by FEMA have resulted in the need for this amendment.

SCOPE OF SERVICES

This ordinance will adopt by reference Flood Insurance rate Maps (FIRMS) panel number(s) 26163C; 0241E dated 2/2/2013 and panel number(s) 0240F and 0243F dated 12/3/2013 for purposes of administration of the Michigan Construction Code and part of Section 1612.3 of the Michigan Building Code and to provide the content of the Flood Hazards section of Table R301.2(1) of the Michigan Residential Code.

JUSTIFICATION

This ordinance will allow for the continuation of eligibility and continued participation in the United States Department of Homeland Security FEMA National Flood Insurance Program.

PROJECT OR IMPROVEMENT TASKS

- Which of the Five (5) Council Goals does this request meet?**
1. Enhance public safety.

COSTS

No costs are associated with the continued participation in the National Flood Insurance Program.

PROJECT TIME TABLE

Public hearing and second reading is scheduled for February 3, 2014 with publication and adoption occurring as soon thereafter as permitted by law.

RESOLUTION

Resolved by _____, Seconded by _____, that the Inkster City Council hereby introduces and gives first reading to adopt ordinance No _____ to affirm responsibility by the City of Inkster to enforce responsibility of regulated flood hazard areas under the provisions of the State Construction Code Act, Act No. 230 of the Public Acts of 1972, as amended and to set public hearing and second reading for February 3, 2014.

Yes:

No:

Absent:

Attachment: Ordinance No _____

ORDINANCE ADDRESSING FLOODPLAIN MANAGEMENT PROVISIONS OF THE STATE CONSTRUCTION CODE

City of Inkster, County of Wayne, State of Michigan

Ordinance number _____

An Ordinance amendment to affirm an enforcing agency to discharge the responsibility of the City of Inkster located in Wayne County, and to designate regulated flood hazard areas under the provisions of the State Construction Code Act, Act No. 230 of the Public Acts of 1972, as amended.

The City of Inkster ordains:

Section 1. AGENCY DESIGNATED. Pursuant to the provisions of the state construction code, in accordance with Section 8b(6) of Act 230, of the Public Acts of 1972, as amended, the Building Official of the City of Inkster is hereby designated as the enforcing agency to discharge the responsibility of the City of Inkster under Act 230, of the Public Acts of 1972, as amended, State of Michigan. The City of Inkster assumes responsibility for the administration and enforcement of said Act through out the corporate limits of the community adopting this ordinance.

Section 2. CODE APPENDIX ENFORCED. Pursuant to the provisions of the state construction code, in accordance with Section 8b(6) of Act 230, of the Public Acts of 1972, as amended, Appendix G of the Michigan Building Code shall be enforced by the enforcing agency within the jurisdiction of the community adopting this ordinance.

Section 3. DESIGNATION OF REGULATED FLOOD PRONE HAZARD AREAS. The Federal Emergency Management Agency (FEMA) Flood Insurance Study (FIS) Entitled "Wayne County, Michigan (All Jurisdictions)" and dated 12/3/2013 and the Flood Insurance Rate Map(s) (FIRMS) panel number(s) of 26163C; 0241E dated 2/2/2012 and panel numbers 0240F and 0243F dated 12/3/2013 are adopted by reference for the purposes of administration of the

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: December 23, 2013

From: Mark Stuhldreher, Treasurer

Date for Council's Consideration: January 6, 2014

ACTION REQUESTED: City Council approval of a Resolution authorizing amendments to the general employees City of Inkster Retirement Income Plan that clarify and update certain language as required by the Internal Revenue Service.

Current Action ☒ Emergency ☐ Future ☐

Funds Budgeted: If Yes ☐ Account # _____ No ☐ N/A ☒

Treasurer's Approval MDS

BACKGROUND:

IRS Notice 2012-76 contains the 2012 cumulative list of changes that reflect the legislative changes to Plans such as ours. IRS regulations require that we amend our plan to remain in conformance with rules and regulations pertaining to Governmental Plans. Prudential Retirement Insurance Annuity Company has assisted in ensuring that our Plan is timely restated and in obtaining a favorable determination letter for our updated Plan Document.

The summary of changes to the Plan Document is attached along with the restated Plan Document.. These changes are the result of reformatting, definition changes, and inclusion of certain IRS required language to add clarification to the Plan language.

SCOPE OF SERVICES:

JUSTIFICATION:

To ensure that the City of Inkster Retirement Income Plan remains in conformance with all IRS regulations, these changes must be incorporated into our Plan Document.

PROJECT IMPROVEMENTS:

Which of the Five (5) Council Goals does this request meet?

Goal #4 – Develop a plan to address the city's current debt and legacy costs

COSTS:

N/A

PROJECTED TIME TABLE:

N/A

RESOLUTION:

Authorization is hereby given to Approve the City of Inkster, Wayne County, Michigan, Retirement Income Plan July 1, 2013 Restatement

Resolved by _____

Seconded by _____

Yes:

No:

Absent:

**CITY OF INKSTER, WAYNE COUNTY, MICHIGAN,
A MUNICIPAL CORPORATION
RETIREMENT INCOME PLAN
July 1, 2013 Restatement**

TABLE OF CONTENTS

PREAMBLE.....	5
ARTICLE I DEFINITIONS	6
1.1 Plan Definitions.....	6
1.2 Construction.....	12
ARTICLE II HOURS OF SERVICE.....	13
2.1 Crediting of Hours of Service.....	13
ARTICLE III SERVICE & CREDITED SERVICE.....	14
3.1 Service and Credited Service Prior to July 1, 2013.....	14
3.2 Service and Credited Service On or After July 1, 2013	14
3.3 Transfers	14
3.4 Retirement or Termination and Reemployment	15
3.5 Finality of Determinations.....	15
ARTICLE IV ELIGIBILITY FOR PARTICIPATION	16
4.1 Participation.....	16
4.2 Mandatory Employee Contributions.....	16
4.3 Suspension of Mandatory Employee Contributions	17
4.4 Crediting Eligibility Service	17
4.5 Loss of Eligibility Service.....	17
4.6 Termination of Participation.....	17
4.7 Participation Upon Reemployment	17
4.8 Finality of Determinations.....	18
ARTICLE V NORMAL RETIREMENT.....	19
5.1 Eligibility	19
5.2 Amount.....	19
5.3 Minimum Benefits	19
5.4 Payment.....	19
ARTICLE VI EARLY RETIREMENT.....	20
6.1 Eligibility	20
6.2 Amount.....	20
6.3 Payment.....	20
ARTICLE VII VESTED RIGHTS.....	21
7.1 Vesting	21
7.2 Eligibility for Deferred Vested Retirement Benefit.....	21
7.3 Amount of Deferred Vested Retirement Benefit	21
7.4 Payment.....	22
7.5 Immediate Distribution Option.....	22
7.6 Cash Distribution of Accumulated Contributions	22

7.7	Election to Withdraw from Plan.....	22
ARTICLE VIII DISABILITY RETIREMENT BENEFIT		23
8.1	No Disability Retirement Benefits Payable Under Plan	23
ARTICLE IX FORMS OF PAYMENT.....		24
9.1	Normal Form of Payment.....	24
9.2	Optional Forms of Payment	24
9.3	Designation of Beneficiary and Beneficiary in Absence of Designated Beneficiary	25
9.4	Death Prior to Annuity Starting Date	26
9.5	Preservation of Election of Optional Form of Payment	26
9.6	Effect of Reemployment on Form of Payment	26
ARTICLE X SURVIVOR BENEFITS		27
10.1	Eligibility for Preretirement Spouse Benefit.....	27
10.2	Amount of Preretirement Spouse Benefit	27
10.3	Payment of Preretirement Spouse Benefit	27
10.4	Return of Accumulated Contributions.....	27
ARTICLE XI GENERAL PROVISIONS & LIMITATIONS REGARDING BENEFITS.....		29
11.1	Suspension of Benefits.....	29
11.2	Non-Alienation of Retirement Rights or Benefits	29
11.3	Payment of Benefits to Others.....	29
11.4	Missing Payees and Unclaimed Benefits	30
11.5	Payment of Small Benefits	30
11.6	Direct Rollovers	31
11.7	Limitations on Commencement	32
ARTICLE XII MAXIMUM RETIREMENT BENEFITS.....		33
12.1	Definitions	33
12.2	Maximum Limitation on Annual Benefits	40
12.3	Grandfather Prior Benefits	41
12.4	Maximum Limitation on Mandatory Employee Contributions.....	41
12.5	Manner of Reduction	42
ARTICLE XIII PENSION FUND.....		43
13.1	Pension Fund.....	43
13.2	Contributions by the Employer.....	43
13.3	Expenses of the Plan.....	43
13.4	No Reversion	43
13.5	Forfeitures Not to Increase Benefits	43
13.6	Change of Funding Medium.....	44
ARTICLE XIV ADMINISTRATION.....		45
14.1	Authority of the Employer.....	45

14.2	Discretionary Authority	45
14.3	Action of the Employer	45
14.4	Claims Review Procedure	46
14.5	Exhaustion of Remedies	46
14.6	Grounds for Judicial Review	46
14.7	Domestic Relations Order Approval Procedures	46
14.8	Indemnification	46
14.9	Actions Binding	47
ARTICLE XV ADOPTION BY OTHER ENTITIES		48
15.1	No Adoption by Other Entities	48
ARTICLE XVI AMENDMENT & TERMINATION OF PLAN		49
16.1	Employer's Right of Amendment	49
16.2	Termination of the Plan	49
16.3	Adjustment of Allocation	50
16.4	Assets Insufficient for Allocation	50
16.5	Residual Assets	50
16.6	Payments by the Funding Agent	50
16.7	Residual Assets Distributable to the Employer	51
ARTICLE XVII MISCELLANEOUS		52
17.1	No Commitment as to Employment	52
17.2	Claims of Other Persons	52
17.3	Governing Law	52
17.4	Nonforfeitability of Benefits Upon Termination or Partial Termination	52
17.5	Funding Agreement	52
17.6	Benefit Offsets for Overpayments	52
17.7	Special Rules Applicable to Participants Absent Due to Military Service	53
ARTICLE XVIII CODE SECTION 401(a)(9) COMPLIANCE		54
18.1	Definitions	54
18.2	Applicability	54
18.3	Precedence	54
18.4	Requirements of Treasury Regulations Incorporated	55
18.5	Commencement as of Required Beginning Date	55
18.6	Death of Participant Before Distributions Begin	55
18.7	Form of Distribution	56
18.8	General Annuity Requirements	56
18.9	Amount Required to be Distributed by Required Beginning Date	57
18.10	Additional Accruals After First Distribution Calendar Year	58
18.11	Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse	58
18.12	Period Certain Annuities	58
18.13	Participant Survived by Designated Beneficiary	58
18.14	No Designated Beneficiary	59
18.15	Death of Surviving Spouse Before Distributions to Surviving Spouse Begin	59
18.16	Change to Annuity Payout Period	59

18.17	Payments to a Surviving Child	60
18.18	5-Year Rule Applicable to Certain Distributions to Designated Beneficiaries	60
18.19	Death of Participant After Distributions Begin.....	60

PREAMBLE

The City of Inkster, Wayne County, Michigan, a Municipal Corporation Retirement Income Plan, originally effective as of July 1, 1956, is hereby amended and restated in its entirety. The Plan, as amended and restated hereby, is intended to qualify as a defined benefit pension plan under Code Section 401(a) and is a governmental plan under Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended. The Plan is maintained for the exclusive benefit of eligible employees and their beneficiaries.

Except as otherwise specifically provided in the Plan, this amended and restated Plan shall be effective as of July 1, 2013, and the rights of any person who did not have an Hour of Service under the Plan on or after July 1, 2013, shall generally be determined in accordance with the terms of the Plan as in effect on the date for which he was last credited with an Hour of Service.

ARTICLE I DEFINITIONS

1.1 Plan Definitions

As used herein, the following words and phrases, when they appear with initial letters capitalized as indicated below, have the meanings hereinafter set forth:

- (a) A Participant's "**Accrued Benefit**" as of any date means the portion of his monthly normal retirement benefit, payable in the normal form described in Section 9.1, accrued as of that date determined as provided in Article V, based on his years of Credited Service and his Average Annual Earnings determined as of that date.
- (b) A Participant's "**Accumulated Contributions**" as of any date means the total of the Participant's Mandatory Employee Contributions plus interest. Interest on a Participant's Mandatory Employee Contributions shall be credited annually to the date of determination as follows:
 - (1) For Plan Years beginning prior to July 1, 1980, at the interest rate specified in the Plan as in effect on the applicable date; and
 - (2) For Plan Years beginning on or after July 1, 1980, at 5% per annum.

Interest on a Participant's Mandatory Employee Contributions shall be compounded each July 1.

- (c) An "**Active Participant**" means a Participant who is accruing Credited Service under the Plan in accordance with the provisions of Article III.
- (d) The "**Actuarial Equivalent**" of a value means its equivalent value determined using the actuarial factors specified in the Plan. For purposes other than determining present value for purposes of a single sum payment, Actuarial Equivalence is determined using the 1971 Group Annuity Mortality Table for male lives with a 2 year setback for Participants and a 4 year setback for Beneficiaries and an interest rate of 6%. For purposes of determining present value for purposes of a single sum payment, the following factors shall be used: (i) the table prescribed by the Secretary of the Treasury, which effective after December 31, 2002 shall be the Table prescribed in Revenue Ruling 2001-62 and (ii) the annual rate of interest on 30-year Treasury securities for the second calendar month preceding the Plan Year in which the distribution is made.

The present value of a benefit with respect to a Participant who has or would have reached Normal Retirement Date at the time present value is being determined shall be calculated based on the immediate annuity payable as of the determination date. The present value of a benefit with respect to a Participant who has not yet or would not yet have reached Normal Retirement Date at the time present value is being determined shall be calculated based on a deferred annuity payable commencing at the Participant's

Normal Retirement Date. For purposes of this paragraph, present value of any single sum payment to a Participant shall be determined based on the present value of immediate and deferred annuities payable in the normal form described in Section 9.1 of the Plan.

- (c) The "**Actuary**" means an independent actuary selected by the Employer, who is an enrolled actuary as defined in Code Section 7701(a)(35), or a firm or corporation of actuaries having such a person on its staff, which person, firm, or corporation is to serve as the actuarial consultant for the Plan.
- (f) The "**Administrator**" means the Employer unless the Employer designates another person or persons to act as such.
- (g) An "**Affiliated Entity**" means any corporation, business, or other entity which would be aggregated with the Employer for a relevant purpose under Code Section 414.
- (h) A Participant's, or Beneficiary's, if the Participant has died, "**Annuity Starting Date**" means (i) the first day of the first period for which an amount is paid as an annuity or (ii) in the case of a single sum payment, the first day on which all events have occurred which entitle the Participant, or his Beneficiary, if applicable, to such payment.

If a Participant whose Annuity Starting Date has occurred is reemployed by the Employer or an Affiliated Entity resulting in a suspension of benefits in accordance with the provisions of Section 11.1, for purposes of determining the form of payment of such Participant's benefit upon his subsequent retirement, such prior Annuity Starting Date shall apply to benefits accrued both before and after the Participant's reemployment.

- (i) A Participant's "**Average Annual Earnings**" means his highest average annual Earnings received for any 5 consecutive Earnings Computation Periods during the 10 consecutive Earnings Computation Periods immediately preceding the date the Participant's employment terminates.

If fewer than 5 full year Earnings are available, the average will be determined using the full year Earnings available. If no full year Earnings are available, the Participant's total Earnings will be divided by the number of his full calendar months of employment. The result will be multiplied by 12.

- (j) A Participant's "**Beneficiary**" means any beneficiary who is entitled to receive a benefit under the Plan upon the death of the Participant.
- (k) The "**Code**" means the Internal Revenue Code of 1986, as amended from time to time. Reference to a Code section shall include (i) such section and any comparable section or sections of any future legislation that amends, supplements, or supersedes such section and (ii) all rulings, regulations, notices, announcements, and other pronouncements issued by the U.S. Treasury Department, the Internal Revenue Service, and any court of competent jurisdiction that relate to such section.

- (l) A Participant's "**Credited Service**" means his period of service for purposes of determining the amount of any benefit for which he is eligible under the Plan, as computed in accordance with the provisions of Article III.
- (m) The "**Earnings**" of a Participant for any Earnings Computation Period mean his basic compensation received from the Employer for services as an Employee, excluding overtime, commissions, bonuses, and any other additional compensation. Earnings shall also exclude that portion of a judge's compensation received from the Employer that is credited towards his retirement benefits under the State of Michigan Judge's Retirement System.

In no event, however, shall the Earnings taken into account under the Plan for each Earnings Computation Period with respect to an Employee who becomes a Participant on or after July 1, 1996 exceed \$150,000. The limitations set forth in the preceding sentence shall be subject to adjustment annually as provided in Code Section 401(a)(17)(B) and Code Section 415(d); provided, however, that the dollar increase in effect on January 1 of any calendar year, if any, is effective for Earnings Computation Periods beginning in such calendar year.

- (n) An "**Earnings Computation Period**" means each calendar year.
- (o) An Employee's "**Eligibility Service**" means his period of service for purposes of determining his eligibility to participate in the Plan, as computed in accordance with the provisions of Article IV.
- (p) An "**Employee**" means the following: (1) any employee of the Employer who is customarily employed for more than 20 hours each week and 5 months each calendar year, other than any such employee who is a sworn officer in the Police or Fire Department and (2) any elected district court judge who is currently holding that office.

Notwithstanding the foregoing, the term "Employee" shall not include the following:

- (1) any individual with respect to whom an Employer does not withhold income or employment taxes and file Form W-2 (or any replacement Form) with the Internal Revenue Service because such individual has executed a contract, letter of agreement, or other document acknowledging his status as an independent contractor, even if such individual is later adjudicated to be a common law employee of his Employer, unless and until the Employer extends coverage to such individual.
- (2) any "leased employee."

For purposes of subparagraph (2) above, a "leased employee" means any person (other than an "excludable leased employee") who performs services for the Employer or an Affiliated Entity (the "recipient") (other than an employee of the "recipient") pursuant to an agreement between the "recipient" and any other person (the "leasing organization") on a substantially full-time basis for a period of at least 1 year, provided that such

services are performed under primary direction of or control by the "recipient". An "excludable leased employee" means any "leased employee" of the "recipient" who (a) is covered by a money purchase pension plan maintained by the "leasing organization" which provides for (i) a nonintegrated employer contribution on behalf of each participant in the plan equal to at least 10% of compensation (as defined in Treasury Regulations Section 1.415(c)-2(d)), (ii) full and immediate vesting, and (iii) immediate participation by employees of the "leasing organization", or (b) performs substantially all of his services for the "leasing organization", or (c) whose compensation from the "leasing organization" in each plan year during the 4-year period ending with the plan year is less than \$1,000. Notwithstanding the foregoing, "leased employees" of the "recipient" shall only be considered "excludable leased employees" if "leased employees" do not constitute more than 20% of the "recipient's" nonhighly compensated work force. For purposes of this Section, contributions or benefits provided to a "leased employee" by the "leasing organization" that are attributable to services performed for the "recipient" shall be treated as provided by the "recipient".

- (q) A Participant's "**Employee Derived Benefit**" as of any date means the amount of retirement benefit that can be provided by the Participant's Accumulated Contributions, expressed as a monthly benefit commencing at Normal Retirement Date determined using purchase rate assumptions selected by the Employer in a uniform and non-discriminatory manner.
- (r) The "**Employer**" means the City of Inkster, Wayne County, Michigan, a Municipal Corporation.
- (s) A Participant's "**Employer Derived Benefit**" as of any date means the excess, if any, of his Accrued Benefit as of such date over his Employee Derived Benefit as of such date.
- (t) An Employee's "**Employment Commencement Date**" means the date he first completes an Hour of Service or, in the case of an Employee who has incurred an Employment Severance Date, the first date following his Employment Severance Date on which he again completes an Hour of Service.
- (u) An Employee's "**Employment Severance Date**" means the earliest of the date on which he retires, dies, or his active employment is otherwise terminated. An Employee's Employment Severance Date is deemed to have occurred on the last day on which he is actively at work for the Employer; provided, however, that the following special rules shall apply:
 - (1) A Participant's Employment Severance Date shall not occur if he is absent from work with the Employer on account of service with the armed forces of the United States, he is eligible for reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994, and he returns to work with the Employer within the period during which he retains such reemployment rights, but, if he does not return to work within such period, his Employment Severance Date shall be the date his absence commenced.

- (2) A Participant's Employment Severance Date shall not occur if he is on an approved leave of absence of no more than 2 years from which he returns promptly to employment with the Employer, but if he does not return to work within 2 years of the date his absence commenced, his Employment Severance Date shall be the date his absence commenced.
- (3) A Participant's Employment Severance Date shall not occur if he is absent from work because of disability for which he is eligible for or receiving disability benefits under a non-governmental benefit program funded by his Employer, provided that if he ceases to be eligible for or to collect disability benefits under such program prior to his Normal Retirement Date, he returns promptly to work with an Employer.

Notwithstanding the foregoing, if a person retires, dies, or his employment as an Employee is otherwise terminated during a period in which he is absent from work with the Employer for any reason other than service with the armed forces of the United States, his Employment Severance Date shall be the date of such retirement, death, or other termination of employment.

- (v) An "**Entry Date**" means the first day of each calendar month.
- (w) A "**Former Employee**" means any Employee covered under the Plan whose Service ceased prior to July 1, 1974, but who is eligible to receive retirement benefit payments after such date.
- (x) The "**Funding Agent**" means the person or persons which at the time shall be designated, qualified, and acting under the Funding Agreement and shall include (i) any trustee for a trust established pursuant to the Funding Agreement, (ii) any insurance company that issues an annuity or insurance contract pursuant to the Funding Agreement, or (iii) any person holding assets in a custodial account pursuant to the Funding Agreement. The Employer may designate a person or persons other than the Funding Agent to perform any responsibilities of the Funding Agent under the Plan, and the Funding Agent shall not be liable for the performance of such person in carrying out such responsibilities. The term Funding Agent shall include any delegate of the Funding Agent as may be provided in the Funding Agreement.
- (y) The "**Funding Agreement**" means the agreement entered into between the Employer and the Funding Agent relating to the holding, investment, and reinvestment of the assets of the Plan, together with all amendments thereto and shall include any agreement establishing a trust, a custodial account, an annuity contract, or an insurance contract (other than a life, health or accident, property, casualty, or liability insurance contract) for the investment of assets; provided, however, that any custodial account or contract established hereunder meets the requirements of Code Section 401(f).
- (z) An "**Hour of Service**" with respect to any Employee means an hour which is determined and credited as such in accordance with the provisions of Article II.

- (aa) A Participant's "**Mandatory Employee Contributions**" mean the after-tax contributions required to be made by a Participant to accrue a benefit under the Plan.
- (bb) Effective July 1, 1988, a Participant's "**Normal Retirement Date**" for purposes of benefit eligibility, means the earlier of:
 - (1) the later of (i) the date he attains age 62 or (ii) the date on which he completes 10 years of Credited Service; or
 - (2) the later of (i) the date on which he attains age 65 or (ii) the 5th anniversary of his "participation commencement date". An Employee's "participation commencement date" means the first day of the Plan Year in which he commences participation in the Plan.

A Participant's Normal Retirement Date for all other purposes means the first day of the month coinciding with or immediately following such date.

- (cc) A "**Participant**" means any person who becomes eligible to participate in the Plan in accordance with the provisions of Article IV and who retains an Accrued Benefit under the Plan.
- (dd) The "**Pension Fund**" means the fund or funds maintained under the Funding Agreement for purposes of accumulating contributions made by the Employer and paying benefits under the Plan.
- (ee) The "**Plan**" means this City of Inkster, Wayne County, Michigan, a Municipal Corporation Retirement Income Plan, established effective July 1, 1956, as amended and restated by this instrument, with all amendments, modifications, and supplements hereafter made.
- (ff) A "**Plan Year**" means the 12-consecutive-month period ending each June 30.
- (gg) A Participant's "**Prior Benefit**" means that portion of his retirement benefit provided in accordance with Article V which was accrued as a Retirement Annuity under Group Annuity Contract Number GR-571 on account of Service prior to July 1, 1974.

With respect to a Participant who is a Former Employee, the term Prior Benefit means 100% of the Retirement Annuity cancelled in accordance with Group Annuity Contract Amendment Number GR-571-4 as of July 1, 1974 and listed in Table A.

As to each Participant other than a Former Employee, the term Prior Benefit as of any date on and after July 1, 1974 means the product of the yearly amount of Retirement Annuity so cancelled and the applicable percentage from the following schedule:

	Percentage
If the Participant's Service has not ceased prior to the Plan termination date	100%
If the Participant's Service ceases on or after July 1, 1974 but prior to the Plan termination date	The Participant's vested interest in his Accrued Benefit as shown in Section 7.1

- (hh) A Participant's "**Required Beginning Date**" means the April 1 following the calendar year in which occurs the later of (i) the Participant's attainment of age 70 1/2 or (ii) the date the Participant retires.
- (ii) A Participant's "**Service**" means his period of service for purposes of determining his eligibility for a benefit under the Plan, as computed in accordance with the provisions of Article III.
- (jj) A Participant's "**Spouse**" means the person to whom the Participant is legally married in accordance with the laws of the State of Michigan, which require that a husband and wife must be persons of the opposite sex.

1.2 Construction

Where required by the context, the noun, verb, adjective, and adverb forms of each defined term shall include any of its other forms. Wherever used herein, the masculine pronoun shall include the feminine, the singular shall include the plural, and the plural shall include the singular.

ARTICLE II HOURS OF SERVICE

2.1 Crediting of Hours of Service

An Employee shall be credited with an Hour of Service under the Plan for each hour for which he is paid, or entitled to payment, for the performance of duties for the Employer as an Employee.

ARTICLE III SERVICE & CREDITED SERVICE

3.1 Service and Credited Service Prior to July 1, 2013

Each person who is an Employee on or after July 1, 2013, shall be credited with Service and Credited Service for purposes of the Plan for periods prior to such date equal to the Service and Credited Service with which he had been credited in accordance with the Plan provisions in effect immediately prior to such date.

3.2 Service and Credited Service On or After July 1, 2013

Each person who is an Employee on or after July 1, 2013, shall be credited with Service and Credited Service with respect to periods of employment on or after such date, for purposes of the Plan as follows:

- (a) He shall be credited with Service for the period beginning on the later to occur of (i) July 1, 2013 or (ii) his Employment Commencement Date and ending on his Employment Severance Date. Service shall be computed in completed whole years and full months.
- (b) He shall be credited with Credited Service for the period beginning on the later to occur of (i) July 1, 2013 or (ii) his Employment Commencement Date and ending on his Employment Severance Date. Credited Service shall be computed in completed whole years and full months.
- (c) Notwithstanding the foregoing, no Credited Service shall be credited to an Employee for the following periods:
 - (1) periods before he became eligible to participate in the Plan as provided in Article IV.
 - (2) periods in which he was eligible but elected not to make Mandatory Employee Contributions to the Plan.
 - (3) periods for which he is on an approved leave of absence.
 - (4) periods that he is absent from work because of disability for which he is eligible for or receiving disability benefits under a non-governmental program funded by the Employer.

3.3 Transfers

Notwithstanding the foregoing, Service and Credited Service credited to a person shall be subject to the following:

- (a) Any person who transfers or retransfers to employment with the Employer as an Employee directly from other employment (i) with the Employer in a capacity other than

as an Employee or (ii) with any other Affiliated Entity, shall be credited with Service and Credited Service beginning on his transfer date.

- (b) Any person who transfers from employment with the Employer as an Employee directly to other employment (i) with the Employer in a capacity other than as an Employee or (ii) with any other Affiliated Entity, shall be deemed by such transfer not to lose his Service or Credited Service, and shall be deemed not to retire or otherwise terminate his employment as an Employee until such time as he is no longer in the employment of the Employer or any other Affiliated Entity, at which time he shall become entitled to benefits if he is otherwise eligible therefor under the provisions of the Plan; provided, however, that up to such time he shall not receive credit for Service or Credited Service under the Plan.

3.4 Retirement or Termination and Reemployment

If an Employee retires or otherwise terminates employment with the Employer and all Affiliated Entities, his eligibility for and the amount of any benefit to which he may be entitled under the Plan shall be determined based upon the Service and Credited Service with which he is credited at the time of such retirement or other termination of employment. If such retired or former Employee is reemployed by the Employer, the Service and Credited Service with which he was credited at the time of such prior retirement or other termination of employment shall not be aggregated with the Service and Credited Service with which he is credited following his reemployment and he shall be treated as a new Participant.

3.5 Finality of Determinations

All determinations with respect to the crediting of Service and Credited Service under the Plan shall be made on the basis of the records of the Employer, and all determinations so made shall be final and conclusive upon Employees, former Employees, and all other persons claiming a benefit interest under the Plan. Notwithstanding anything to the contrary contained in this Article, there shall be no duplication of Service and Credited Service.

ARTICLE IV ELIGIBILITY FOR PARTICIPATION

4.1 Participation

Each Employee who was an Active Participant immediately prior to July 1, 2013, shall continue as an Active Participant hereunder. Each other person shall become an Active Participant as of the Entry Date coinciding with or immediately following the latest of (i) the date he becomes an Employee, (ii) the date he attains age 21, or (iii) the date he completes 1 year of Eligibility Service.

Notwithstanding the foregoing, no person shall become an Active Participant hereunder unless he elects to make Mandatory Employee Contributions to the Plan as provided in Section 4.2. An Employee who would otherwise have become an Active Participant hereunder as of an Entry Date but for his failure to make Mandatory Employee Contributions to the Plan shall become an Active Participant as of any subsequent Entry Date as of which he elects to make Mandatory Employee Contributions to the Plan.

4.2 Mandatory Employee Contributions

An Employee who has met the eligibility requirements described above may elect in writing in accordance with rules prescribed by the Administrator to make Mandatory Employee Contributions to the Plan. Such Employee's election shall be effective as of the Entry Date coinciding with or immediately following the date he satisfies the requirements of Section 4.1 if made not more than 31 days thereafter. Otherwise, his election shall be effective as of the Entry Date following the date he makes the election.

The amount of an Employee's Mandatory Employee Contributions shall be the following:

- (a) for Employees of the Dispatcher's Union: 3% of the Employee's Earnings for the Plan Year; and
- (b) for all other Employees: 5% of the Employee's Earnings for the Plan Year.

An eligible Employee's written election shall include his authorization for the Employer to withhold from his Earnings an amount equal to the amount of such Mandatory Employee Contributions and to contribute such amounts to the Plan.

Notwithstanding the foregoing, an Employee shall no longer be eligible to make Mandatory Employee Contributions to the Plan beginning on the earliest of (1) the Participant's Employment Severance Date, (2) the date the Participant ceases to be an Employee, (3) the Participant's Annuity Starting Date, or (4) the date the Participant ceases to accrue further Credited Service under the Plan.

4.3 Suspension of Mandatory Employee Contributions

A Participant's Mandatory Employee Contributions shall automatically be suspended for any period during which he is not eligible to accrue Credited Service under the Plan. Such Participant's Mandatory Employee Contributions shall automatically resume as of the date he is once more eligible to accrue Credited Service under the Plan, unless such Participant elects to suspend his Mandatory Employee Contributions as provided in the following paragraph.

An Active Participant who is making Mandatory Employee Contributions to the Plan or whose Mandatory Employee Contributions are scheduled to resume as provided in the preceding paragraph may elect to suspend such contributions at such time or times during the Plan Year as the Administrator may prescribe. A Participant whose Mandatory Employee Contributions are suspended in accordance with the provisions of this paragraph may elect to resume such contributions at such time or times during the Plan Year as the Administrator may prescribe by filing a new election with the Administrator such number of days prior to the date as of which Mandatory Employee Contributions are to be resumed as the Administrator shall prescribe; provided, however, that a Participant may not resume Mandatory Employee Contributions hereunder prior to the second anniversary of the date the suspension began.

A Participant whose Mandatory Employee Contributions are suspended pursuant to this Section shall not accrue a benefit hereunder for the period such suspension is in effect.

4.4 Crediting Eligibility Service

An Employee shall be credited with Eligibility Service for the period beginning on his Employment Commencement Date and ending on his Employment Severance Date. Eligibility Service shall be computed in whole years and full months.

4.5 Loss of Eligibility Service

An Employee's Eligibility Service shall be lost if he retires or if his employment with the Employer terminates for any other reason.

4.6 Termination of Participation

A Participant shall remain an Active Participant as long as he continues in employment as an Employee and he continues to make Mandatory Employee Contributions to the Plan. A person shall remain a Participant as long as he retains an Accrued Benefit under the Plan.

4.7 Participation Upon Reemployment

If a former Employee is reemployed as an Employee, he shall be treated as a new Employee and become an Active Participant in accordance with the provisions of Section 4.1.

4.8 Finality of Determinations

All determinations with respect to the eligibility of an Employee to become a Participant under the Plan shall be made on the basis of the records of the Employer, and all determinations so made shall be final and conclusive for all Plan purposes. Each Employee who becomes a Participant shall be entitled to the benefits, and be bound by all the terms, provisions, and conditions of the Plan and the Funding Agreement.

ARTICLE V NORMAL RETIREMENT

5.1 Eligibility

Each Participant who retires from employment with the Employer and all Affiliated Entities on or after his Normal Retirement Date shall be eligible for a normal retirement benefit.

5.2 Amount

Effective January 1, 2000, an eligible Participant's monthly normal retirement benefit shall be equal to 1/12th of the amount determined under (a) or (b), as applicable:

- (a) if the Participant is an Employee of the Dispatcher's Union, 2% of his Average Annual Earnings multiplied by the number of his years of Credited Service; or
- (b) if the Participant is not an Employee of the Dispatcher's Union and he retires or otherwise terminates employment on or after January 1, 2000, 2.50% of his Average Annual Earnings multiplied by the number of his years of Credited Service.

In no event will a reduction in a Participant's Average Annual Earnings reduce the normal retirement benefit payable to him below the amount that would have been payable to him under the same form of payment had he retired prior to his Normal Retirement Date when eligible for an early retirement benefit.

5.3 Minimum Benefits

Notwithstanding any other provision of the Plan to the contrary, in no event will the monthly normal retirement benefit payable to a Participant be less than the greater of (a) or (b) below:

- (a) his Employee Derived Benefit; or
- (b) if the Participant retires on or after his Normal Retirement Date with at least 15 years of Credited Service, \$250 per month.

5.4 Payment

A monthly normal retirement benefit shall be paid to an eligible Participant commencing as of the first day of the month following the later of the month in which he retires or the first day of the month for which he applies for the benefit to commence, but not later than his Required Beginning Date.

ARTICLE VI EARLY RETIREMENT

6.1 Eligibility

Each Participant who retires from employment with his Employer and all Affiliated Companies

- (a) at or after age 55, but prior to his Normal Retirement Date, and who has at least 25 years of Service or
- (b) prior to his Normal Retirement Date and who has at least 30 years of Credited Service or
- (c) on or after July 1, 2001, who has at least 25 years of Credited Service, and is not classified as either a communication assistant or a 22nd District Court union member

shall be eligible for an early retirement benefit.

6.2 Amount

An eligible Participant's monthly early retirement benefit shall be equal to his vested Accrued Benefit on the date of his early retirement. An eligible Participant may elect to receive a separate distribution of his Accumulated Contributions as provided in Section 7.6, in which case his early retirement benefit shall be adjusted as provided therein.

A Participant's vested interest in his Accrued Benefit shall be determined in accordance with the schedule provided in Section 7.1.

6.3 Payment

A monthly early retirement benefit shall be paid to an eligible Participant commencing as of the first day of the month following the later of the month in which he retires or the month in which he makes written application for the benefit, but not later than his Normal Retirement Date.

ARTICLE VII VESTED RIGHTS

7.1 Vesting

A Participant's vested interest in his Employee Derived Benefit shall be at all times 100%.

A Participant's vested interest in his Employer Derived Benefit shall be determined in accordance with the following schedule, based upon the number of full years of Service credited to him.

Years of Service	Vested Interest
Less than 5	0%
5, but less than 6	50%
6, but less than 7	60%
7, but less than 8	70%
8, but less than 9	80%
9, but less than 10	90%
10 or more	100%

Notwithstanding the foregoing, a Participant's vested interest in his Employer Derived Benefit shall be 100% if he is employed by the Employer or an Affiliated Entity on his Normal Retirement Date, regardless of whether he has completed the number of years of Service required under the schedule for 100% vesting.

7.2 Eligibility for Deferred Vested Retirement Benefit

Each Participant who terminates employment with the Employer and all Affiliated Entities, who has a vested interest in his Employer Derived Benefit, and who is not eligible for any other retirement benefit under the Plan shall be eligible for a deferred vested retirement benefit.

If a Participant terminates employment before he has a vested interest in his Employer Derived Benefit, he shall be eligible to receive distribution of his Employee Derived Benefit commencing at the same time and in the same form as if he had been eligible for a deferred vested retirement benefit.

7.3 Amount of Deferred Vested Retirement Benefit

An eligible Participant's monthly deferred vested retirement benefit shall be equal to his vested Accrued Benefit on the date of his termination of employment; provided, however, that the

amount of such benefit shall be reduced by 1/2% for each full calendar month by which his Annuity Starting Date precedes his Normal Retirement Date.

7.4 Payment

A monthly deferred vested retirement benefit shall be paid to an eligible Participant commencing as of his Normal Retirement Date; provided, however, that a Participant may elect to begin benefit payments as of the first day of any month that is within the 10-year period preceding his Normal Retirement Date.

7.5 Immediate Distribution Option

Notwithstanding any other provision of the Plan to the contrary, immediate payment of the full Actuarially Equivalent present value of a Participant's Accrued Benefit may be made in a single sum in lieu of all future benefits upon such Participant's termination of employment.

7.6 Cash Distribution of Accumulated Contributions

A Participant who terminates employment for reasons other than death prior to becoming eligible for a normal retirement benefit under the Plan may elect to receive distribution of his Accumulated Contributions in a single sum payment at any time prior to the date payment of his retirement benefit begins. If a Participant elects to receive distribution of his Accumulated Contributions pursuant to this Section, his Accrued Benefit shall be forfeited.

7.7 Election to Withdraw from Plan

Effective July 1, 1996, an Inkster Housing Employee may elect to withdraw from the Plan and receive a refund of his Accumulated Contributions. For purposes of determining the value of a Participant's Accumulated Contributions hereunder, interest shall be credited to the date the election is made. Upon such election, such Inkster Housing Employee shall forfeit his Accrued Benefit under the Plan and shall not be eligible thereafter to receive any retirement benefits under the Plan.

**ARTICLE VIII
DISABILITY RETIREMENT BENEFIT**

8.1 No Disability Retirement Benefits Payable Under Plan

There shall be no disability retirement benefits payable under the Plan.

ARTICLE IX FORMS OF PAYMENT

9.1 Normal Form of Payment

A Participant who is eligible to receive any retirement benefit under Section 5.1, 6.1, or 7.2 of the Plan or who is not eligible to receive a retirement benefit under the Plan, but who receives distribution of his Employee Derived Benefit as provided in Section 7.2, shall receive payment of such benefit in the form of a single life annuity. Such Participant shall receive a monthly retirement benefit payable for his lifetime, the last monthly payment being for the month in which his death occurs.

Subject to the rules prescribed by the Administrator, a Participant may waive the normal form of payment applicable to him and elect to receive payment of his benefit in one of the optional forms of payment provided in Section 9.2.

9.2 Optional Forms of Payment

Within the election period prescribed by the Administrator, a Participant who is eligible to receive a normal, early, or deferred vested retirement benefit or who is not eligible to receive a retirement benefit under the Plan, but who receives distribution of his Employee Derived Benefit as provided in Section 7.6, may elect to receive payment of such benefit in accordance with any one of the following options.

If the Participant's Beneficiary under an optional form of payment dies prior to the Participant's Annuity Starting Date, the election shall become inoperative and ineffective, and benefit payments, if any, shall be made under the normal form of payment provided in Section 9.1, unless the Participant elects another optional form of payment prior to his Annuity Starting Date. Once a Participant's Annuity Starting Date occurs, however, the form of payment elected by the Participant will not change even if the Participant's Beneficiary predeceases him.

The monthly payments made under any optional form of payment hereunder shall be the Actuarial Equivalent of the monthly benefit otherwise payable to the Participant in the single life annuity form described in Section 9.1.

- (a) **100% Joint and Survivor Annuity.** The Participant shall receive a reduced monthly retirement benefit payable for his lifetime, the last monthly payment being for the month in which his death occurs. If the Participant's Beneficiary survives him, then commencing with the month following the month in which the Participant's death occurs, his Beneficiary shall receive a monthly benefit for his or her remaining lifetime equal to the reduced amount payable during the Participant's lifetime, the last monthly payment being for the month in which the Beneficiary's death occurs.
- (b) **66 2/3% Joint and Survivor Annuity.** The Participant shall receive a reduced monthly retirement benefit payable for his lifetime, the last monthly payment being for the month in which his death occurs. If the Participant's Beneficiary survives him, then commencing

with the month following the month in which the Participant's death occurs, his Beneficiary shall receive a monthly benefit for his or her remaining lifetime equal to 66 2/3rds% of the reduced amount payable during the Participant's lifetime, the last monthly payment being for the month in which the Beneficiary's death occurs.

- (c) **50% Joint and Survivor Annuity.** The Participant shall receive a reduced monthly retirement benefit payable for his lifetime, the last monthly payment being for the month in which his death occurs. If the Participant's Beneficiary survives him, then commencing with the month following the month in which the Participant's death occurs, his Beneficiary shall receive a monthly benefit for his or her remaining lifetime equal to one-half of the reduced amount payable during the Participant's lifetime, the last monthly payment being for the month in which the Beneficiary's death occurs.
- (d) **10-Year Certain and Life Annuity.** The Participant shall receive a reduced monthly retirement benefit payable for his lifetime, the last monthly payment being for the month in which his death occurs. If the Participant's death occurs prior to the end of the 10-year period commencing with his Annuity Starting Date, his Beneficiary shall receive a continued monthly benefit equal to such reduced amount for the remainder of such 10-year period. If the Participant's Beneficiary dies after becoming eligible to receive a benefit hereunder, but prior to the end of the 10-year period, the unpaid monthly benefit shall be paid to the Beneficiary designated by the Participant to receive payment in such event or, if none, in accordance with the provisions of Section 9.3.

Notwithstanding any other provision of the Plan to the contrary, distribution under an optional form of payment shall be made in accordance with Code Section 401(a)(9) and regulations issued thereunder, including the incidental death benefit requirement, as described in Article XVIII. If a Participant designates a person other than his Spouse as his Beneficiary under an optional form of payment, and if payments under the optional form elected would not meet the incidental death benefit requirement, the election shall be ineffective and benefit payments, if any, shall be made under the normal form of payment provided in Section 9.1, unless the Participant elects another optional form of payment provided under the Plan prior to his Annuity Starting Date.

9.3 Designation of Beneficiary and Beneficiary in Absence of Designated Beneficiary

A Participant's Beneficiary may be any individual or, in the case of a Beneficiary to receive payments for the remainder of a period-certain under the form of payment elected by the Participant, any individuals, trust, or estate, selected by the Participant.

If payment is to be made to a Participant's surviving Beneficiary for the remainder of a period-certain under the form of payment elected by the Participant and no Beneficiary survives or the Participant has not designated a Beneficiary, the Participant's Beneficiary shall be the Participant's surviving Spouse or, if none, the Participant's surviving children in equal shares or, if none, the Participant's estate.

9.4 Death Prior to Annuity Starting Date

Except as provided in Section 9.5, should a Participant die prior to his Annuity Starting Date neither he nor any person claiming under or through him shall be entitled to any retirement benefit under the Plan; and no benefit shall be paid under the Plan with respect to such Participant except any survivor benefit payable under the provisions of Article X.

9.5 Preservation of Election of Optional Form of Payment

If a Participant who continues employment after his Normal Retirement Date and dies before his Annuity Starting Date has elected an optional form of payment under Section 9.2 that provides for a survivor benefit, his election shall be given effect and payment shall be made to his Beneficiary in accordance with the provisions of Section 9.2.

9.6 Effect of Reemployment on Form of Payment

Notwithstanding any other provision of the Plan, if a former Employee is reemployed, his prior election of a form of payment hereunder shall become ineffective unless the Participant's Annuity Starting Date has occurred, in which case such election will continue to apply to benefits accrued both before and after reemployment.

ARTICLE X SURVIVOR BENEFITS

10.1 Eligibility for Preretirement Spouse Benefit

If a Participant dies before his Annuity Starting Date, his surviving Spouse shall be eligible for a preretirement spouse benefit if all of the following requirements are met on the Participant's date of death:

- (a) The Participant's cessation of Service has not occurred.
- (b) The Participant has completed at least 10 years of Service.
- (c) The Participant has not elected an optional form of payment that is given effect as provided in Section 9.5.

10.2 Amount of Preretirement Spouse Benefit

The monthly amount of the preretirement spouse benefit payable to a surviving Spouse shall be equal to 50% of the Participant's monthly Accrued Benefit determined as if the Participant had separated from service on his date of death.

10.3 Payment of Preretirement Spouse Benefit

Payment of the preretirement spouse benefit to a Participant's surviving Spouse shall commence as of the later of (1) the Participant's Normal Retirement Date or (2) the first day of the month next following the month in which the Participant dies. Payment of a preretirement spouse benefit shall continue to a Participant's surviving Spouse for such Spouse's lifetime, the last monthly payment being for the month in which the Spouse's death occurs.

10.4 Return of Accumulated Contributions

Upon a Participant's death, his death beneficiary may be eligible for a death benefit as provided herein.

- (a) **Death Prior to Commencement of Benefit Payments.** If a Participant who has not previously received distribution of his Accumulated Contributions dies prior to his Annuity Starting Date and no benefit is payable to his Beneficiary under an optional form of payment that is preserved as provided in Section 9.5 and no preretirement spouse benefit is payable under the provisions of this Article, then the Participant's death beneficiary shall receive a death benefit, payable in a single sum, that is equal to the Participant's Accumulated Contributions determined as of the Participant's date of death.
- (b) **Death After Commencement of Benefit Payments.** A Participant's death beneficiary may be eligible for a death benefit as provided below when either of the following requirements is met:

- (1) the Participant dies prior to his Annuity Starting Date and either a benefit is payable to his Beneficiary under an optional form of payment that is given effect under the provisions of Section 9.5 or a preretirement spouse benefit is payable under the provisions of this Article and the Participant's Beneficiary or surviving Spouse thereunder also dies; or
- (2) the Participant dies after his Annuity Starting Date and either the form of payment elected by the Participant under the provisions of Article IX does not provide for continued benefits in the event of the Participant's death or his Beneficiary also dies.

The Participant's death beneficiary shall receive a death benefit, payable in a single sum, that is equal to the excess, if any, of (i) the Participant's Accumulated Contributions, determined as of the date benefit payments commenced under the Plan, over (ii) the amount of all benefit payments made under the terms of the Plan either to the Participant and/or his Beneficiary under the provisions of Article IX or his surviving Spouse.

- (c) **Designation of Death Beneficiary.** Each Participant may designate in writing any one or more persons as his death beneficiary to receive payment of the death benefit provided under this Section. Such designation shall be filed with the Administrator and shall be in such form as the Administrator shall require. A Participant at any time and from time to time, whether before or after his retirement or other termination of employment, may change the death beneficiary previously designated by him by filing with the Administrator a new designation in such form as it shall require.

If no death beneficiary shall have been designated by a Participant, or if all persons designated by him as death beneficiary shall die before becoming entitled to a death benefit hereunder, then such Participant's death beneficiary shall be his surviving Spouse or, if none, his surviving children in equal shares or, if none, his estate. A death beneficiary designation under this Section shall be separate from any Beneficiary designation under the provisions of Article IX.

**ARTICLE XI
GENERAL PROVISIONS & LIMITATIONS
REGARDING BENEFITS**

11.1 Suspension of Benefits

If a Participant continues employment with the Employer after reaching his Normal Retirement Date or a retired or former Employee is reemployed by the Employer, any benefits payable to such Participant or retired or former Employee under the Plan shall be suspended during the period of such employment or reemployment, as applicable.

11.2 Non-Alienation of Retirement Rights or Benefits

No benefit under the Plan at any time shall be subject in any manner to anticipation, alienation, assignment (either at law or in equity), encumbrance, garnishment, levy, execution, or other legal or equitable process; and no person shall have the power in any manner to anticipate, transfer, assign (either at law or in equity), alienate or subject to attachment, garnishment, levy, execution, or other legal or equitable process, or in any way encumber his benefits under the Plan, or any part thereof, and any attempt to do so shall be void. Notwithstanding the foregoing, retirement benefits hereunder may be reduced pursuant to a domestic relations order approved by the Administrator in accordance with procedures established by the Administrator.

11.3 Payment of Benefits to Others

If the Administrator finds that any individual to whom a benefit is payable hereunder is incapable of attending to his financial affairs because of any mental or physical condition, including the infirmities of advanced age, any payment due may, in the discretion of the Administrator, be paid to such individual's court appointed guardian, to another person with a valid power of attorney, or to another person authorized under state law to receive the benefit. The monthly payment of a benefit to a person for the month in which he dies shall, if not paid to such person prior to his death, be paid to such person's spouse, parent, brother, sister, or estate, or in accordance with local or state law, as the Administrator shall determine. The Funding Agent shall make any such payments only upon receipt of written instructions to such effect from the Administrator. Any payment made in accordance with the provisions of this Section shall be a complete discharge of any liability of the Plan with respect to the benefit so paid.

If payment of a benefit is to be made to a minor Beneficiary, the Administrator may, in its discretion, pay the amount to a duly qualified guardian or other legal representative, to the authorized person or entity (e.g., custodian or guardian) under the applicable state Uniform Gifts to Minors Act or Uniform Transfers to Minors Act, or to a trust that has been established for the benefit of the minor. Any payment made in accordance with the provisions of this Section shall be a complete discharge of any liability of the Plan with respect to the benefit so paid.

11.4 Missing Payees and Unclaimed Benefits

With respect to a Participant or Beneficiary who has not claimed any benefit (the "missing payee") to which such missing payee is entitled, and with respect to any Participant or Beneficiary who has not satisfied the administrative requirements for benefit payment, the Administrator may elect, in its discretion, to do any of the following:

- (a) segregate the benefit into an interest bearing account, in which event an annual maintenance fee as may be set from time to time in a policy established by the Employer may be assessed against the segregated account;
- (b) subject to a policy established by the Administrator, distribute the benefit at any time in any manner which is sanctioned by the Internal Revenue Service and/or the Department of Labor, which may include (but not be limited to) (1) distributing the benefit in an automatic direct rollover to an individual retirement plan designated by the Administrator; such individual retirement plan, as defined in Code Section 7701(a)(37), may be either an individual retirement account within the meaning of Code Section 408(a) or an individual retirement annuity within the meaning of Code Section 408(b); or (2) distributing the benefit to the Pension Benefit Guarantee Corporation or any other authorized Federal Department or agency;
- (c) distribute the benefit to any person or entity who is appointed under State (or Commonwealth) law to act as a duly authorized guardian, legal representative, conservator, or power of attorney; or
- (d) treat the entire benefit as a forfeiture.

If a missing payee whose benefit has been forfeited is located, or if a payee whose benefit has been forfeited for failure to satisfy the administrative requirements for benefit payment subsequently satisfies such administrative requirements and claims his benefit, and if the Plan has not terminated (or if the Plan has terminated, all benefits have not yet been paid), then the benefit will be restored. The Administrator, on a case by case basis, may elect to restore the benefit by the use of earnings from non-segregated assets of the Pension Fund, by Employer contributions, or by any combination thereof. However, if any such payee has not been located (or satisfied the administrative requirements for benefit payment) by the time the Plan terminates and all benefits have been distributed from the Plan, then the forfeiture of any such unpaid benefit will not be restored.

11.5 Payment of Small Benefits

If the Actuarially Equivalent present value of any retirement benefit payable under Section 5.1, 6.1, or 7.2 or any survivor benefit is \$3,500 or less, such Actuarially Equivalent present value shall be paid to the Participant, or his Beneficiary, if applicable, in a single sum payment, in lieu of all other benefits under the Plan, as soon as practicable following the date of the Participant's retirement, death, or other termination of employment and he shall cease to be a Participant under the Plan as of the date of such payment.

Notwithstanding any other provision of this Section, if the Actuarially Equivalent present value of any retirement benefit payable under the Plan to a Participant is greater than \$1,000, such Actuarially Equivalent present value shall not be paid to the Participant in a single sum payment prior to the Participant's Normal Retirement Date, unless the Participant consents in writing to such distribution. The provisions of this paragraph shall not apply to a distribution to a Participant's surviving spouse or an alternate payee under a qualified domestic relations order.

11.6 Direct Rollovers

Notwithstanding any other provision of the Plan to the contrary, in lieu of receiving a single sum payment as provided in Section 7.5, 7.6, or 11.5, a "qualified distributee" may elect in writing, in accordance with rules prescribed by the Employer, to have any portion or all of such payment that is an "eligible rollover distribution" paid directly by the Plan to the "eligible retirement plan" designated by the "qualified distributee"; provided, however, that this provision shall not apply if the total distribution is less than \$200 and that a "qualified distributee" may not elect this provision with respect to any partial distribution that is less than \$500. Any such payment by the Plan to another "eligible retirement plan" shall be a direct rollover.

The Administrator shall provide a "qualified distributee" with a notice describing his right to make a direct rollover of his "eligible rollover distribution." A "qualified distributee" shall have a period of at least 30 days after receiving such notice to determine whether or not to roll over his "eligible rollover distribution." A Participant may waive this 30-day period if:

- (a) the Administrator clearly informs the Participant of his right to consider his form of payment election for a period of at least 30 days following his receipt of the explanation; and
- (b) the Participant, after receiving the explanation, affirmatively elects an early Annuity Starting Date.

For purposes of this Section, the following terms have the following meanings:

- (c) An "**eligible retirement plan**" with respect to a "qualified distributee" who is the Participant, his surviving Spouse, or his Spouse or former Spouse who is an alternate payee under a qualified domestic relations order means any of the following: (i) an individual retirement account described in Code Section 408(a), (ii) an individual retirement annuity described in Code Section 408(b), (iii) an annuity plan described in Code Section 403(a), (iv) a qualified trust described in Code Section 401(a) that accepts rollovers, (v) an annuity contract described in Code Section 403(b) that accepts rollovers, (vi) an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan, or (vii) a Roth IRA, as described in Code Section 408A.

An "**eligible retirement plan**" with respect to any other "qualified distributee" means either an individual retirement account described in Code Section 408(a) or an individual retirement annuity described in Code Section 408(b), including a Roth IRA, as described

in Code Section 408A (collectively an "IRA"). Such IRA must be treated as an IRA inherited from the deceased Participant by the "qualified distributee" and must be established in a manner that identifies it as such.

The portion of an "eligible rollover distribution" that is attributable to a Participant's Mandatory Employee Contributions may only be rolled over to one of the following: : (A) an IRA; (B) a qualified defined contribution plan described in Code Section 401(a) or 403(a); (C) a qualified defined benefit plan described in Code Section 401(a) or (D) an annuity contract described in Code Section 403(b), provided that a plan or annuity contract described in (B), (C), or (D) agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

- (d) An "**eligible rollover distribution**" means any distribution of all or any portion of a Participant's Accrued Benefit or a distribution of all or any portion of a survivor benefit under Article X; provided, however, that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments made not less frequently than annually for the life or life expectancy of the qualified distributee or the joint lives or joint life expectancies of the qualified distributee and the qualified distributee's designated beneficiary, or for a specified period of 10 years or more; and any distribution to the extent such distribution is required under Code Section 401(a)(9).
- (e) A "**qualified distributee**" means a Participant, his surviving Spouse, or his Spouse or former Spouse who is an alternate payee under a qualified domestic relations order, as defined in Code Section 414(p).

11.7 Limitations on Commencement

Notwithstanding any other provision of the Plan to the contrary, payment of a Participant's retirement benefit shall commence not later than the Participant's Required Beginning Date.

Distributions required to commence under this Section shall be made in accordance with Code Section 401(a)(9) and regulations issued thereunder, as described in Article XVIII. If payment of a Participant's retirement benefit does not commence until his Required Beginning Date, his Required Beginning Date shall be considered his Annuity Starting Date for all purposes of the Plan.

Subject to the requirements of Code Sections 401(a)(9), as described in Article XVIII, no benefit payments shall commence under the Plan until the Participant, or his Beneficiary, if applicable, makes written application therefor on a form satisfactory to the Administrator. If the amount of a monthly retirement benefit payable to a Participant cannot be determined for any reason (including lack of information as to whether the Participant is still living or his marital status) on the date payment of such benefit is to commence under this Section, payment shall be made retroactively to such date no later than 60 days after the date on which the amount of such monthly retirement benefit can be determined.

ARTICLE XII MAXIMUM RETIREMENT BENEFITS

12.1 Definitions

For purposes of this Article XII, the following terms have the following meanings.

- (a) An "**affiliated employer**" means any corporation or business, other than an Employer, which would be aggregated with an Employer for a relevant purpose under Code Section 414 as modified by Code Section 415(h).
- (b) A Participant's "**aggregate annual retirement benefit**" means the sum of his "annual retirement benefit" under the Plan and his "annual retirement benefit", if any, under any and all other "defined benefit plans" (whether or not terminated) maintained by an Employer, any "affiliated employer", or a "predecessor employer" that are required to be aggregated with the Plan in accordance with the provisions of Treasury Regulations Section 1.415(f)-1.
- (c) An "**annual addition**" with respect to a Participant for a "limitation year" means the sum of the following amounts made by the Participant or allocated to the Participant's account for the "limitation year":
 - (1) his Mandatory Employee Contributions to the Plan;
 - (2) all employer contributions allocated to the Participant's account under any qualified "defined contribution plan" maintained by an Employer or an "affiliated employer", including "elective contributions" and amounts attributable to forfeitures applied to reduce the employer's contribution obligation, but excluding "catch-up contributions;"
 - (3) all "employee contributions" allocated to the Participant's account under any qualified "defined contribution plan" maintained by an Employer or an "affiliated employer" or any qualified "defined benefit plan" maintained by an Employer or an "affiliated employer" if either separate accounts are maintained under the "defined benefit plan" with respect to such "employee contributions" or such contributions are mandatory employee contributions within the meaning of Code Section 411(c)(2)(c) (without regard to whether the plan is subject to the provisions of Code Section 411);
 - (4) all forfeitures allocated to the Participant's account under any qualified "defined contribution plan" maintained by the Employer or an "affiliated employer;"
 - (5) all amounts allocated to an individual medical benefit account, as described in Code Section 415(l)(2), established for the Participant as part of a pension or annuity plan maintained by the Employer or an "affiliated employer;"

- (6) if the Participant is a key employee, as defined in Code Section 419A(d)(3), all amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after that date, that are attributable to post-retirement medical benefits credited for the "limitation year" to the Participant's separate account under a welfare benefit fund, as defined in Code Section 419(c), maintained by the Employer or an "affiliated employer;" and
- (7) all allocations to the Participant under a simplified employee pension

For purposes of defining "annual addition", a "catch-up contribution" means any elective deferral, as defined in Code Section 414(v)(2)(C), that is treated as a catch-up contribution in accordance with the provisions of Code Section 414(v). Any repayment of contributions (including interest) made to a governmental plan (as defined under Code Section 414(d)) to reinstate an amount previously refunded upon forfeiture of service credit under such plan or under another governmental plan maintained by a State or local government employer within the same State shall not be treated as an "annual addition" hereunder.

- (d) A Participant's "**annual retirement benefit**" means the amount of retirement benefit attributable to Employer contributions (including benefits attributable to contributions picked up by the Employer, as described in Code Section 414(h)(2), if any) which is payable to him annually under the Plan adjusted to the actuarially equivalent straight life annuity form using the factors prescribed in the following paragraphs if such benefit is to be paid in a manner other than to the Participant for his life only. A Participant's "annual retirement benefit" includes Social Security supplements described in Code Section 411(a)(9) and benefits transferred from another "defined benefit plan", other than transfers of distributable benefits pursuant to Treasury Regulations Section 1.411(d)-4, Q&A-3(c), but shall not include the following: (A) benefits attributable to a Participant's "employee contributions;" (B) any repayment of contributions made by a Participant to the Plan with respect to an amount previously refunded upon the forfeiture of service credits under the Plan or another governmental plan maintained by a State or local governmental employer within the same State; or (C) benefits provided under a "qualified governmental excess benefit arrangement," as defined in Code Section 415(m)(3). If a Participant's retirement benefit under the Plan includes Mandatory Employee Contributions, it shall be adjusted to the actuarial equivalent of the retirement benefit attributable to the Employer's contributions using the factors prescribed in paragraph 12.1(c)(1) below.

For purposes of determining a Participant's "annual retirement benefit", the following shall apply:

- (1) If the Participant's retirement benefit includes Mandatory Employee Contributions, the portion of the Participant's retirement benefit that is attributable to Employer contributions shall be the greater of (I) the annual amount of straight life annuity, if any, payable to the Participant under the Plan commencing at the same Annuity Starting Date as the Participant's form of payment or (II) the annual

amount of straight life annuity commencing at the same Annuity Starting Date that has the same actuarially equivalent present value as the Participant's form of payment computed using the "applicable mortality table" and an interest rate of 5%.

- (2) If payment is to be made in a form other than to the Participant for his life only, and such form is not subject to the requirements of Code Section 417(e)(3), the actuarially equivalent straight life annuity shall be determined in accordance with paragraph (1) above.
- (3) If payment is to be made to the Participant in a form that is subject to the requirements of Code Section 417(e)(3), the actuarially equivalent straight life annuity form shall be the annual amount of straight life annuity commencing on the same Annuity Starting Date that has the same actuarially equivalent present value as the Participant's form of payment determined using the following, whichever provides the greatest annual amount:
 - (A) the mortality table and interest rate otherwise used under the Plan for purposes of determining Actuarial Equivalence of such optional form;
 - (B) the "applicable mortality table" and an interest rate of 5.5%; or
 - (C) the "applicable mortality table" and the "417(e) interest rate" determined as of the second calendar month preceding the Plan Year in which the distribution is made, divided by 1.05. For purposes of this subparagraph (C), the "417(e) interest rate" means the adjusted first, second and third segment rates applied under Code Section 430(h)(2)(C), computed without regard to a 24 month average.
- (4) A form of payment is not subject to the requirements of Code Section 417(e)(3) if the form of payment is either (A) a nondecreasing annuity (other than a straight life annuity) payable for a period not less than the life of the Participant (or in the case of a qualified preretirement survivor annuity (as defined in Code Section 417(c)), the life of the Participant's Spouse) or (B) an annuity that decreases during the life of the Participant merely because of (I) the death of the Participant's Beneficiary under a joint and survivor annuity, but only if the reduction is not below 50% of the benefit payable before the death of the Beneficiary or (II) cessation or reduction of Social Security supplements or qualified disability payments, as defined in Code Section 401(a)(11).
- (5) No actuarial adjustment shall be made hereunder for (A) survivor benefits payable to a surviving Spouse under a qualified joint and survivor annuity (as defined in Code Section 417(b)) to the extent such benefits would not be payable if the Participant's benefit were paid in another form, (B) benefits that are not directly related to retirement benefits (such as qualified disability benefits, preretirement incidental death benefits, and post-retirement medical benefits), or (C) the inclusion in the form of payment of an automatic benefit increase feature,

provided that (I) the form of payment is not subject to Code Section 417(e)(3) and would otherwise satisfy the limitations of this Article XII and (II) the Plan provides that the amount payable under the form of payment in any "limitation year" shall not exceed the limits of this Article XII applicable as of the Annuity Starting Date, increased in subsequent years pursuant to Code Section 415(d). For purposes of clause (C), an automatic benefit increase feature is included in a form of payment if the form of payment provides for automatic, periodic increases to benefits paid in that form.

- (6) If a Participant has or will have distributions commencing at more than one Annuity Starting Date, the "annual retirement benefit" shall be determined as of each Annuity Starting Date (and shall satisfy the limitations of this Article XII as of each such date), actuarially adjusting for past and future distributions of benefits commencing as of other Annuity Starting Dates. For purposes of this paragraph (v), the determination of whether a new Annuity Starting Date has occurred shall be made without regard to Treasury Regulations Section 1.401(a)-20, Q&A 10(d), but with regard to Treasury Regulations Sections 1.415(b)-1(b)(1)(iii)(B) and (C).
- (e) The "**applicable mortality table**" means the applicable Code Section 417(e)(3) mortality table.
- (f) "**Defined benefit plan**" and "**defined contribution plan**" have the meanings given such terms in Code Section 415(k).
- (g) "**Defined benefit dollar limitation**" means \$160,000, as adjusted, effective January 1 of each year, under Code Section 415(d) in such manner as the Secretary of the Treasury shall prescribe, and payable in the form of a straight life annuity. A limitation adjusted under Code Section 415(d) will apply to "limitation years" ending with or within the calendar year for which the adjustment applies. A Participant's "annual retirement benefit" shall not be adjusted to reflect increases in the "defined benefit dollar limitation" effective for "limitation years" beginning after the "limitation year" in which his severance of employment occurs.

The "defined benefit dollar limitation" shall be adjusted as follows:

- (1) If the Participant has fewer than 10 years of participation in the Plan, the "defined benefit dollar limitation" shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof, but not less than 1) of participation in the plan and (ii) the denominator of which is 10. For purposes of this paragraph (1), a Participant is credited with a "year of participation" (computed to fractional years) for each year (or fraction of a year) of Credited Service with which he is credited under the Plan, provided that (I) he is included as a Participant under the eligibility provisions of the Plan for at least one day of each such year (or fraction of a year) and (II) the Plan is established no later than the last day of such year (or fraction of a year).

The adjustment provided in this paragraph (g)(i) shall not apply to the following:

- (A) benefits payable to a Participant or his Beneficiary as a pension, annuity, or similar allowance as a result of the recipient becoming disabled due to personal injury or illness
 - (B) benefits payable to a Participant's Beneficiary as a result of the death of the Participant
- (2) If the benefit of a Participant begins prior to age 62, the "defined benefit dollar limitation" applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the Participant's Annuity Starting Date that is the following, as applicable:
- (A) If the Plan does not provide an immediately commencing straight life annuity commencing at both age 62 and the Participant's age at his Annuity Starting Date, the actuarial equivalent of the "defined benefit dollar limitation" (adjusted under (i) above, if required) determined using the "applicable mortality table" (expressing the Participant's age based on completed calendar months as of the Annuity Starting Date) and an interest rate of 5%.
 - (B) If the Plan does provide an immediately commencing straight life annuity commencing at both age 62 and the Participant's age at his Annuity Starting Date, the lesser of: (a) the amount determined under (I) above or (b) the "defined benefit dollar limitation" (adjusted under 12.1(g)(1) above, if required) multiplied by the ratio of the annual amount of the immediately commencing straight life annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the immediately commencing straight life annuity under the Plan at age 62, both determined without applying the limitations of this Article XII.

Any decrease in the "defined benefit dollar limitation" determined in accordance with paragraph 12.1(g)(2)(A) above shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account. For this purpose, no forfeiture is treated as occurring upon the Participant's death if the Plan does not charge Participants for providing qualified preretirement survivor annuity coverage.

The adjustment provided in this paragraph 12.1(g)(2) shall not apply to the following:

- (C) benefits payable to a Participant or his Beneficiary as a pension, annuity, or similar allowance as a result of the recipient becoming disabled due to personal injury or illness

- (D) benefits payable to a Participant's Beneficiary as a result of the death of the Participant
- (3) If the benefit of a Participant begins after the Participant attains age 65, the "defined benefit dollar limitation" applicable to the Participant at the later age is an annual benefit payable in the form of a straight life annuity beginning at the Annuity Starting Date that is the following, as applicable:
 - (A) If the plan does not provide an immediately commencing straight life annuity commencing at both age 65 and the Participant's age at his Annuity Starting Date, the actuarial equivalent of the "defined benefit dollar limitation" (adjusted under 12.1(g)(1) above, if required) determined using the "applicable mortality table" (expressing the Participant's age based on completed calendar months as of the Annuity Starting Date) and an interest rate of 5%.
 - (B) If the plan does provide an immediately commencing straight life annuity commencing at both age 65 and the Participant's age at his Annuity Starting Date, the lesser of: (a) the amount determined under Section 12.1(g)(3)(A) above or (b) the "defined benefit dollar limitation" (adjusted under 12.1(g)(1) above, if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing straight life annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the adjusted immediately commencing straight life annuity under the Plan at age 65, both determined without applying the limitations of this Article XII. The adjusted immediately commencing straight life annuity at the Participant's Annuity Starting Date is the annual amount of such annuity payable to the Participant computed disregarding accruals after age 65, but including actuarial adjustments even if those adjustments are used to offset accruals and the adjusted immediately commencing straight life annuity under the Plan at age 65 is the annual amount of such annuity that would be payable to a hypothetical Participant who is age 65 and has the same Accrued Benefit as the Participant.

Any adjustment to the "defined benefit dollar limitation" determined in accordance with paragraph 12.1(g)(3)(A) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account. For this purpose, no forfeiture is treated as occurring upon the Participant's death if the Plan does not charge Participants for providing qualified preretirement survivor annuity coverage.

- (h) An "**elective contribution**" means any employer contribution made to a plan maintained by an Employer or an "affiliated employer" on behalf of a Participant in lieu of cash compensation pursuant to his written election to defer under any qualified CODA as described in Code Section 401(k), any simplified employee pension cash or deferred

arrangement as described in Code Section 402(h)(1)(B), or any plan as described in Code Section 501(c)(18), and any contribution made on behalf of the Participant by an Employer or an "affiliated employer" for the purchase of an annuity contract under Code Section 403(b) pursuant to a salary reduction agreement.

- (i) An "**employee contribution**" means any employee after-tax contribution contributed by a Participant under any qualified plan of an Employer or an "affiliated employer", including mandatory employee contributions, as defined in Code Section 411(c)(2)(C).
- (j) A Participant's "**415 compensation**" with respect to a calendar year means his wages, salaries, fees for professional service, and all other amounts received for personal services actually rendered in the course of employment with an Employer or an "affiliated employer" paid to him for such period, but excluding (i) contributions (other than elective contributions described in Code Section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) made on behalf of the Participant by an Employer or an "affiliated employer" to a plan of deferred compensation (including a simplified employee pension described in Code Section 408(k) or a simple retirement account described in Code Section 408(p)), whether or not qualified, to the extent that, before application of the limitations of Code Section 415 to such plan, the contributions are not includable in the gross income of the Participant for the taxable year in which contributed, (ii) any distributions from a plan of deferred compensation, whether or not qualified, (except amounts received pursuant to an unfunded non-qualified plan in the year such amounts are includable in the gross income of the Participant), (iii) amounts realized from the exercise of a non-qualified option or when restricted stock or other property held by the Participant either becomes freely transferable or is no longer subject to substantial risk of forfeiture, (iv) amounts received from the sale, exchange or other disposition of stock acquired under a qualified stock option, (v) any other amounts that receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includable in the gross income of the Participant and are not salary reduction amounts that are described in Code Section 125), and (vi) other items that are similar to the items listed in (i) through (v) above.

"415 compensation" includes (i) any elective deferral, as defined in Code Section 402(g)(3) and (ii) any amount contributed or deferred by the Employer at the Participant's election which is not includable in the Participant's gross income by reason of Code Section 125, 132(f)(4), or 457.

If a Participant has a severance of employment (as defined in Treasury Regulations Section 1.415(a)-1(f)(5)) with the Employer and all "affiliated employers", "415 compensation" does not include amounts received by the Participant following such severance of employment except amounts paid before the later of (a) the close of the "limitation year" in which the Participant's employment terminates or (b) within 2 ½ months of such severance if such amounts would otherwise have been paid to the Participant in the course of his employment and are regular compensation for services during the Participant's regular working hours, compensation for services outside the

Participant's regular working hours (such as overtime or shift differential pay), commissions, bonuses, or other similar compensation.

For purposes of this subsection, a Participant will not be considered to have incurred a severance of employment if his new employer continues to maintain the plan with respect to such Participant.

In no event, however, shall the compensation of a Participant taken into account under the Plan for any calendar year exceed the Code Section 401(a)(17) limit in effect for such calendar year (\$255,000 for the 2013 calendar year). The limit described in this paragraph shall be applied annually to "415 compensation" earned in such calendar year and "415 compensation" for a calendar year shall not increase as a result of an increase in the Code Section 401(a)(17) limit applicable to a future calendar year.

To be included in a Participant's "415 compensation" for a particular calendar year, an amount must have been received by the Participant (or would have been received, but for the Participant's election under Code Section 125, 132(f)(4), 401(k), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i), or 457) within such calendar year.

- (k) The "**limitation year**" means the calendar year.
- (l) A "**predecessor employer**" means (1) any former employer with respect to which an Employer or "affiliated employer" maintains a plan that provides benefits that the Participant accrued while performing services for such other employer or (2) a former entity that antedates an Employer or an "affiliated employer" if under the facts and circumstances the Employer or "affiliated employer" constitutes a continuation of all or a part of the trade or business of the former entity.

12.2 Maximum Limitation on Annual Benefits

The "aggregate annual retirement benefit" payable to a Participant may not at any time within any "limitation year" exceed the "defined benefit dollar limitation"; provided, however, that the "aggregate annual retirement benefit" accrued or payable to a Participant shall be deemed not to exceed such limits if both of the following requirements are met:

- (a) The Employer, all "affiliated employers", and any "predecessor employer" have not at any time maintained a separate "defined contribution plan" in which the Participant participated; and
- (b) The "aggregate annual retirement benefit" payable for a "limitation year" under any available form of payment does not exceed \$10,000; provided that if the Participant has fewer than 10 years of service, as defined below, such dollar amount shall be adjusted by multiplying it by a fraction, the numerator of which is the Participant's number of years of service (or part thereof, but not less than 1) and the denominator of which is 10. The adjustment to the dollar amount provided under this paragraph (b) shall not apply to the following:

- (1) benefits payable to a Participant or his Beneficiary as a pension, annuity, or similar allowance as a result of the recipient becoming disabled due to personal injury or illness
- (2) benefits payable to a Participant's Beneficiary as a result of the death of the Participant

For purposes of paragraph (b) above, a Participant is credited with a "year of service" (computed to fractional years) equal to the years of Credited Service with which he would have credited under the Plan, taking into account service with the Employer, any "affiliated employer", or a "predecessor employer."

If a Participant makes one or more contributions to the Plan for purposes of purchasing "permissive service credits," as defined in Code Section 415(n)(3), the requirements of Code Section 415 shall be satisfied if either:

- (c) the requirements of this Section 12.2 are satisfied including the accrued benefit derived from such contributions in the Participant's "aggregate annual retirement benefit;" or
- (d) the requirements of Code Section 415(c) are met for the "limitation year" in which the contributions are made, aggregating such contributions with other "annual additions," as defined in Code Section 415(c)(2) and regulations issued thereunder, made to plans maintained by the Employer and "affiliated employers."

12.3 Grandfather Prior Benefits

Notwithstanding any other provision of this Article XII to the contrary, in no event will application of the limits contained in this Article XII reduce the "aggregate annual retirement benefit" payable to a Participant below the "aggregate annual retirement benefit" payable to the Participant as of the end of the last "limitation year" beginning before July 1, 2007 under the provisions of the Plan adopted and in effect before April 5, 2007, provided that such provisions satisfied the requirements of Code Section 415 and the regulations and published guidance issued thereunder in effect as of the end of the last "limitation year" beginning before July 1, 2007, as provided in Treasury Regulations Section 1.415(a)-1(g)(4).

12.4 Maximum Limitation on Mandatory Employee Contributions

Notwithstanding any other provision of the Plan to the contrary, the "annual addition" with respect to a Participant for a "limitation year" shall in no event exceed the lesser of (i) the dollar limitation in effect for the "limitation year" under Code Section 415(c)(1)(A), adjusted as provided in Code Section 415(d) (e.g., \$51,000 for the 2013 "limitation year") or (ii) 100% of the Participant's "415 compensation" for the "limitation year"; provided, however, that the limit in clause (i) shall be pro-rated for any short "limitation year". The limit in clause (ii) shall not apply to any contribution for medical benefits within the meaning of Code Section 401(h) or 419A(f)(2) after severance of employment which is otherwise treated as an "annual addition" under Code Section 419A(d)(2) or 415(l)(1).

12.5 Manner of Reduction

If a Participant's "annual retirement benefit" that would otherwise be payable for a "limitation year" would otherwise exceed the limitations specified in this Article XII, his "annual retirement benefit" that would otherwise be payable for such "limitation year" shall be reduced to the extent necessary. If a Participant is also covered by another "defined benefit plan" required to be aggregated with the Plan under Treasury Regulations Section 1.415(1)-1 and his "aggregate annual retirement benefit" payable for a "limitation year" would exceed the limitations of this Article XII, his "annual retirement benefit" payable for such "limitation year" shall be reduced by an amount equal to the amount by which his "aggregate annual retirement benefit" payable for such "limitation year" would exceed the limitations of this Article XII multiplied by a fraction, the numerator of which is his "annual retirement benefit" (determined without regard to this Article XII) and the denominator of which is his "aggregate annual retirement benefit" (determined without regard to the limitations of this Article XII or any corresponding limitation in any other "defined benefit plan" maintained by an Employer, any "affiliated employer," or any predecessor employer").

If the "annual addition" to the Plan of a Participant in any "limitation year" would otherwise exceed the amount that may be applied for his benefit under the limitation contained in Section 12.4, the limitation shall be satisfied by reducing the Participant's Mandatory Employee Contributions to be made to the Plan to the extent necessary. If a Participant is covered by any other qualified "defined contribution plan" (whether or not terminated) maintained by an Employer or an "affiliated employer" concurrently with the Plan, and if the "annual addition" for the "limitation year" would otherwise exceed the amount that may be applied for the Participant's benefit under the limitation contained in Section 12.4, such excess shall be reduced first by reducing the "employee contributions" to be made by the Participant for the "limitation year" under all "defined contribution plans", to the extent necessary in the order prescribed by the Administrator. If the limitation contained in Section 12.4 still is not satisfied after reducing all of the "employee contributions" to be made by the Participant under all such other plans, the excess shall be reduced by reducing, the "elective contributions" to be made on the Participant's behalf for the "limitation year" under all such other plans, to the extent necessary, in the order prescribed by the Administrator. If the limitation contained in Section 12.4 still is not satisfied after reducing all of the "elective contributions" to be made on the Participant's behalf under all such other plans, the portion of the employer contributions and forfeitures for the "limitation year" under all such other plans that are to be allocated to the Participant thereunder shall be reduced to the extent necessary, in the order prescribed by the Administrator, but first under any "defined contribution plan" that is not a money purchase pension plan and, if the limitation still is not satisfied, then under such money purchase pension plan. If the limitation contained in Section 12.4 still is not satisfied after all employer contributions and forfeitures to be allocated under all such "defined contributions plans" are reduced for the "limitation year", the limitation shall be satisfied by reducing contributions to be made under the Plan as provided in this Section.

If the limitations contained in this Article XII are nevertheless exceeded with respect to a Participant for any "limitation year," correction shall be made in accordance with the Employee Plans Compliance Resolution System, as set forth in Revenue Procedure 2006-27, or any superseding guidance.

ARTICLE XIII PENSION FUND

13.1 Pension Fund

The Pension Fund is maintained by the Funding Agent for the Plan under a Funding Agreement with the Employer. Benefits under the Plan shall be only such as can be provided by the assets of the Pension Fund, and no liability for payment of benefits shall be imposed upon the Employer or any Affiliated Entity, or any of their officers, employees, directors, or stockholders.

13.2 Contributions by the Employer

So long as the Plan continues, contributions will be made by the Employer at such times and in such amounts as the Employer in its sole discretion shall from time to time determine, based on the advice of the Actuary and consistent with the funding policy for the Plan. Subject to the provisions of Section 13.5, all such contributions shall be delivered to the Funding Agent for deposit in the Pension Fund.

13.3 Expenses of the Plan

The expenses of administration of the Plan, including the expenses of the Administrator and fees of the Funding Agent and any investment advisor, shall be paid from the Pension Fund, unless the Employer elects to make payment.

13.4 No Reversion

The Pension Fund shall be for the exclusive benefit of Participants and persons claiming under or through them. All contributions pursuant to Section 13.2 hereof shall be based on the facts then understood by the Employer. All such contributions shall be irrevocable and such contributions as well as the Pension Fund, or any portion of the principal or income thereof, shall never revert to or inure to the benefit of the Employer or any Affiliated Entity except that:

- (a) the residual amounts specified in Article XVI may be returned to the Employer; and
- (b) any contributions which are made under a mistake of fact (reduced by any losses attributable thereto) may be returned to the Employer within 1 year after the contributions were made.

The Employer shall determine, in its sole discretion, whether the contributions described above, other than the residual amounts described in paragraph (a), shall be returned to the Employer. If any such contributions are to be returned, the Employer shall so direct the Funding Agent, in writing, no later than 10 days prior to the last day upon which they may be returned.

13.5 Forfeitures Not to Increase Benefits

Any forfeitures arising from the termination of employment or death of an Employee, or for any other reason, shall be used to reduce Employer contributions to the Pension Fund, and shall not

be applied to increase the benefits any Participant otherwise would receive under the Plan at any time prior to the termination of the Plan.

13.6 Change of Funding Medium

The Employer shall have the right to change at any time the means through which benefits under the Plan shall be provided. No such change shall constitute a termination of the Plan or result in the diversion to the Employer of any funds previously contributed in accordance with the Plan.

ARTICLE XIV ADMINISTRATION

14.1 Authority of the Employer

The Employer, which shall be the plan administrator for purposes of the Code, shall have all the powers and authority expressly conferred upon it herein and further shall have the sole discretionary right, authority, and power to interpret and construe the Plan, and to determine any disputes arising thereunder. In exercising such powers and authority, the Employer at all times shall exercise good faith, apply standards of uniform application, and refrain from arbitrary action. The Employer may employ such attorneys, agents, and accountants as it may deem necessary or advisable to assist it in carrying out its duties hereunder. The Employer may designate a person or persons to carry out any of its powers, authority, or responsibilities for the operation and administration of the Plan, except that no designation by the Employer with respect to any of such powers, authority, or responsibilities to such other person shall become effective unless such allocation or designation shall first be accepted by such other person in a writing signed by it and delivered to the Employer.

14.2 Discretionary Authority

In carrying out its duties under the Plan, including making benefit determinations, interpreting or construing the provisions of the Plan, and resolving disputes, the Sponsor (or any individual to whom authority has been delegated in accordance with Section 14.1) shall have absolute discretionary authority.

Any interpretation of Plan provisions and any findings of fact, including eligibility to participate and eligibility for benefits, made by the Sponsor (or any named fiduciary to whom the Sponsor has allocated authority to make such interpretations and findings of fact) are final and will not be subject to "de novo" review unless shown to be arbitrary and capricious.

14.3 Action of the Employer

Any act authorized, permitted, or required to be taken by the Employer under the Plan, which has not been delegated in accordance with Section 14.1, may be taken by a majority of the members of the board of trustees of the Employer, either by vote at a meeting, or in writing without a meeting or by the employee or employees of the Employer designated by the board to carry out such acts on behalf of the Employer. All notices, advice, directions, certifications, approvals, and instructions required or authorized to be given by the Employer under the Plan shall be in writing and signed by either (i) a majority of the members of the board of trustees of the Employer, or by such member or members as may be designated by an instrument in writing, signed by all the members thereof, as having authority to execute such documents on its behalf, or (ii) the employee or employees of the Employer who have the authority to act on behalf of the Employer.

14.4 Claims Review Procedure

The Employer may establish a claims review procedure to apply whenever a claim for benefits under the Plan is filed by any person (referred to in this Section as the "claimant") and is denied, in whole or in part. The claims review procedure established by the Employer shall also control whenever a claimant seeks a remedy under any provision of ERISA or other applicable law in connection with any error regarding his benefit under the Plan and such claim is denied, in whole or in part. The claims review procedures established by the Employer shall not control to the extent the provisions of any applicable collective bargaining agreement provide another method of resolving such claims under the Plan.

14.5 Exhaustion of Remedies

No civil action for benefits under the Plan shall be brought unless and until the aggrieved person has:

- (a) submitted a timely claim for benefits in accordance with the provisions of the Plan;
- (b) been notified by the Administrator that the claim has been denied (or such claim is deemed denied);
- (c) filed a written request for a review of the claim in accordance with the claims procedures established by the Employer or effective under any applicable collective bargaining agreement, as applicable; and
- (d) been notified in writing of an adverse benefit determination on review.

14.6 Grounds for Judicial Review

Any civil action by an aggrieved person shall be based solely on the contentions advanced by the aggrieved person in the administrative review process and the judicial review will be limited to the Plan document and the record developed during the administrative review process.

14.7 Domestic Relations Order Approval Procedures

The Administrator shall establish reasonable procedures to determine the status of domestic relations orders and to administer distributions under domestic relations orders which it approves.

14.8 Indemnification

In addition to whatever rights of indemnification the members of the board of trustees of the Employer or any employee or employees to whom any power, authority, or responsibility is delegated pursuant to Section 14.1, may be entitled under the organizational authority, regulations, or bylaws of the Employer, under any provision of law, or under any other agreement, the Employer shall satisfy any liability actually and reasonably incurred by any such person or persons, including expenses, attorneys' fees, judgments, fines, and amounts paid in

settlement (other than amounts paid in settlement not approved by the Employer), in connection with any threatened, pending, or completed action, suit, or proceeding which is related to the exercise or failure to exercise by such person or persons of any of the powers, authority, responsibilities, or discretion as provided under the Plan and the Funding Agreement, or reasonably believed by such person or persons to be provided thereunder, and any action taken by such person or persons in connection therewith, unless the same is judicially determined to be the result of such person's or persons' gross negligence or willful misconduct.

14.9 Actions Binding

Subject to the provisions of Section 14.4, any action taken by the Employer which is authorized, permitted, or required under the Plan shall be final and binding upon the Employer, the Funding Agent, all persons who have or who claim an interest under the Plan, and all third parties dealing with the Employer or the Funding Agent.

ARTICLE XV
ADOPTION BY OTHER ENTITIES

15.1 No Adoption by Other Entities

No other entity may become an Employer hereunder.

ARTICLE XVI AMENDMENT & TERMINATION OF PLAN

16.1 Employer's Right of Amendment

The Employer reserves the right at any time and from time to time, by means of a written instrument executed in the name of the Employer by its duly authorized representatives, to amend or modify the Plan and, to the extent provided therein, to amend or modify the Funding Agreement. To the extent protected by applicable law, no pension or other benefit granted prior to the time of any amendment or modification of the Plan shall be reduced, suspended, or discontinued as a result thereof, except to the extent necessary to enable the Plan to meet the requirements for qualification under the Code or the requirements of any governmental authority. Moreover, no such action shall operate to recapture for the Employer any contributions made to the Pension Fund, except as provided in Section 13.4 or Section 16.7.

16.2 Termination of the Plan

The Employer reserves the right, by means of a written instrument executed in the name of the Employer by its duly authorized representatives, at any time to terminate the Plan. In the event of termination, no further benefits shall accrue, no further contributions shall be made and all assets remaining in the Pension Fund, after provision has been made for payment of the expenses of administration and liquidation in connection with the termination, shall be allocated by the Funding Agent upon the advice of the Actuary, among the Participants and Beneficiaries of the Plan, in the following manner and order of precedence:

- (a) First there shall be allocated an amount necessary to provide each Participant's Employee Derived Benefit.
- (b) Second, there shall be allocated an amount necessary to purchase retirement benefits for those Participants whose Annuity Starting Dates occurred prior to the Plan termination date.
- (c) Third, there shall be allocated an amount necessary to purchase retirement benefits for those Participants who have reached Normal Retirement Date, but have not yet retired.
- (d) Fourth, there shall be allocated an amount necessary to purchase retirement benefits for those Participants with 40 or more years of Service.
- (e) Fifth, there shall be allocated an amount necessary to purchase retirement benefits for those Participants with at least 30, but fewer than 40 years of Service.
- (f) Sixth, there shall be allocated an amount necessary to purchase retirement benefits for those Participants with at least 20, but fewer than 30 years of Service.
- (g) Seventh, there shall be allocated an amount necessary to purchase retirement benefits for those Participants with at least 10, but fewer than 20 years of Service.

- (h) Last, there shall be allocated an amount necessary to purchase retirement benefits for those Participants with fewer than 10 years of Service.

The amount necessary to provide the retirement benefits specified in each of the above categories shall be determined in accordance with annuity purchase rate assumptions selected by the Employer in accordance with such government regulations as may apply.

In lieu of the allocation formula specified above, the Employer may specify in writing that an alternative formula be used.

16.3 Adjustment of Allocation

Amounts allocated on a Participant's behalf under any category above shall be appropriately adjusted if:

- (a) An amount has been allocated on the Participant's behalf under a prior category; and/or
- (b) All or a portion of the Participant's retirement benefit has been guaranteed under an insurance company contract prior to the Plan termination date.

16.4 Assets Insufficient for Allocation

If the assets available for allocation under any paragraph of Section 16.2 are insufficient to satisfy in full the benefits of all individuals which are described in that paragraph, the assets shall be allocated pro rata among such individuals on the basis of the present value (as of the date of termination of the Plan) of their respective benefits described in that paragraph.

If a Participant elects a refund of his Accumulated Contributions after his termination of employment, there will remain to his credit the amount of the Employer purchased portion of his Prior Benefit coverage plus any additional retirement income provided by the allocation described in the preceding paragraph.

16.5 Residual Assets

Subject to the provisions of Section 16.7 and of any applicable collective bargaining agreement, any residual assets of the Plan shall be distributable to the Employer if:

- (a) all liabilities of the Plan to Participants and their beneficiaries have been satisfied; and
- (b) the distribution does not contravene any provision of law.

16.6 Payments by the Funding Agent

The Funding Agent shall make the payments specified in a written direction of the Employer in accordance with the provisions of Section 16.2 until the same shall be superseded by a further written direction. The obligation of the Funding Agent to make any payment hereunder in all events shall be limited to the amount of the Pension Fund at the time any such payment shall become due.

16.7 Residual Assets Distributable to the Employer

Upon written notice from the Employer that any residual assets of the Plan are distributable to the Employer in accordance with the provisions of Section 16.5, then the Funding Agent shall pay over such residual assets, or an amount equal to the fair market value of that portion of such residual assets which are not so paid, to the Employer; provided, however, that, under no circumstances or conditions other than as set forth in this Section and in Section 13.4, shall any contribution of the Employer, or any portion of the proceeds or avails thereof, ever revert, be paid, or inure to the benefit, directly or indirectly, of the Employer or any Affiliated Entity; nor shall any portion of the principal or the income from the Pension Fund ever be used for or diverted to any purpose other than for the exclusive benefit of Participants and persons claiming under or through them pursuant to the Plan.

ARTICLE XVII MISCELLANEOUS

17.1 No Commitment as to Employment

Nothing contained herein shall be construed as a commitment or agreement on the part of any person to continue his employment with the Employer, or as a commitment on the part of the Employer to continue the employment, compensation, or benefits of any person for any period, and all employees of the Employer shall remain subject to discharge, layoff, or disciplinary action to the same extent as if the Plan had never been put into effect.

17.2 Claims of Other Persons

Nothing in the Plan or Funding Agreement shall be construed as giving any Participant or any other person, firm, or corporation, any legal or equitable right as against the Employer, its officers, employees, or directors, or as against the Funding Agent, except such rights as are specifically provided for in the Plan or Funding Agreement or hereafter created in accordance with the terms and provisions of the Plan.

17.3 Governing Law

Except as provided under Federal law, the provisions of the Plan shall be governed by and construed in accordance with the laws of the State of Michigan.

17.4 Nonforfeitability of Benefits Upon Termination or Partial Termination

Notwithstanding any other provision of the Plan, in the event of the termination or a partial termination of the Plan, including the complete discontinuation of contributions to the Plan, the rights of all Employees who are affected by such termination to benefits accrued to the date of such termination, to the extent funded as of such date, shall be nonforfeitable.

17.5 Funding Agreement

The Funding Agreement and the Pension Fund maintained thereunder shall be deemed to be a part of the Plan as if fully set forth herein and the provisions of the Funding Agreement are hereby incorporated by reference into the Plan.

17.6 Benefit Offsets for Overpayments

If a Participant or Beneficiary receives benefits hereunder for any period in excess of the amount of benefits to which he was entitled under the terms of the Plan as in effect for such period, such overpayment shall be offset against current or future benefit payments, as applicable, until such time as the overpayment is entirely recouped by the Plan.

17.7 Special Rules Applicable to Participants Absent Due to Military Service

Notwithstanding any other provision of the Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with Code Section 414(u).

If a Participant who is absent from employment as an Employee because of military service dies, while performing qualified military service (as defined in Code Section 414(u)), the Participant shall be treated as having returned to employment as an Employee on the day immediately preceding his death for purposes of determining the Participant's vested interest in his Accrued Benefit and his Beneficiary's eligibility for a survivor benefit under the Plan. Notwithstanding the foregoing, such a Participant shall not be entitled to additional accruals with respect to his period of military leave.

ARTICLE XVIII
CODE SECTION 401(A)(9) COMPLIANCE

18.1 Definitions

For purposes of this Article the following terms have the following meanings.

- (a) **Actuarial gain**" means the difference between an amount determined using the actuarial assumptions (i.e., investment return, mortality, expense, and other similar assumptions) used to calculate the initial payments before adjustment for any increases and the amount determined under the actual experience with respect to those factors. Actuarial gain also includes differences between the amount determined using actuarial assumptions when an annuity was purchased or commenced and such amount determined using actuarial assumptions used in calculating payments at the time the actuarial gain is determined.
- (b) A Participant's **"designated beneficiary"** means the individual who is designated as the Participant's Beneficiary under the Plan and is the designated beneficiary under Code Section 401(a)(9) and Treasury Regulations Section 1.401(a)(9)-4.
- (c) A **"distribution calendar year"** means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first "distribution calendar year" is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first "distribution calendar year" is the calendar year in which distributions are required to begin under Section 18.6 or 18.19, as applicable.
- (d) A Participant's or Beneficiary's **"life expectancy"** means his life expectancy as computed by use of the Single Life Table in Treasury Regulations Section 1.401(a)(9)-9, Q&A 1.

18.2 Applicability

This Article is included solely to comply with final and temporary regulations issued under Code Section 401(a)(9). The provisions of this Article are intended to comply with the required commencement and minimum distribution rules applicable under the Code. Nothing hereunder is intended to postpone payments required under the terms of the Plan other than this Article or to create a form of payment or death benefit that is not otherwise provided under the terms of the Plan other than this Article.

18.3 Precedence

Except as otherwise provided above, the requirements of this Article will take precedence over any inconsistent provisions of the Plan; provided, however, that nothing in this Article shall operate to create a form of payment or death benefit not otherwise provided under the terms of the Plan other than this Article.

18.4 Requirements of Treasury Regulations Incorporated

All distributions required under this Article will be determined and made in accordance with the Treasury regulations under Code Section 401(a)(9), including the incidental death benefit requirements of Code Section 401(a)(9)(G).

18.5 Commencement as of Required Beginning Date

A Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

18.6 Death of Participant Before Distributions Begin

If a Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

- (a) If the Participant's surviving Spouse is the Participant's sole "designated beneficiary", then, except as provided in Section 18.18, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.
- (b) If the Participant's surviving Spouse is not the Participant's sole "designated beneficiary", then, except as provided in Section 18.18, distributions to the "designated beneficiary" will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (c) If there is no "designated beneficiary" as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (d) If the Participant's surviving Spouse is the Participant's sole "designated beneficiary" and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 18.6, other than Section 18.6(a), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 18.6 and Sections 18.13 through 18.15, distributions are considered to begin on the Participant's Required Beginning Date (or, if Section 18.1(d) applies, the date distributions are required to begin to the surviving Spouse under Section 18.6(a)). If annuity payments irrevocably commence to a Participant before the Participant's Required Beginning Date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 18.6(a)), the date distributions are considered to begin is the date distributions actually commence.

18.7 Form of Distribution

Unless a Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first "distribution calendar year", distributions will be made in accordance with Sections 18.8 through 18.16. If a Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury regulations.

18.8 General Annuity Requirements

If a Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

- (a) the annuity distributions will be paid in periodic payments made at intervals not longer than 1 year;
- (b) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Sections 18.11 and 18.12 or Section 18.13, 18.14, or 18.15;
- (c) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
- (d) payments will either be nonincreasing or increase only as follows:
 - (1) by an annual percentage increase that does not exceed the percentage increase in an eligible cost-of-living index (as described in paragraphs (b)(2), (3), or (4) of Treasury Regulations Section 1.401(a)(9)-6, Q&A-14) for a 12-month period ending in the year during which the increase occurs or a prior year;
 - (2) by a percentage increase that occurs at specified times and does not exceed the cumulative total annual percentage increases in an eligible cost-of-living index (as described in paragraphs (b)(2), (3), or (4) of Treasury Regulations Section 1.401(a)(9)-6, Q&A-14) since the Annuity Starting Date or, if later, the date of the most recent percentage increase; provided that if a Participant's benefit is increased as provided herein, his benefit shall not be actuarially increased to reflect that increases were not provided in the interim years;
 - (3) by a constant percentage of less than 5% per year, applied not less frequently than annually;
 - (4) as a result of dividend or other payments that result from "actuarial gains", provided that:
 - (A) the "actuarial gain" is measured not less frequently than annually;

- (B) the resulting dividend or other payments are either paid no later than the year following the year for which the actuarial experience is measured or paid in the same form as the payment of the annuity over the remaining period of the annuity, beginning no later than the year following the year for which the actuarial experience is measured;
 - (C) the "actuarial gain" taken into account is limited to "actuarial gain" from investment experience;
 - (D) the assumed interest rate used to calculate such "actuarial gain" is not less than 3%; and
 - (E) the annuity payments are not increased by a constant percentage as described in 18.8(d)(3) above;
- (5) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the Beneficiary whose life was being used to determine the distribution period described in Sections 18.11 and 18.12 dies or is no longer the Participant's Beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p); or
 - (6) to provide a final payment upon the Participant's death not greater than the excess of the Actuarially Equivalent present value of the Participant's Accrued Benefit (within the meaning of Code Section 411(a)(7)) calculated as of the Annuity Starting Date using the "417(e) interest rate" and "applicable mortality table", as those terms are defined in Section 12.1, over the total payments before the Participant's death;
 - (7) to allow a Beneficiary to convert the survivor portion of a joint and survivor annuity into a single sum distribution upon the Participant's death; or
 - (8) to pay increased benefits that result from a Plan amendment.

18.9 Amount Required to be Distributed by Required Beginning Date

The amount that must be distributed on or before a Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 18.6(a) or (b)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first "distribution calendar year" will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's Required Beginning Date.

18.10 Additional Accruals After First Distribution Calendar Year

Any additional benefits accruing to a Participant in a calendar year after the first "distribution calendar year" will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

18.11 Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse

If a Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-Spouse Beneficiary, annuity payments to be made on or after the Participant's Required Beginning Date to the "designated beneficiary" after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Treasury Regulations Section 1.401(a)(9)-6, Q&A-2(c)(2), in the manner described in Treasury Regulations Section 1.401(a)(9)-6, Q&A2(c)(1). If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-Spouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the "designated beneficiary" after the expiration of the period certain.

18.12 Period Certain Annuities

Unless the Participant's Spouse is the sole "designated beneficiary" and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Treasury Regulations Section 1.401(a)(9)-9, Q&A 2 for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9, Q&A 2 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's Spouse is the Participant's sole "designated beneficiary" and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section, or the joint life and last survivor expectancy of the Participant and the Participant's Spouse as determined under the Joint and Last Survivor Table set forth in Treasury Regulations Section 1.401(a)(9)-9, Q&A 3, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the calendar year that contains the Annuity Starting Date.

18.13 Participant Survived by Designated Beneficiary

Except as provided in Section 18.18, if a Participant dies before the date distribution of his or her interest begins and there is a "designated beneficiary", the Participant's entire interest will be distributed, beginning no later than the time described in Section 18.6(a) or (b), over the life of the "designated beneficiary" or over a period certain not exceeding:

- (a) unless the Annuity Starting Date is before the first "distribution calendar year", the "life expectancy" of the "designated beneficiary" determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death, reduced by one for each calendar year that has elapsed after the calendar year of the Participant's death; or
- (b) if the Annuity Starting Date is before the first "distribution calendar year", the "life expectancy" of the "designated beneficiary" determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

18.14 No Designated Beneficiary

If a Participant dies before the date distributions begin and there is no "designated beneficiary" as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

18.15 Death of Surviving Spouse Before Distributions to Surviving Spouse Begin

If a Participant dies before the date distribution of his or her interest begins, the Participant's surviving Spouse is the Participant's sole "designated beneficiary", and the surviving Spouse dies before distributions to the surviving Spouse begin, this Section 18.15 will apply as if the surviving Spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 18.6(a).

18.16 Change to Annuity Payout Period

The period over which an annuity is to be paid out may not be changed except as follows:

- (a) The annuity payout period may be changed in association with an increase in the annuity payment described in Section 18.8(d).
- (b) The annuity payout period may be changed and payments modified if all of the following requirements are satisfied:
 - (1) any of the following applies:
 - (A) the modification occurs when the Participant retires or in connection with the Plan's termination; or
 - (B) the payment period prior to modification is a period certain without life contingencies; or
 - (C) annuity payments after the modification are paid under a Qualified Joint and Survivor Annuity, the Participant's Spouse is the sole "designated beneficiary", and the modification occurs in connection with the Participant marrying such Spouse.

- (2) future payments after the modification satisfy the requirements of Code Section 401(a)(9), regulations issued thereunder, and this Article, determined by treating the date of the change as a new Annuity Starting Date and the Actuarially Equivalent present value of the remaining payments prior to modification as the entire interest of the Participant;
- (3) the modification is treated as a new Annuity Starting Date for purposes of Code Sections 415 and 417;
- (4) the annuity, including all past and future payments, satisfies the requirements of Code Section 415 determined as of the original Annuity Starting Date, using the interest rates and mortality tables in effect on such date, but taking into account the modification; and
- (5) any period certain provided under the modified payment does not end later than the date a period certain would have been required to end under Code Section 401(a)(9) and this Article, determined as of the original Annuity Starting Date.

18.17 Payments to a Surviving Child

For purposes of this Article, payments made to a Participant's surviving child before the child reaches the age of majority (or dies, if earlier) shall be treated as if such payments were made to the Participant's surviving Spouse to the extent the payments become payable to the surviving Spouse upon cessation of payments to the child. For purposes of this Section, a child shall be treated as not having reached the age of majority if the child has not completed a specified course of education and is under the age of 26. In addition, a child who is disabled shall be treated as not having reached the age of majority so long as the child continues to be disabled.

18.18 5-Year Rule Applicable to Certain Distributions to Designated Beneficiaries

If a Participant dies before distributions begin, there is a "designated beneficiary", and the benefit payable to such "designated beneficiary" is to be made in a lump sum pursuant to the cashout provisions of Section 11.5 of the Plan, distribution to the "designated beneficiary" is not required to begin by the date specified in Section 18.6, but the Participant's entire interest will be distributed to the "designated beneficiary" by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

18.19 Death of Participant After Distributions Begin

If a Participant dies after distributions begin, the Participant's remaining interest, if any, will be distributed at least as rapidly as under the form of distribution in effect on the date of the Participant's death.

* * *

EXECUTED AT _____, _____, this _____ day of
_____, _____.

City of Inkster

By: _____

Title:

IMPORTANT NOTE

Prudential Retirement Insurance and Annuity Company, its contractors, and any employees of Prudential Retirement Insurance and Annuity Company or its contractors cannot provide you with legal advice in connection with the execution of this document. Prior to execution of this document, you should consult your attorney on whether this document is appropriate for you.

**CITY OF INKSTER, WAYNE COUNTY, MICHIGAN, A MUNICIPAL CORPORATION
RETIREMENT INCOME PLAN**

**July 1, 2013 RESTATEMENT
SUMMARY OF CHANGES
(revised)**

Miscellaneous Clarifications and Language Updates

Description	Effective Date	Section	Comments
Accrued Benefit	N/A	1.1(a)	Accrued Benefit definition clarified to reflect that the Accrued Benefit is payable in the normal form.
Actuarial Equivalent Definition	N/A	1.1(d)	Re-formatted to clarify the distinction between the assumptions used for lump sums versus forms other than lump sums.
Employee	N/A	1.1(p)	Definition expanded and reformatted.
Employment Severance Date	N/A	1.1(u)	Reformatted
Spouse	N/A	1.1(jj)	Reference to laws of the State of Michigan added to definition.
Vesting	N/A	7.1	Reformatted
Payment of Benefits to Others	N/A	11.3	Language modified to specify those persons to whom payments may legally be made on behalf of an incompetent beneficiary. (Required by IRS during pre-approval process for current core document)
Missing Payees and Unclaimed Benefits	N/A	11.4	New section added o provide options for missing payees and unclaimed benefits.
Maximum Retirement Benefits (Final 415)	Limitation Years beginning on and after July 1, 2007	Article XII	Between the EGTRRA changes and the PFEA changes, the entire Article has been reworded.
Discretionary Authority	N/A	14.2	New section – IRS requires this language be included in the volume submitter.
Claims Review Procedure	N/A	14.4	New section – IRS requires this language be included in the volume submitter.
Exhaustion of Remedies	N/A	14.5	New section – IRS requires this language be included in the volume submitter.
Grounds for Judicial Review	N/A	14.6	New section – IRS requires this language be included in the volume submitter
Special Rules Applicable to Participants Absent Due to Military Service	For deaths occurring on and after January 1, 2007	17.7	Expanded to include provisions of HEART Act.
Code Section 401(a)(9) Compliance		Article XVIII	New section incorporates 401(a)(9) minimum required distribution rules.

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 9, 2014

From: City Treasurer

Date for Council's Consideration: January 21, 2014

ACTION REQUESTED: Rescind Commercial and Residential Water Shut Off Policies adopted July, 2011 and February, 2012 respectively.

Current Action ☒ Emergency ☐ Future ☐

Funds Budgeted: If Yes ☐ Account # _____ No ☐ N/A ☒

Treasurer's Approval _____ MDS _____

BACKGROUND:

In order to increase the collection rate of water and sewer bills, City Council adopted shut off policies for non-payment of bills. The Commercial policy was adopted in the summer of 2011 and the Residential policy was adopted in the winter of 2012. Both policies are attached. Unfortunately, as shown on the attached graph, this policy has not been effective as the annual receivable balances have not decreased. This is further demonstrated by a review of the FY 2013 year end balance sheet which illustrates that the amount of receivables (\$7.188 million) as a percent of charges for services (\$10.147 million) stands at 71%. This in turn has had a negative effect on monthly cash flow that is not sustainable.

Section 52.13(D) of the Code of Ordinances declares how water and sewer accounts should be handled when not paid timely. This Ordinance is attached. The primary differences between the policy(s) and the Ordinance are:

- The Ordinance does not allow for payment plans
- The Ordinance requires much more timely action between delinquency and shut off of service
- There is no minimum account balance contemplated in the Ordinance below which service is not terminated.

The City Attorney was asked to comment on whether or not the shut off policy can be less stringent than the Ordinance. In a word, the answer is no. Attached is the communication from the City Attorney regarding this issue.

SCOPE OF SERVICES:

NA

JUSTIFICATION:

The existing policy does not comport with the Ordinance. In addition, the current policy is not achieving the original financial objectives that were hoped for when first adopted. Because these objectives are not being

met, current and future cash flow is a significant concern and therefore the ability to timely pay vendors and reduce the delinquent accounts payables is doubtful under the existing policy.

PROJECT IMPROVEMENTS:

Which of the Five (5) Council Goals does this request meet?

Goal No. 4 – Develop a plan to address the City’s current debt and legacy costs.

COSTS:

Failure to rescind these policies will negatively effect the financial condition of the water/sewer fund which in turn will jeopardize our ability to make timely payments to vendors as well as payments to vendors which we have significant delinquent account payables.

PROJECTED TIME TABLE:

The rescission of the policy will allow for the Ordinance to be followed.

RESOLUTION:

Authorization is hereby given to rescind the Commercial and Residential Shut off Policies applicable to delinquent water/sewer accounts.

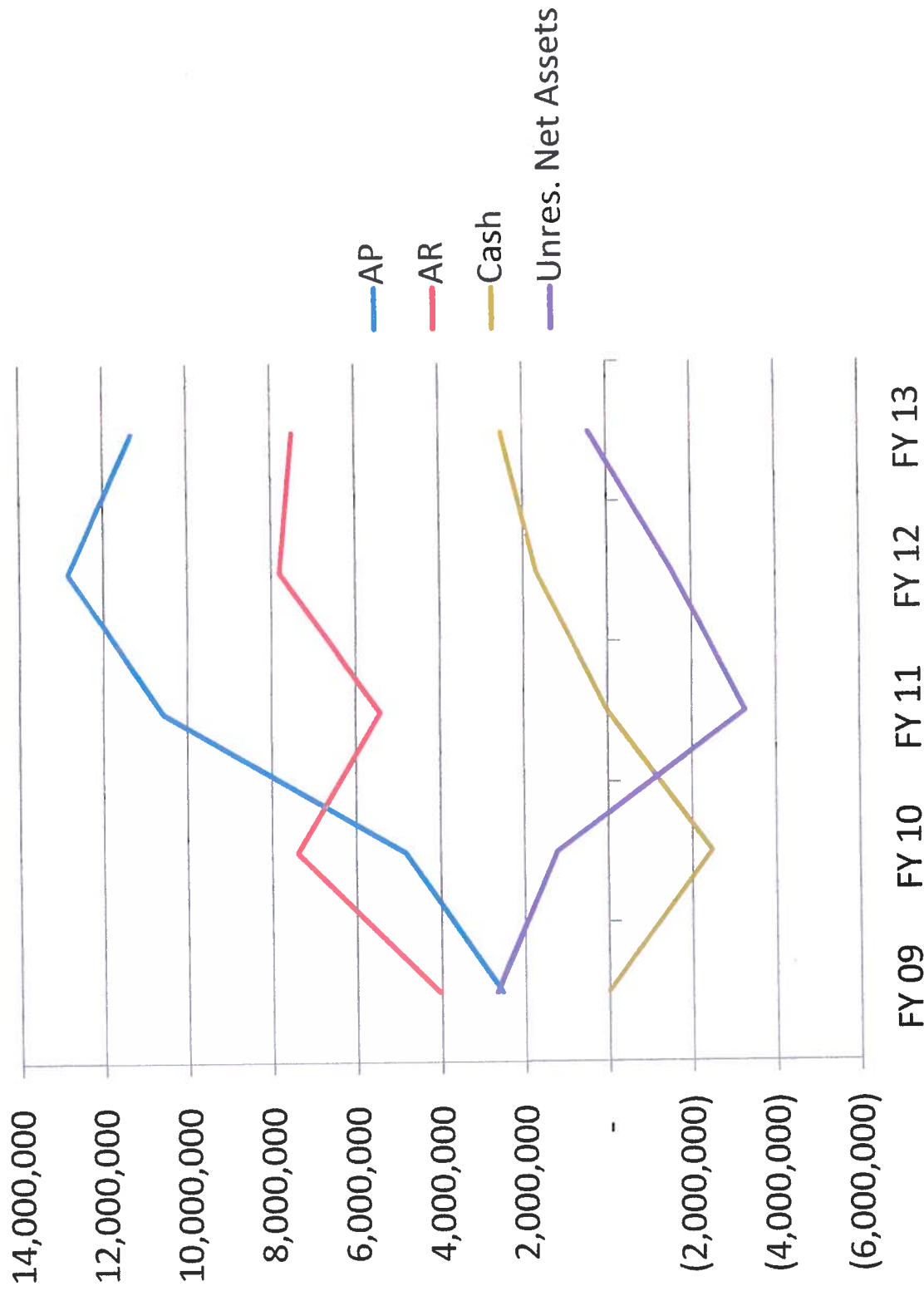
Resolved by _____ Seconded by _____

Yes:

No:

Absent:

Historical Information



Amounts obtained from the respective year's financial statements.

CITY OF INKSTER, MICHIGAN

Statement of Net Position

Proprietary Fund

June 30, 2013

This demonstrates that bills are not being paid timely. Compare to amount billed on next page

Business-type Activities Water and Sewer

Assets

Current assets:

Cash and cash equivalents

Accounts receivable, net

Due from other funds

Inventory

Deferred bond issuance costs

Total current assets

Noncurrent assets:

Restricted cash and cash equivalents

Capital assets not being depreciated

Capital assets being depreciated, net

Total noncurrent assets

Total assets

Liabilities

Current liabilities:

Accounts payable

Accrued liabilities

Accrued interest payable

Due to other funds

Due to component unit

Long-term debt, current portion

Total current liabilities

Noncurrent liabilities:

Long-term debt, net of current portion

Net other postemployment benefits obligation

Total noncurrent liabilities

Total liabilities

Net position

Net investment in capital assets

Restricted for capital projects

Unrestricted

Total net position

\$ 2,518,486
7,188,271
302,691
45,491
41,212
10,096,151

1,109,127
357,645
50,434,173
51,900,945

61,997,096

7,760,259
130,282
176,477
325,473
541,827
2,375,739

11,310,057

22,621,717
688,076
23,309,793

34,619,850

25,836,694
1,109,127
431,425

\$ 27,377,246

The accompanying notes are an integral part of these financial statements.

The W/S fund is no longer in a deficit due to rates being set at a level sufficient to cover current year operations as well as a portion of the prior year payables. Cash flow is a significant concern due to the large balance of receivables indicated on the balance sheet.

CITY OF INKSTER, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Fund

For the Year Ended June 30, 2013

	Business-type Activities
	Water and Sewer
Operating revenues	
Charges for services	\$ 10,147,685
Other	185,011
Total operating revenues	10,332,696
Operating expenses	
Cost of water	1,479,018
Cost of sewage disposal	3,132,413
Wages and fringes	1,018,260
Operating supplies	141,240
Contractual services	900,610
Repairs and maintenance	754,296
Insurance, claims and other	527,146
Depreciation	1,138,026
Total operating expenses	9,091,009
Operating income (loss)	1,241,687
Nonoperating revenues (expenses)	
Intergovernmental revenues (repayment)	(80,984)
Interest revenue	1,115
Interest expense	(816,627)
Property taxes	788,059
Total nonoperating revenues (expenses)	(108,437)
Change in net position	1,133,250
Net position, beginning of year, as restated	26,243,996
Net position, end of year	\$ 27,377,246

Reflects amount billed during year on a full accrual basis. Not all revenue was received as reflected in the receivables shown on prior page

The accompanying notes are an integral part of these financial statements.

Inkster, MI Code of Ordinances

§ 52.13 BILLING AND COLLECTION PRACTICES FOR SERVICES.

(A) Schedule of rates. The City Council shall from time to time by resolution set the following rates:

- (1) Consumption rates.
- (2) Monthly service charge.
- (3) Penalty for late payment.
- (4) Service connection charges.
- (5) Debt service charges.

(B) The schedule for reading of meters, method of billing and delivery of bills shall be set by resolution of the Council.

(C) Payment of bills. Water bills are payable at the office of the Water Department. Bills paid to any other person, concern or agency are so paid at the risk of the customer.

(D) Collection of delinquent accounts. Whenever the rates fixed by the Council or charges made by the Department for services rendered are not paid, the water may be shut off and collection enforced in accordance with the laws of the state and/or by placing said amounts on the city tax roll.

(E) Shut-off notice. Customers whose bills are unpaid on the due date shall be forwarded a shut-off notice, and if bills are not paid within five days after the date of the shut-off notice, the customer service may then be turned off immediately without further notice. An additional penalty determined by Council resolution will then be charged to the customer and shall be paid together with all unpaid charges before service will be turned on again. If said bill is not paid within 90 days of the due date, said amount shall be placed on the next general tax roll and collected as part of the general city taxes.

(F) Temporary service connections.

(1) The term temporary service connection is applied to a connection installed to serve an individual, firm or corporation for a definite temporary period for such purposes as supplying water to a construction project or to a temporary structure.

(2) The Department reserves the right to refuse to install a temporary service connection for any reason that it deems sufficient.

('68 Code, § 7-105) (Ord. 215, passed 4-20-64; Am. Ord. 361, passed 6-1-70)

Memo

To: Mark Stuhldreher, Inkster City Treasurer
From: David W. Jones, City Attorney
Date: December 9, 2013
Re: City of Inkster Water Shutoff Policy

You have brought to my attention the fact that the City of Inkster is still experiencing “*significant cash flow issues*” within the Water Department related to either the slow or no pay by consumers despite the City’s implementation of the Shut-off Policy in February 2012. You have asked the question:

Whether the City can approve a policy that is “less stringent than the Ordinance”?

The Shut-off Policy adopted in February 2012 by the City Council consisted in pertinent part, the following:

- A delinquent account list is generated 30-35 days after water bill becomes due;
- a list of shut offs is compiled from accounts which are over \$350.00;
- any account which is paid under \$350.00 or has entered into a payment arrangement is removed from the shut off list; and
- shut-offs are scheduled for the third or fourth Monday of the month for those accounts not under a payment arrangement or still owing \$350.00 or more.

The City of Inkster’s Ordinances also addresses the billing and collections practices for water service in the City of Inkster. **Section 52.13 Billing and Collection Practices for Services** of the Inkster, Michigan Code of Ordinances reads in pertinent part:

(E) Shut-off notice. Customers whose bills are unpaid on the due date shall be forwarded a shut-off notice, and if bills are not paid within five days after the date of the shut-off notice, the customer service may then be turned off immediately without further notice.

Pursuant to the Charter of the City of Inkster, adopted October 5, 1964, all resolutions, rules and regulations must be consistent with the Charter. Chapter 8, Legislation; Prior City Legislation of the Inkster City Charter reads as follows:

Section 8.1(a) All valid ordinances, resolutions, rules and regulations of the Village of Inkster which are not inconsistent with this Charter and which are in force and effect at the time of the effective date of this Charter shall continue in full force and effect, until repealed or amended.

(b) Those provisions of any effective valid ordinance, resolution, rule or regulation which are inconsistent with Charter, are hereby repealed.

Chapter 3, MUNICIPAL POWERS; of the City Charter designates the power of the City of create and enforce any and all laws within the City of Inkster. Section 3.3 FURTHER POWERS; reads in significant part:

In addition to the powers provided above, the City shall have power and may:

* * * *

(s) The City and its officers shall have power to exercise all municipal powers in the management and control of municipal property and in the administration of municipal government, whether such powers be expressly enumerated or not; to do any act to advance the interest of the City, the good government and prosperity of the municipality and its inhabitants, and through its regularly constituted authority, to pass and enforce all laws, ordinances, and resolutions relating to its municipal concerns, subject to the Constitution and general laws of the State and the provisions of this Charter.

Accordingly, the plain reading of the Shut-off Policy as adopted in February 2012, juxtaposed with Section 52.13 of the Inkster Code of Ordinances and the City Charter, illustrates that there exist inherent inconsistencies. The inconsistencies between the Shut-off policy and Inkster Ordinance Section 52.13, in addition to the "*significant cash flow issues*" the City is experiencing in the Water Department, warrant strict enforcement of City of Inkster Ordinance Section 52.13; BILLING AND COLLECTION PRACTICES FOR SERVICES.

Lastly, you asked: ***whether notifying a customer on their original bill that their service would be shut-off if payment was not made within 5 days, could satisfy the "shut off notice" requirement?***

Please be advised, Section 52.13 does requires shut-off notices to be forwarded to consumers whose bills are not paid within five days. Michigan case law and statute suggest that due process requires any such shut-off notice be sent INDEPENDENT from the consumers' receipt of their original bill.

City of Inkster
ACTION MINUTES
Monday, July 18, 2011

Moved by Wimberly, seconded by Crump - Resolution 11-07-208R

- Approve the final work plan of the EPA Petroleum Site Assessment and Hazardous Substances Site Assessment Grants, direct staff to prepare a Request for Proposal to hire a consultant for the preparation of a strategic road map and site assessment, to evaluate submitted proposals, and retain the consultant for state services.

Moved by Crump, seconded by Owens - Resolution 11-07-209R

- Discussion/Action: Velida Gutierrez, City Clerk – Approve a block party/community picnic at Smith Chapel A.M.E. Church on Walnut between Beech and Carlyle on August 27, 2011.

Moved by Owens, seconded by Crump - Resolution 11-07-210R

- Authorize City Administration with city attorney to notify Wayne County Treasurer that the City of Inkster will seek to exercise the city's "right of refusal to purchase tax foreclosed property in Wayne County" by purchasing the following properties in the City of Inkster: (1) 4360 Bridgeport; (2) 4351 Bridgeport (3) 4307 Bridgeport (4) 4311 Bridgeport (5) 4344 Bridgeport; (6) 4340 Bridgeport (7) 4324 Bridgeport. Total amount for said properties being \$68,447.62 with corresponding fees for the purchase of these properties.

Moved by Crump, seconded by Canty; Nay: Hendricks, Owens, Williams - Resolution 11-07-211R

- Authorize the City of Inkster administration to enter a Guaranteed Project Performance with Siemens Industry Inc.

Moved by Hendricks, seconded by Crump - Resolution 11-07-212R

- Enter into an engagement as counsel for installment purchase of water meters and energy conservation improvements with Miller Canfield.

Moved by Hendricks, seconded by Crump - Resolution 11-07-213R

- Enter into an agreement with Wayne County approving financing of water meters and energy conservation improvements.

Moved by Crump, seconded by Wimberly; Nay: Owens, Williams - Resolution 11-07-214R

- Discussion/Action: Carl Brooks, DPS Director: Consider approving commercial water shut off policy for non-payment. 215R pw mc Replace word "House" with "Commercial Building"

Moved by Wimberly, seconded by Canty; Nay Williams- Resolution 11-07-215R

- Approve settlement #2011-2-1 in an amount not to exceed \$35,000

Moved by Crump, seconded by Wimberly - Resolution 11-07-216R

- Approve Florence Street Block Party

Moved by Owens, seconded by Crump- Resolution 11-07-217R

- Approve picnic on August 6 and request DPS to clean park and place picnic tables and trash cans.

Moved by Hendricks, seconded by Owens – Resolution 11-07-218R

REQUEST FOR COUNCIL ACTION

To: Ann K. Capela - City Manager

Date: 7-15-2011

From: Carl Brooks, DPS Director

Date for Council Consideration: 7-18-2011

ACTION REQUESTED: Consider approving commercial water shut off policy for non-payment.

Current Action ☒ Emergency ☐ Future ☐

Funds Budgeted: If Yes ☐ Account # ☐ No ☐ N/A ☐

Treasurer's Approval ☐

BACKGROUND:

As of 7-18-2011 all delinquent water bills are added to tax bills. This severely limits our resources in the Water and Sewer fund.

SCOPE OF SERVICES:

Shut off delinquent commercial water accounts and turn on when the account becomes current.

JUSTIFICATION:

Prevent water bills from being added to tax bills.

PROJECT IMPROVEMENTS:

1. Develop a plan to address the City's current debt and legacy costs
2. Improve and promote the image of Inkster

COSTS:

n/a

PROJECT TIME TABLE:

Upon adoption by Council

RESOLUTION:

Authorization is hereby given to adopt a commercial policy for water shut offs for non-payment.

Resolved by ☐ Seconded by ☐

Yes:

No:

Absent:

CITY OF INKSTER
Shut-off Policy for Non-Payment
COMMERCIAL

1. Approximately thirty to thirty-five days after the original due date of water bills, a list of delinquent accounts is generated.
2. From this account list, a list for non-payment shut offs is compiled for those accounts, which are over \$350.00 or more in delinquency.
3. Any account, which is paid under \$350.00 or has paid the arrearage in full prior to date the letters are mailed is removed from the list and should not receive a shut-off letter.
4. Shut offs are scheduled for the third or fourth Monday of the month. Prior to this, letters are mailed out requesting response within 7 days.

Example:

- | | | | |
|----|-----------------|------------|----------|
| a) | Letters mailed: | January 12 | (Friday) |
| b) | Response date: | January 19 | (Friday) |
| c) | Shut-off date: | January 22 | (Monday) |
| d) | Extension date: | February 2 | (Friday) |

5. Once the letters are mailed out, the entire arrearage must be paid in full by the response date to avoid shut off. At which time, a \$40.00 service fee will be added to the account. The only way to avoid paying the service fee is to pay the bill in full by the response date in the letter.
6. If the customer contacts the water department and is unable to pay the arrearage amount before the response date, they may be granted a two-week extension but they will be required to pay the bill in full with the \$40.00 service fee in cash or certified funds.
7. Once the work orders have been completed and the shut offs have begun, the entire balance, including the \$40.00 service fee, must be paid in full with cash or certified funds only prior to reinstatement of service.
8. Once the meter man has been to a commercial account location and water service has been discontinued, service will not be reinstated for a period of 24 hours from the point of shut off.
9. Once a year, in October, delinquent water bills, where the account balance is \$350.00 or more and the last billing cycle was based on actual reading, may be placed as a lien upon the property and added to the tax bill in lieu of being shut off.

\\Shut-off Policy Letter.doc

CITY OF INKSTER

Shut-off Policy for Non-Payment

RESIDENTIAL

1. Approximately thirty to thirty-five days after the original due date of water bills, a list of delinquent accounts is generated.
2. From this account list, a list for non-payment shut offs is compiled for those accounts, which are over \$350.00 or more in delinquency.
3. Any account, which is paid under \$350.00 or has paid the arrearage in full, or has entered into a payment arrangement prior to the date the letters are mailed is removed from the list and should not receive a shut-off letter.
4. Shut-offs are scheduled for the third or fourth Monday of the month. Prior to this, letters are mailed out requesting response within seven (7) days.

Example:

- | | | | |
|----|-----------------|------------|----------|
| a) | Letters mailed: | January 12 | (Friday) |
| b) | Response date: | January 19 | (Friday) |
| c) | Shut-off date: | January 22 | (Monday) |
| d) | Extension date: | February 2 | (Friday) |

5. Once the letters are mailed out, the entire arrearage must be paid in full or a payment agreement entered into with the City by the response date to avoid water shut off. All payments must be in the form of cash or certified check.
6. If the customer contacts the water department and is unable to pay the arrearage amount or enter into a payment agreement with the City before the response date, they may be granted a two-week extension to make payment or enter into a payment agreement.
7. Once the work orders have been completed and the shut-offs have begun, the entire balance must be paid in full with cash or certified check prior to reinstatement of service.
8. Once the water service has been discontinued, service will not be reinstated for a period of 24 hours from the point of shut off. A reconnection fee of \$40.00 will be required for the service to be reinstated.
9. Unpaid water bills may be placed on the summer or winter tax bill regardless if the water has been shut off or not.
10. Any payment agreement that is not honored as written will subject the account to immediate shut off of water.

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 9, 2014

From: City Treasurer

Date for Council's Consideration: January 21, 2014

ACTION REQUESTED: Approve Service Agreement with UHY Advisors MI, Inc to conduct a review of the City's legal program.

Current Action ☒ Emergency ☐ Future ☐

Funds Budgeted: If Yes ☒ Account # 101-253-801.000 No ☐ N/A ☐

Treasurer's Approval MDS

BACKGROUND:

As a result of a competitive selection process, in the fall of 2011, the City retained the services of Allen Brothers, PLLC, to manage the City's legal program and executed a Retainer Agreement for Legal Services with said firm. These services included management of the entire legal program. Prior to this, the legal services budget was spread amongst various departments/funds throughout the city. With this Agreement, all legal budgets were centralized within the City Attorney department. The table below reflects the amount budgeted and paid over the last four fiscal years for legal services across the entire organization. The table excludes legal "settlement" amounts.

	FY 2011	FY 2012	FY 2013	FY 2014
Amended Budget	\$157,050	\$704,000	\$625,000	\$625,000
Actual	\$749,826	\$883,543	\$809,916	\$249,577 (a/o 12/11/13)

SCOPE OF SERVICES:

The attached Service Agreement with UHY, LLP is designed to review the legal program with the aforementioned considerations in mind. The scope includes review of invoices, a strategic review of legal matters pending, a review of the budget for reasonableness, and to make recommendations going forward regarding the management of the City's legal program taking into consideration the fact we are a distressed community under a Consent Agreement and we will be dealing with issues such as shared services, possible creation of fire authorities, fundamental changes to retiree health care benefit provisions, among other things.

UHY Advisors is one of the top 20 professional services firms in the United States. UHY Advisors provides objective, strategic, and tactical advisory services to middle-to-large companies and public sector entities. The firm is organized under an alternative practice structure. They provide audit services through UHY LLP, a licensed independent CPA firm.

JUSTIFICATION:

With a program of this size, sound management practices suggest a periodic review by an third party to ensure the city is receiving a high service level, that our existing program is properly positioned taking into account future endeavors that will require legal advice and support and that the provision of these services are competitively priced.

PROJECT IMPROVEMENTS:

Which of the Five (5) Council Goals does this request meet?

Goal No. 4 – Develop a plan to address the City’s current debt and legacy costs.

COSTS:

This Agreement will not exceed \$10,000.00. The Michigan Department of Treasury has agreed to reimburse the City for expenses related to the project in an amount up to \$10,000.00. As such, there will be no net impact on the General Fund.

PROJECTED TIME TABLE:

The review along with the final report will be completed no later than March 1, 2014.

RESOLUTION:

Authorization is hereby given to approve the attached Service Agreement with UHY, LLP.

Resolved by _____

Seconded by _____

Yes:

No:

Absent:

December 23, 2013

27725 Starsburg, Suite 200
P.O. Box 9000
Farmington Hills, MI 48333-9000

Phone 248 355 1040
Fax 248 355 1084
Web www.uhy-us.com

Mr. Mark Stuhldreher
Treasurer, City of Inkster
2615 Trowbridge Street
Inkster, MI 48141

This letter confirms our understanding to provide business advisory services, as listed below, in connection with normal business activities for the City of Inkster ("City").

The business advisory services will be performed in accordance with the Standards for Consulting Services established by the American Institute of Certified Public Accountants. The extent and sufficiency of these services will be determined by the City. We anticipate such services to include, but are not limited, to the following:

1. Scope of Work UHY shall provide services to conduct a review of the City's legal program. This review would include but not necessarily be limited to a review of invoices for litigation services rendered, a strategic review of legal matters pending, for budgetary purposes an estimate of reasonable annual legal expenses to defend existing cases and recommendations going forward regarding the management of the City's legal program taking into account the fact that the City is a distressed community under a consent agreement and will be dealing with issues such as shared services, creation of fire authorities, fundamental changes to retiree health care benefit provisions, among other things. The principal contact at UHY for such professional services shall be Edward J. Plawecki, Jr.
2. Term This Agreement shall commence on or about January 13, 2014 upon approval of the City and be completed on or about March 1, 2014.
3. Schedule of Professional Fees and Expenses

Estimated hours to complete our engagement	48 hours
Reduced Government rated used	\$210 per hour
Estimated Contract Price	\$10,000

4. UHY shall provide the City with invoices detailing the work performed associated with the project. The State of Michigan Department of Treasury will be reimbursing the City of Inkster for the above professional services.

5. UHY shall conduct interviews of the appropriate individuals and department heads, identify and review initial data required, review litigation costs and evaluate pending litigation matters. A final written report will be prepared by UHY outlining its findings and recommendations for a strategy for the City going forward considering its legal department.

In no event shall UHY's professional fees exceed \$10,000 in costs without prior written approval of the City and the Michigan Department of Treasury.

The City remains responsible for any and all fees incurred on their behalf by UHY. These fees are based on anticipated cooperation from your personnel. Our invoices will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

According to our collection policy, you will receive regular invoices that describe the services performed and the fees associated with those services. For invoices rendered payment is due on receipt. You will receive a monthly statement that lists unpaid invoices.

If payments are not received timely, our collection policy does require follow-up reminders and phone calls regarding payment status. Our Finance and Collections Department will review all past due client accounts. This department may contact significantly past due accounts for payment follow up.

Our services and work product are intended for the benefit and use of the City. This engagement will not be planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party. The working papers for this engagement are the property of UHY Advisors MI, Inc. and constitute confidential information.

In our relationship, we are often advisors, not advocates, with regard to any business decision. We will advise you on the implications, if any of specific matters you bring to our attention. You will be responsible to make all management decisions and perform all management functions. Further, you will designate a competent employee from senior management to oversee our services and evaluate the adequacy of the results for the services we perform. You will accept the responsibility for the results of such services and establish and maintain internal controls to include monitoring of ongoing activities.

In today's technological environment, businesses and individuals are continuously interacting through e-mail. This often involves sending data, documents and other information, including sensitive financial information. Although convenient, a business or individual that chooses to exchange such information via e-mail should ensure that their e-mail server and the information

Mr. Mark Stuhldreher
December 23, 2013
Page Three

stored in their systems are secure. By providing your financial information to us you authorize us to send information to you (or to other authorized recipients) via the e-mail addresses that you provide. The firm is not responsible for any transmission problems or the failure of you or any authorized recipient of the information to receive the file containing the information or maintaining the confidentiality of any information transmitted via e-mail or in the possession of you or any authorized recipient. You are solely responsible for (i) notifying the firm of the failure to receive your file containing the information so that a copy can be provided in an alternate form; (ii) the security of your e-mail server and for restricting access to your e-mail in order to

maintain confidentiality of the information transmitted; (iii) storing the electronic file containing the information; and (iv) acquiring and maintaining the software needed to open and access the files containing the information.

UHY Advisors MI, Inc. has a file retention policy requiring the destruction of all client files after five (5) years as it pertains to this type of engagement. We, as a firm, make no representation of retention of files after this date, nor assume any liability for the retention of any information, data, or otherwise in which the client has such legal liability. Please be advised that there may be important financial information in the files that will be destroyed. As a client, you will have access to your files and may request that all or part of the files be copied at your expense, prior to destruction. This notice represents any and all notice of our retention policy. By signing below, you acknowledge understanding of the UHY Advisors MI, Inc. retention policy.

UHY LLP has a contractual arrangement with UHY Advisors, Inc. and its various wholly owned subsidiaries ("UHY Advisors") pursuant to which UHY Advisors provides UHY LLP with services for which licensure as a CPA is not required. In order to avoid duplication of efforts arising out of this arrangement, we request that you consent to our sharing with UHY Advisors and UHY Advisors sharing with UHY LLP the information that may be obtained from you during the course of our engagement. Unless you indicate otherwise, your acceptance of the terms of this engagement shall be understood by us as your consent to make disclosures to UHY Advisors of confidential information that we may obtain in the course of our engagement.

UHY Advisors, Inc. and UHY LLP are U.S. members of Urbach Hacker Young International Limited, a UK company, and form part of the international UHY network of legally independent accounting and consulting firms. "UHY" is the brand name for the UHY international network. Any services described herein are provided by UHY Advisors and/or UHY LLP (as the case may be) and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for services provided by other members.

This Engagement Letter and all services rendered hereunder shall be governed, construed, and enforced by the laws of the State of Michigan, without the need to resort to principles of conflicts of laws. Michigan law shall apply to any legal or equitable proceeding that shall be instituted in any way arising out of this Engagement Letter, any obligations contained or allegedly contained herein, and all services rendered touching or relating in any way to the obligations of this Engagement Letter. All parties to this engagement consent to the exclusive jurisdiction of the

Mr. Mark Stuhldreher
December 23, 2013
Page Four

federal and state courts located in Michigan and, more particularly, the State court located in Oakland County, Michigan and the federal court located in the Eastern District of Michigan.

We are pleased to confirm our acceptance and understanding of this engagement by means of this letter.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for UHY Advisors MI, Inc. to provide business advisory services.

Sincerely,

UHY Advisors MI, Inc.

UHY Advisors MI, Inc.

City of Inkster

Accepted By: _____

Title: _____

Date: _____

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 13, 2014

From: M. Jeannie Fields, Manager
Community Development

Date for Council Consideration: January 21, 2014

ACTION REQUESTED: Consider authorizing issuance of a Request for Proposals to solicit proposal for development and acquisition of the Civic Center Area located near the northeast corner of Michigan Avenue and Inkster Road.

Current Action ☒ Emergency ☐ Future ☐

Funds Budgeted: If Yes ☐ Account # ☐ No ☐ N/A ☒

Treasurer's Approval ☐ N/A ☐

BACKGROUND INFORMATION

The Civic Center Area, located in the vicinity of the northeast corner of Michigan Avenue and Inkster Road, has historically been the City's primary municipal complex. Located within this area is a vacant City Hall, library, Police Station, 22nd District Court and ice arena. Due to the age of the structures and deterioration of building conditions, many of the structures have outlived their usefulness. For example, City Hall operations are now conducted at a newer facility located on Trowbridge Street. The ice arena has been shut down for nearly a decade and the Police and Court buildings will soon be vacated as they await completion of a new Justice Center on Michigan Avenue.

The Civic Center Area has long been considered a primary site for future development in the City. Given the circumstances associated with the current and future vacancy of the structures, now is a good time to see what interest there is in the development community for redeveloping this property. An RFP has been prepared to solicit proposals for a mixed-use development project.

SCOPE OF SERVICES

The RFP would be issued for two weeks, be reviewed by City staff and proposals presented to the City Council with a recommendation from staff.

JUSTIFICATION

This RFP will provide an opportunity for the City to facilitate development of a very important property known as the Civic Center Area.

PROJECT OR IMPROVEMENT TASKS

Which of the Five (5) Council Goals does this request meet?

1. Enhance public safety.
2. Improve and enhance the Michigan Avenue Corridor

3. Diversify the City tax base.

COSTS

No costs are associated with the issuance of this RFP.

PROJECT TIME TABLE

Responses will be received within two weeks from the date of issuance of the RFP.

RESOLUTION

Resolved by _____, Seconded by _____, that
the Inkster City Council hereby authorizes issuance of a Request For Proposals for
development and acquisition of the Civic center Area.

Yes:

No:

Absent:

Attachment: RFP

JF/mdl

CITY OF INKSTER REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

Address Reply To: City of Inkster
City Manager
ATTN: **Richard Marsh**
26215 Trowbridge St
Inkster, MI 48141
Telephone #: (313) 563-

Date Sent: **Friday, January 24, 2014**

Reply Must Be Received By: **February 14, 2014 by 12:00 pm**

GENERAL INFORMATION

The City of Inkster is soliciting proposals from qualified developers to acquire and provide comprehensive master development services for development of the site of the old Inkster Civic Center Area located generally at the northeast corner of Michigan Avenue and Inkster Road located in Inkster, Michigan.

The project subject to this request is an approximate 12 acre site shown in the area of the attached map (Attachment A). The property is owned by the City of Inkster and is currently occupied by buildings and infrastructure typical of municipal civic development. A vacant City Hall building is located in the center of the site and is surrounded by a small occupied library building located adjacent and to the north, separate Police and 22nd District Court buildings across River Park Drive to the south which are currently occupied, but soon-to-be-vacated, and a vacant ice arena located on the south side of River Park Drive to the east. The development proposal shall include only those projects the developer is familiar with and has had success designing and developing in the past.

All proposers should review Attachment B – City of Inkster Code of Ordinances § 155.049 TCD TOWN CENTER DISTRICT at <http://amlegal.com/library/mi/inkster.shtml> and Attachment C – City of Inkster Master Plan at http://www.cityofinkster.com/Services/PlanningandCommunityDevelopment/MasterPlan_090511.pdf before considering the effort to prepare a proposal. Interested parties should be able to incorporate all the requirements in Attachments B & C and shall provide experience in designing and developing such projects within the past two years.

BID INVITATION

The City of Inkster, Inkster, MI invites you to submit a proposal and quote for acquisition and comprehensive master development services for development of the site of the old Inkster Civic

Center Area for a proposed mixed-use development project. The following elements should be incorporated into the design of the project:

- The proposed new development should serve as a focal point for the broader community in addition to being a successful mixed-use development meeting the needs of the residents and motorists traversing the area.
- The design should reinforce its relationship with the surrounding downtown context. Strong connections with Michigan Avenue and Inkster Road should also be established.
- The project should be a dynamic place that welcomes people and accommodates the type of uses that provide important community driven services and facilitates changes to future market trends.
- Buildings should be designed in such a fashion to ensure they are visible from Michigan Avenue and make a statement reflective of their prominence as being located in the very center of the City of Inkster.

SCOPE OF WORK

The scope of services will include, but is not limited to the following:

Designing, financing and constructing. The development team should have extensive architectural, urban planning, and redevelopment design experience, especially within a downtown area. The successful team will need to review and evaluate current and historic market trends and develop a defined development plan. The team's proposal should also be consistent with the City of Inkster's Master Plan, Design Guidelines and TCD Ordinance. The team will be required to produce construction documents and obtain all necessary approvals.

The proposal should provide for a mixed-use infill development that preserves downtown's pedestrian character and maintains an appropriate building scale relative to existing adjacent buildings. It is a long-term goal of the City to develop a successful commercial-retail center. It is imperative that proposals consider the vision statements defined in earlier noted planning documents and incorporate well thought out design and use scenarios necessary to ensure sustainability of any new development.

SUBMISSION REQUIREMENTS

The City seeks responses from interested firms to acquire and provide comprehensive design and development services in conjunction with this project. The proposal must provide evidence of the qualifications of all team members, references for similar projects in the geographic region, a recommended concept, and a preliminary completion schedule. All submittal materials should be in a spiral- or comb-bound booklet. The bound document shall be 8 ½" x 11" format. Tabbed dividers should separate and identify the response items as described and titled as indicated. Submittals should be limited to the sections and items identified. Provide three (3) copies of this bound submittal and (1) electronic copy on a compact disk in Adobe .pdf format by 4:00 p.m. on February 14, 2014. The electronic copy should be saved as one single document.

The proposals should include:

- * A statement of the qualifications and experience of the developer, which includes specific reference to development experience and/or projects similar in use and scope to the development opportunity described in this RFP.
- * All key individuals involved with the development entity should be identified and their resumes submitted. Note that this includes the experience and quality of the architects and engineers of the development team.
- * A brief statement demonstrating that the development team understands the property owners' objectives.
- * A description of the proposed uses (office, apartments, etc.) and scale of development for each opportunity. For each proposed use, material should be included indicating the anticipated targeted market segments and an understanding of that market in Inkster. This description should include the expected magnitude of investment required to achieve this scale of development.
- * A discussion of the parking requirements and the development team's expectation of how these parking needs will be met.
- * Sketches of the concept plan that the developer proposes. The intention is to understand the basic nature of the type and form of development.
- * References from other cities and clients concerning the development team's performance in comparable urban and civic situations.
- * A financial bid for City of Inkster owned property with supporting justification.

SUBMITTAL DEADLINE:

February 14, 2014 @ 4:40 PM

All submittals must be delivered or mailed to the City of Inkster offices. The address and contact information is provided at the end of this RFP.

SELECTION PROCESS

Staff will review all submitted proposals and select firms to be granted an interview. In evaluating the proposals, staff will consider the following factors in its decision-making:

- * The relevance and quality of the development team's prior experience.
- * The offer for the City assets, the subject properties and structures.

* Demonstration of Developer's ability to provide equity and obtain construction and permanent financing. Developer should demonstrate the following:

a. Developer is financially sound and any existing adverse information, such as litigation, disputes, claims, etc., does not exist, has been resolved, or will not negatively impact this project.

b. Developer possesses the financial capability, bonding capacity, and institutional relationships necessary to obtain financing for a project of this size and scope.

c. Developer has identified sufficient sources of equity to be used for a project of this size and scope.

* The likely impact of the proposed development on the overall development of Downtown Winston-Salem.

* The economic impact of the proposed development on the local tax base.

* The extent to which the proposed development will meet the objectives of the City's planning documents.

* Any likely demands on the City to accommodate needs articulated by the developer.

* Promoting the placemaking and walkability values as defined in our plans.

* The quality, creativity and reasonableness of the general plan proposal, and the responsiveness of the proposal to the design and planning conditions of this RFP.

* The demonstrated current financial capability of the developer to complete projects of this magnitude.

* The proposed uses and magnitude of investment.

The selection of an acceptable development team shall be at the sole discretion of the City.

Contact Information

Individuals responding to this solicitation should send all correspondence and direct all inquiries regarding this specific project to:

City of Inkster
City Manager
ATTN: **Richard Marsh**
26215 Trowbridge St
Inkster, MI 48141
Telephone #: (313) 563-
Email: rmarsh@cityofinkster.com

Helpful Links

City Planning

<http://www.cityofinkster.com/Services/PlanningandCommunityDevelopment/Overview-CommunityDevelopment.asp>

Michigan Avenue Conceptual Corridor Study

<http://www.cityofinkster.com/Community/MDOT%20Michigan%20Ave%20Conceptual%20Corridor%20Study%20-%202008.pdf>

Development Design Guidelines

http://www.cityofinkster.com/Community/DDA/DesignGuidelines_081216.pdf

City Master Plan

http://www.cityofinkster.com/Services/PlanningandCommunityDevelopment/MasterPlan_090511.pdf

Zoning Map

<http://www.cityofinkster.com/Reference/Maps/ZoningMap/Map-Zoning.pdf>

TCD District

[http://amlegal.com/nxt/gateway.dll?f=jumplink\\$jumplink_x=Advanced\\$jumplink_vpc=first\\$jumplink_xsl=querylink.xml\\$jumplink_sel=title;path;content-type;home-title;item-bookmark\\$jumplink_d=michigan\(inkster_mi\)\\$jumplink_q=\[field folio-destination-name:'155.049'\]\\$jumplink_md=target-id=JD_155.049](http://amlegal.com/nxt/gateway.dll?f=jumplink$jumplink_x=Advanced$jumplink_vpc=first$jumplink_xsl=querylink.xml$jumplink_sel=title;path;content-type;home-title;item-bookmark$jumplink_d=michigan(inkster_mi)$jumplink_q=[field folio-destination-name:'155.049']$jumplink_md=target-id=JD_155.049)

This RFP in no manner obligates the City to the eventual purchase of any products or services described, implied, or which may be proposed, and may be terminated by the City without penalty or obligation at any time.

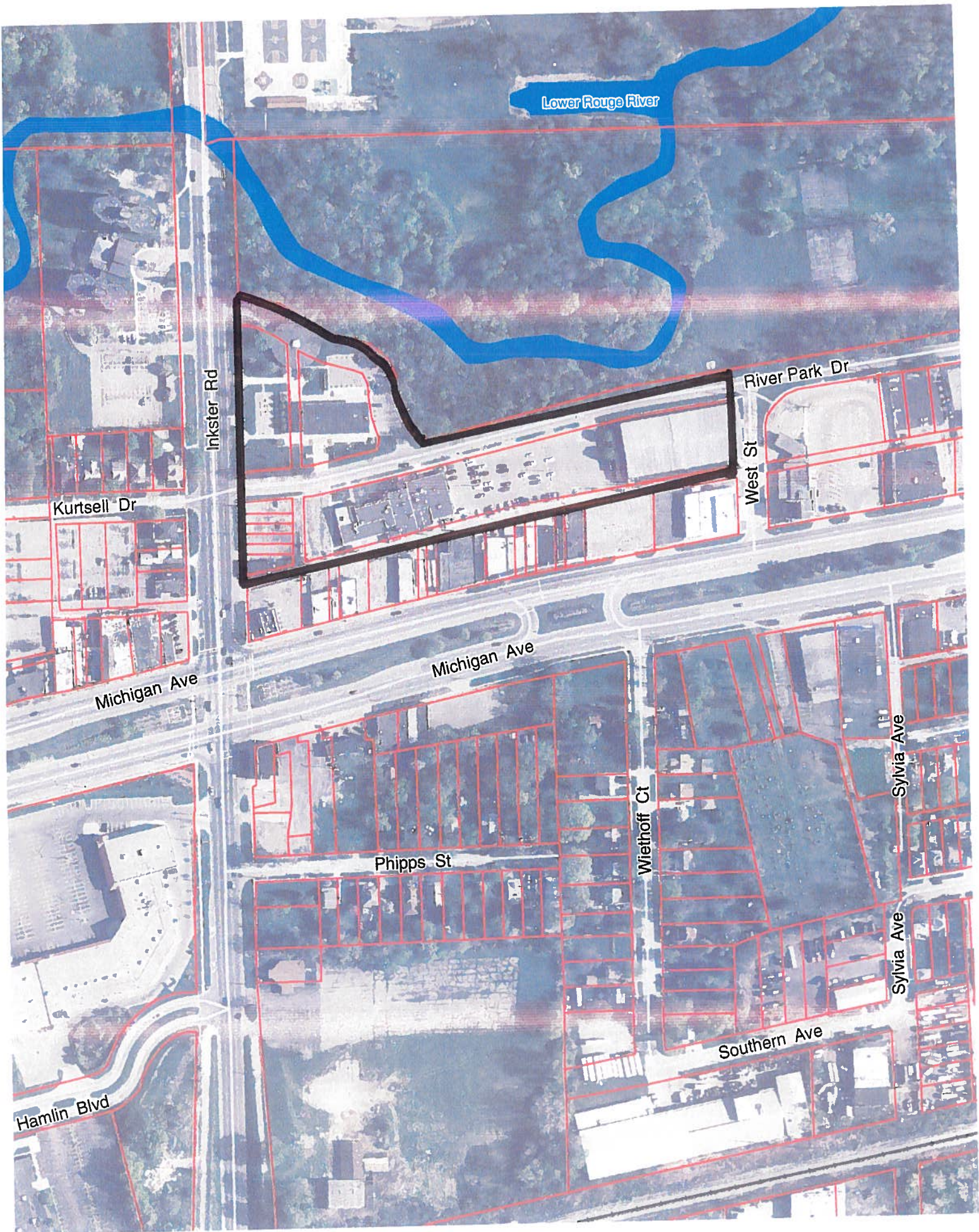
Expenses for developing and presenting responses to this RFP shall be the entire responsibility of the consultant and shall not be chargeable to the City. All supporting documentation and manuals submitted with this proposal will become the property of the City.

Conflicts of Interest. The Contractor affirms that to the best of its knowledge there exists no actual or potential conflict-of-interest between the Contractor's family, business, or financial interests and providing the Services. The Contractor will not attempt to influence any City employee by the direct or indirect offer of anything of value. The Contractor also warrants that no officer or employee of the City has or will have a direct or indirect personal financial interest in the Agreement. The Contractor also affirms that neither the Contractor nor any of its employees has paid or agreed to pay any person, other than bona fide employees and consultants working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the execution of an Agreement.

In the event of change in either Contractor's interests or Services under this Agreement, the Contractor will inform the City regarding all possible conflicts-of interest which may arise as a result of such change. The Contractor agrees that conflicts-of-interest will be resolved to the City's satisfaction or the City may terminate the Agreement.

Interviews may be conducted if necessary. A selection committee will be evaluating the proposals based on your response. The final selection will be made after a full evaluation and the selected company will enter into contract negotiations with the City.

Prepared by Mark D. Lloyd, Giffels Webster



REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 9, 2014

From: M. Jeannie Fields, 
Community Development Manager

Date for Council Consideration: January 21, 2014

ACTION REQUESTED: Consider adopting 2014 meeting calendars of the Brownfield Development Authority, Downtown Development Authority, Planning Commission, Economic Development Corporation, Tax Increment Finance Authority and Zoning Board of Appeals.

Current Action X Emergency Future

Funds Budgeted: If Yes Account # No N/A X

Treasurer's Approval 

BACKGROUND INFORMATION

In accordance with local ordinances and by-laws, it is necessary to adopt meeting calendars for the Brownfield Redevelopment Authority, Downtown Development Authority, Planning Commission, Economic Development Corporation, Tax Increment Finance Authority and Zoning Board of Appeals annually.

SCOPE OF SERVICES

Adopt 2014 meeting calendars

JUSTIFICATION

Compliance with local ordinances and by-laws.

PROJECT OR IMPROVEMENT TASKS

Which of the Five (5) Council Goals does this request meet?

Note to Department Heads:

1. Enhance Public Safety & Strengthen the Police Department
2. Revitalize the Michigan Avenue Corridor and the area covered by the DDA
3. Develop a plan to Diversify the tax base to ensure a sustainable budget for Inkster
4. Develop a plan to address the City's current debt and legacy costs
5. Improve and promote the image of Inkster

PROJECT OR IMPROVEMENT TASK

N/A

COST

N/A

PROJECT TIME TABLE

N/A

RESOLUTION

The Inkster City Council hereby adopts the 2014 meeting calendars for the Brownfield Redevelopment Authority, Downtown Development Authority, Planning Commission, Economic Development Corporation, Tax Increment Finance Authority, and Zoning Board of Appeals as follows:

Brownfield Redevelopment Authority – The second Tuesday of each month at 5:30 p.m. in the City Hall Tax Increment Finance Authority Community Room unless otherwise notified:

January 14, 2014	July 8, 2014
February 11, 2014	August 12, 2014
March 11, 2014	September 9, 2014
April 8, 2014	October 14, 2014
May 13, 2014	*November 12, 2014
June 10, 2014	December 9, 2014

*Calendar Change

Downtown Development Authority – The third Tuesday of each month at 6:00 p.m. in the City Hall Council Chamber unless otherwise notified:

January 22, 2014	July 15, 2014
February 18, 2014	August 19, 2014
March 18, 2014	September 16, 2014
April 15, 2014	October 21, 2014
May 20, 2014	November 18, 2014
June 17, 2014	December 16, 2014

Planning Commission – The second and fourth Monday of each month at 6:00 p.m. in the City Hall Council Chamber unless otherwise notified:

January 13, 2014
January 27, 2014
February 10, 2014
February 24, 2014
March 10, 2014
March 24, 2014
April 14, 2014
April 28, 2014
May 12, 2014
*May 27, 2014
June 9, 2014
June 23, 2014

July 14, 2014
July 28, 2014
August 11, 2014
August 25, 2014
September 8, 2014
September 22, 2014
October 13, 2014
October 27, 2014
November 10, 2014
November 24, 2014
December 8, 2014
December 22, 2014

*Calendar Change

Tax Increment Finance Authority/Economic Development Corporation – The second Thursday of each month at 6:30 p.m. in the City Hall Council Chamber unless otherwise notified:

January 9, 2014
February 13, 2014
*March 20, 2014
April 10, 2014
May 8, 2014

June 12, 2014
September 11, 2014
October 9, 2014
November 13, 2014
December 11, 2014

*Calendar Change

Zoning Board of Appeals – The first Thursday of each month at 7:30 p.m. in the City Hall Council Chamber unless otherwise notified:

January 2, 2014
February 6, 2014
March 6, 2014
April 3, 2014
May 1, 2014
June 5, 2014

July 3, 2014
August 7, 2014
September 4, 2014
October 2, 2014
November 6, 2014
December 4, 2014

Resolved by _____

Seconded by _____

Yes:

No:

Absent:

REQUEST FOR COUNCIL ACTION

To: Richard Marsh, City Manager

Date: January 13, 2014

From: M. Jeannie Fields, *ujf*
Community Development Manager

Date for Council Consideration: January 21, 2014

ACTION REQUESTED: Consider approval of offer to purchase (Case # LD13-16) 29043 Avondale which is located on the south side of Avondale between Eastern and Central and is legally described as Lot 17 Grand View Gardens Sub T2S, R9E, L45, P94 WCR (Property ID #005-01-0017-000) in the amount of \$3,200 to Alphonsus E. Obi.

Current Action X Emergency Future

Funds Budgeted: If Yes Account # No N/A X

Treasurer's Approval *N/A*

BACKGROUND INFORMATION

On March 15, 2012, Wayne County deeded property commonly known as 29043 Avondale to the City of Inkster as a foreclosed property.

Alphonsus E. Obi made application to purchase a single-family home located at 29043 Avondale which is located on the south side of Avondale between Eastern and Central and legally described as Lot 17 Grand View Gardens Sub T2S, R9E, L45, P94 WCR (Property ID #005-01-0017-000). The property is situated in the near the end of the block between Central (close to) and Eastern (see attached maps). The property is being purchased for a relative who will be moving in town soon.

The Real Estate Broker has noted the following improvements to be made:

- Brick repair
- Cement repair
- Dry wall work
- Mold remediation
- Furnace repaired/replaced (water damage)
- Hot water tank replacement
- Some window replacement and repair
- Kitchen repair
- Plumbing (possible)
- Debris removal from house and yard

City Reviews

- Code Enforcement: No violations.
- Planning Division: Approves the proposed use of the property and recommends its sell subject to the applicant entering into a purchase agreement with the City of Inkster.
- Collection Department: The applicant owes \$214.20 on a water bill due Jan 14, 2014.

- Building inspections have been completed.

SCOPE OF SERVICES

Preparation and execution of purchase agreement, quit claim deed, property transfer affidavit, and recording the deed. It is highly recommended by the Planning Division that the applicant complete a title search of the property.

JUSTIFICATION

The property is located in the R-1(B) zoning district (one family residential). The applicant is offering to purchase the subject property for \$3,200. A Comparative Analysis is attached. The average price for property sold in the area is \$6,593. Per the Assessor, the market value of the property may be closer to \$3,500 - \$4,000 (the land is valued at \$2,400). However, based on the goal to place property back on the tax rolls and the number of repairs to be made the amount offered is fair. Staff is recommending sell of the property for \$3,200.

PROJECT OR IMPROVEMENT TASK

Which of the Five (5) Council Goals does this request meet?

1. Develop a plan to address the City's current debt and legacy costs.
2. Improve and promote the image of Inkster.

COST

The applicant has deposited \$600 for the property and is offering the purchase price of \$3,200.

RESOLUTION

Authorization is hereby given for the sale of 29043 Avondale which is located on the south side of Avondale between Eastern and Central and legally described as Lot 17 Grand View Gardens Sub T2S, R9E, L45, P94 WCR (Property ID #005-01-0017-000) in the total amount of \$3,200 to Alphonsus E. Obi subject to the following conditions:

- Pay water bill in the amount of \$214.30 which was due January 14, 2014.
- Obtain a Certificate of Occupancy prior to move in.
- Complete closing on the property within 30 days by paying the cost of recording the deed (\$18), entering into a purchase agreement, and executing a property transfer affidavit.

Finally, it is highly recommended that the applicant complete a title search of the property.

Resolved by _____

Seconded by _____

Yes:

No:

Absent:



Deposit/Administrative Fee Received 11/12/13
Date Received 11/12/13
Case # 60-13-16

CITY OF INKSTER
APPLICATION TO PURCHASE CITY-OWNED PROPERTY

APPLICANT INFORMATION (Please Print Clearly)

Applicant's Name Alphonse Obi
Applicant's Address 28970 AVONDALE TARIKEL Michigan 48141
Applicant's Phone Number: 734-646-5202
Proposed Owner's Name (as indicated on deed): Alphonse Obi & Single Man

PROPERTY INFORMATION -- Purchase Offer \$ 2000 or # 3200

Property Location: on South side of AVONDALE Street/Avenue

Between EASTERN Street/Avenue and CENTRAL Street/Avenue

Tax ID, Legal Description, and Address if Structure 44005010017000

24117 LOT 17 GRAND VIEW GARDENS SUB T2S
P9E L45-P94 WCR 29043 AVONDALE

Parcel Size: 40X139 (Width) 40 X (Length) 139 Current Zoning Residential

☐ Additional Parcels/Lots (attach Request for Additional Property Form)

Summary of Proposed Use: Purchasing for a relative that will be
Use additional sheets as needed in town soon.

I understand and accept as evidenced by the good-faith deposit of \$ 600.00 for the offer to purchase city-owned property. I also understand that the offer to purchase is subject to acceptance and approval by the City of Inkster City Council. I further understand that the Council can reject the offer in the best interest of the City, but that acceptance of this offer binds me to the specific use of the property as provided by the codes and ordinances of the City.

NOTE: All City-owned property is sold "AS IS". The City is not responsible for clear title.

[Signature]
Applicant's Signature

November 9, 2013
Date

[Signature]
Broker's Name

29043
AVONDALE

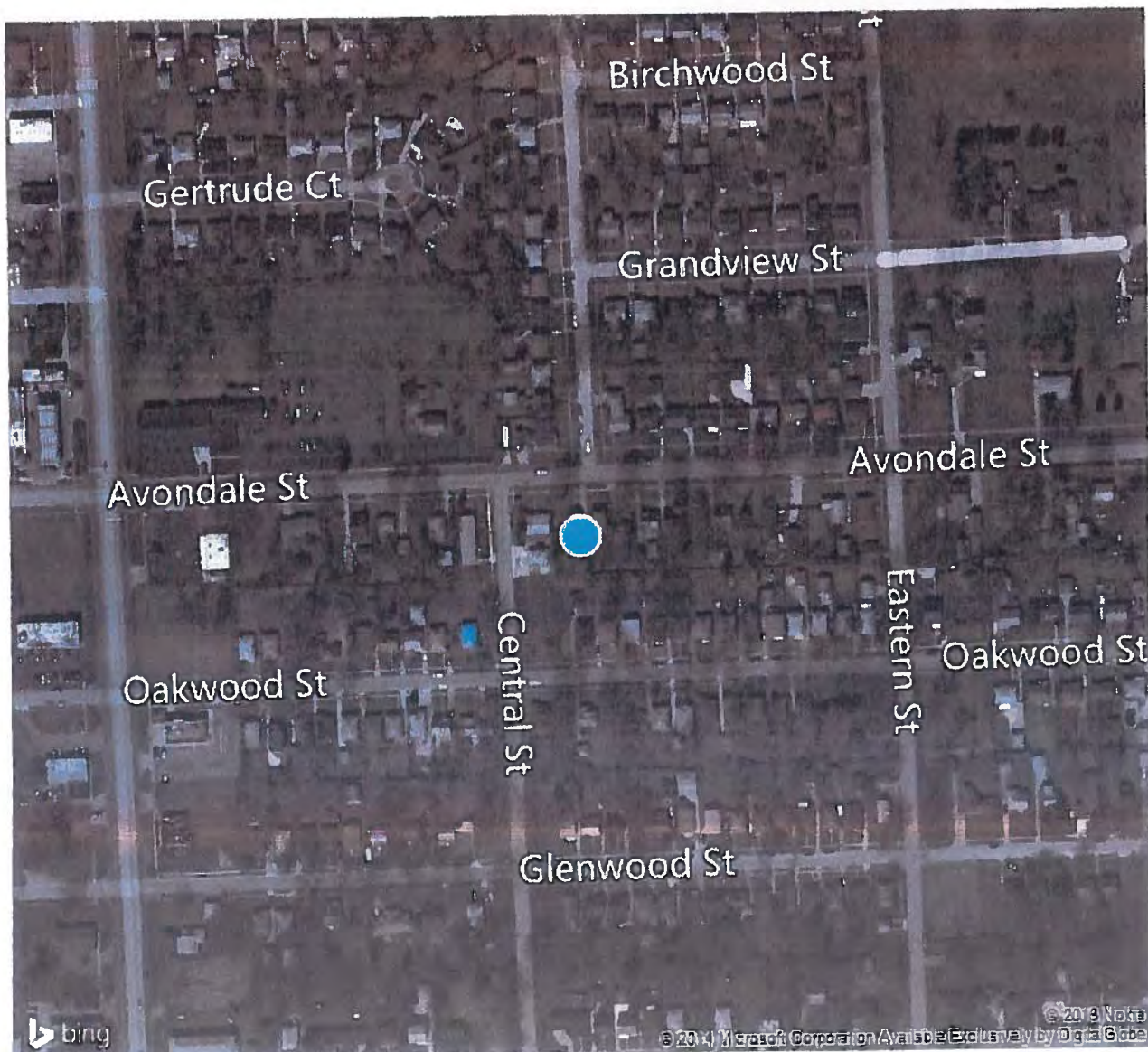
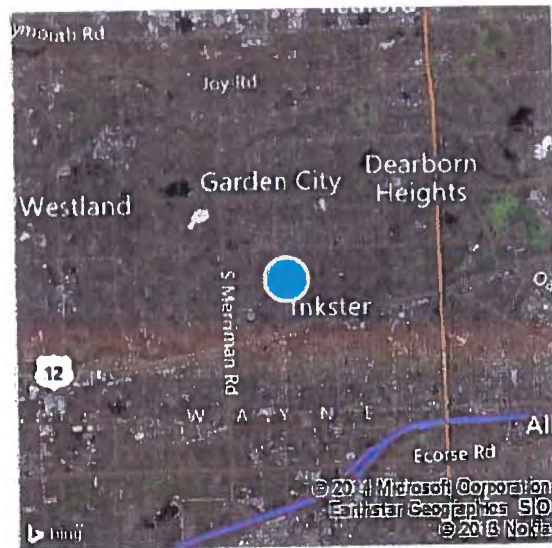


bing Maps

29043 Avondale St, Inkster, MI 48141

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more

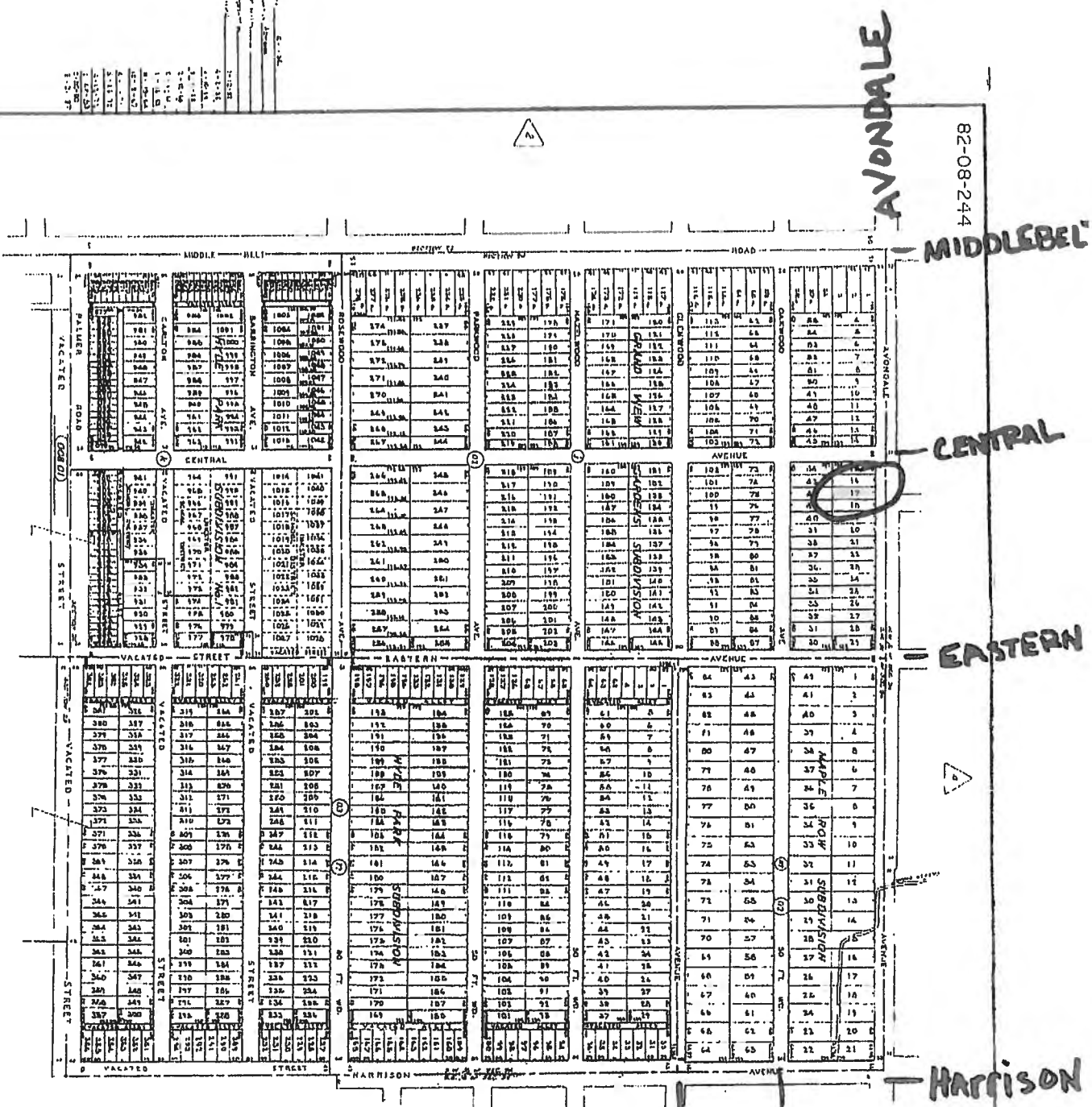


Bird's eye view maps can't be printed, so another map view has been substituted.

82-08-244

Table with 2 columns: Lot Number, Area (Acres)

1001	0.10
1002	0.10
1003	0.10
1004	0.10
1005	0.10
1006	0.10
1007	0.10
1008	0.10
1009	0.10
1010	0.10
1011	0.10
1012	0.10
1013	0.10
1014	0.10
1015	0.10
1016	0.10
1017	0.10
1018	0.10
1019	0.10
1020	0.10
1021	0.10
1022	0.10
1023	0.10
1024	0.10
1025	0.10
1026	0.10
1027	0.10
1028	0.10
1029	0.10
1030	0.10



S.W. 1/4 SECTION 24
T. 2 S. R. 9 E.
WAYNE COUNTY, MICHIGAN

DEPARTMENT OF MANAGEMENT AND BUDGET
ASSESSMENT AND EQUALIZATION DIVISION

© 1997 COUNTY OF WAYNE, STATE OF MICHIGAN



Comparative Market Analysis

29043 Avondale
Inkster, 48141

Tuesday, December 31, 2013

Summary of Comparable Listings

This page summarizes the comparable listings contained in this market analysis.

Sold Listings

Address	Price	Bds	Bths Full	Ttl Sqft	Lot Sz	Sold Date	S\$/Sqft	CDOM	ADOM
29043 Avondale		2	1	900					
29200 Oakwood Street	\$4,000	3	1	707		01/14/2013	\$5.66	7	7
28467 Glenwood Street	\$4,650	2	1	750		11/12/2013	\$6.20	49	49
29443 Grandview Street	\$5,000	3	1	852		09/10/2013	\$5.87	35	35
1367 Magnolia Drive	\$8,210	3	1	975		03/13/2013	\$8.42	106	106
29117 Glenwood Street	\$8,850	3	1	1,000	5,663	04/17/2013	\$8.85	16	16
29660 Grandview Street	\$8,850	3	1	845		10/29/2013	\$10.47	13	9
Averages:	\$6,593	2.8	1.0	855	5,663		\$7.58	38	37

	Low	Median	Average	High	Count
Comparable Price	\$4,000	\$6,605	\$6,593	\$8,850	6
Adjusted Comparable Price	\$4,000	\$6,605	\$6,593	\$8,850	6

On Average, the 'Sold' status comparable listings sold in 37 days for \$6,593





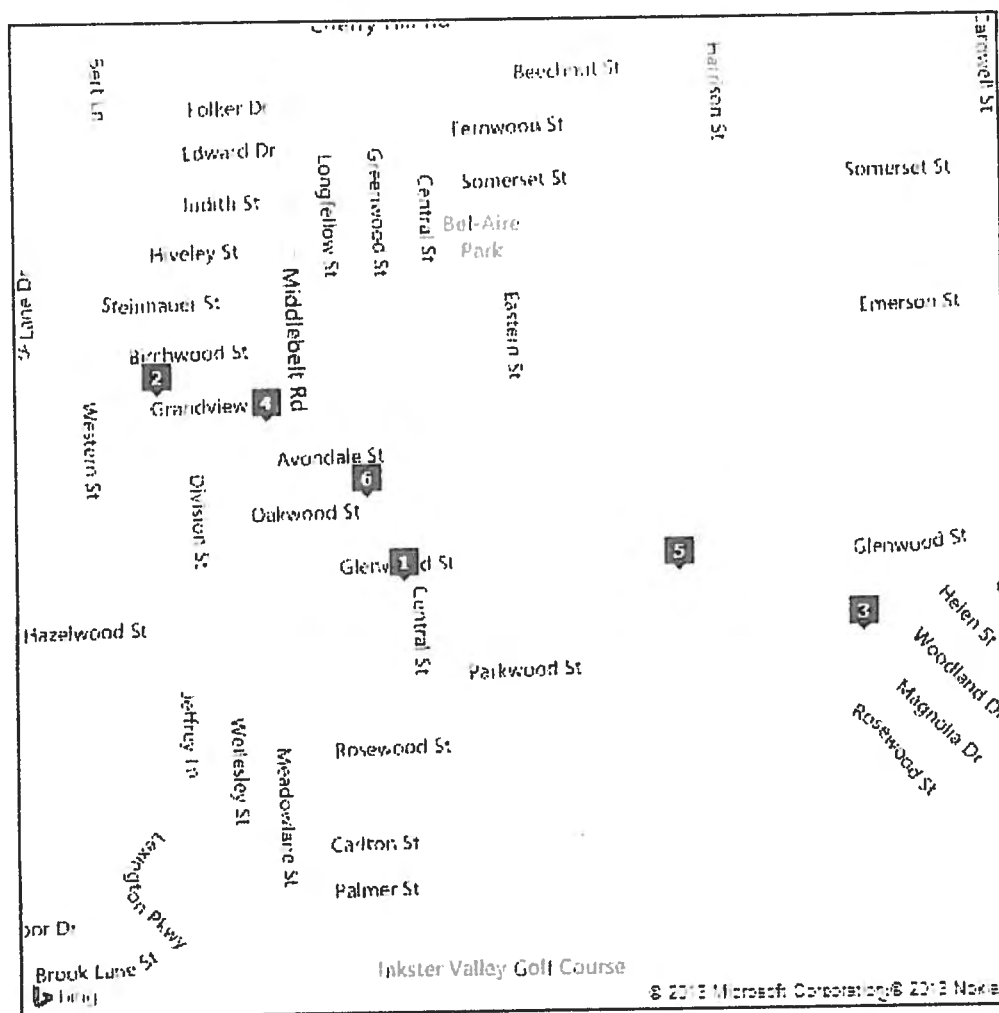
Comparative Market Analysis

29043 Avondale
Inkster, 48141

Tuesday, December 31, 2013

CMA Map Layout

This page displays the Map for the CMA Subject and your comparables.



- 1 29043 Avondale
- 2 29117 Glenwood Street
- 3 29660 Grandview Street
- 4 1367 Magnolia Drive
- 5 29443 Grandview Street
- 6 28467 Glenwood Street
- 7 29200 Oakwood Street



REQUEST FOR COUNCIL ACTION

To: Mayor and Council

Date: January 6, 2014

From: Richard J. Marsh, Jr.

Date for Council's Consideration: January 21, 2014

ACTION REQUESTED: Authorization to retain Risk Management Associates (RMA) to conduct an assessment and evaluation of the Inkster Police Department and to accept their proposal in the amount of \$19,000.00.

Current Action X Emergency Future

Funds Budgeted: Yes No N/A

City Treasurer MDS

NOTE: Funds will be identified in the 2nd Budget Amendment that is anticipated to be presented to City Council in early February 2014.

BACKGROUND

Risk Management Associates, from Raleigh, North Carolina, have been in business since 1988. This firm has been in 40 states and 20 countries and has no known connection to the City of Inkster or City of Inkster personnel. Their team includes seasoned former law enforcement officers, former Police Chiefs and FBI Agents. See attached proposal.

SCOPE OF SERVICES

The firm will assist the City by conducting an assessment and evaluation. This will be followed up with recommendations for making improvements within the Inkster Police Department.

JUSTIFICATION

This is needed to address the serious public safety related concerns that we have in the City of Inkster.

PROJECT IMPROVEMENTS

N/A

COSTS

\$19,000.00

PROJECTED TIME TABLE

The consultant can commence with services once approval is given by City Council.

RESOLUTION

Authorization is hereby given to retain Risk Management Associates to conduct an assessment and evaluation of the Inkster Police Department and to accept their proposal in the amount of \$19,000.00.

Resolved by _____

Seconded by _____

Yeas:

Nays:

Absent:

Office of the City Manager
26215 Trowbridge St.
Inkster, MI 48141

(PH) 313-563-4232

Risk Management Associates, Inc.
4000 WestChase Blvd. Suite 350
Raleigh, NC 27607

(PH) 919-834-8584

(FX) 919-834-8150



Consulting Services

October 14, 2013

Prepared for: Richard J. Marsh, Jr.
City Manager
Inkster, Michigan

Prepared by: Michael Longmire
Consultant
Risk Management Associates, Inc.

Risk Management Associates, Inc. has been in the business of preventing crime since 1988. Our services have included assisting both private and public sector organizations assess their efforts to deter criminal activity by assessing their current efforts against acceptable standards, identifying gaps in their programs, and making recommendations to improve in those efforts. RMA has assisted local, state and federal government agencies, including law enforcement organizations, in assessing and investigating allegations of misconduct and quality of service issues. Our unbiased and independent approach utilizing experienced and knowledgeable subject matter experts has been called upon by nearly a thousand organizations across the country to provide facts and circumstances to assist leaders in making tough decisions on how to best serve their communities and customers. We look forward to both the opportunity and challenges associated with this project.

This proposal includes data that shall not be disclosed outside the purposes for which it is offered and shall not be duplicated, used, or disclosed in whole or part – for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of – or in connection with – the submission of this data, the customer shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the company's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained on all pages of the proposal. Should the contract not be awarded to the offeror, it is requested that the proposal in all its forms be returned to the offeror.

The numbers represented in this proposal are to be used as an estimate for the projects discussed. The estimates contained in the Cost Summary should not be construed to constitute a warranty of final price. Estimates are subject to change if project specifications are changed or costs for outsourced services change before being locked in by a binding contract.



TABLE OF CONTENTS

EXPERIENCE	1
QUALIFICATIONS	2
SCOPE OF WORK	18
COST SUMMARY	20
ABOUT US	21
REFERENCES	23



Risk Management Associates, Inc. is in the business of reducing crime and protecting business assets. To do this effectively, RMA has assembled experts in multiple security disciplines who have demonstrated the ability to integrate industry standards with the culture of the client organization. RMA has a unique capacity for matching the client's specific requirements to the appropriate security solutions that will support the customer and the effectiveness of their operation.

Since 1988, RMA has provided security consulting services to numerous companies, agencies, and organizations across the country. At the most basic level, security has the goal of preventing crime. RMA has helped our clients to make security an integral part of their business model.

RMA has provided security consulting, system design, investigations, and training to local, state, and federal government departments and organizations for over twenty years. Some of our local government clients include the Cities of Chapel Hill, Columbia (SC), Fayetteville, Greensboro, Lincolnton, Raleigh, Trinity, Winston-Salem and Wilmington and the Counties of Cumberland, Durham, Gaston, and Wake. RMA has also provided services to numerous departments and divisions of the States of North Carolina and Connecticut. These clients include the Office of the Attorney General, Alcohol Law Enforcement, and State Board of Education in North Carolina and the Department of Public Works in Connecticut. Federal government clients include the Department of Defense, Department of State, Veterans Affairs, GSA, NASA, Social Security Administration and others.

The needs of an organization change over time, and RMA provides services tailored to meet those security needs. RMA assists organization with the development or implementation of their security program, such as security assessments and policy and procedure development. We provide support in response to specific security incidents, such as workplace violence assessments and investigations. We provide support to our clients in the design and implementation of the technology used to support the security program, including security system design, specifications development, and project management. Finally, we provide assistance to our clients in communicating their security program through a wide variety of custom training programs including letter and package bomb training, security officer training, and basic security concepts.

Unlike other security consulting firms, RMA does not endorse, sell, provide or re-design security products for distribution, nor do we affiliate ourselves with any product manufacturer, systems integrator, distributor, or guard companies. We have in-depth knowledge and experience of the many security systems, technologies and companies that provide those services, but we do not receive any compensation for recommending any products or companies. Our goal is to provide unbiased, objective, subject matter experts to our clients.

It is always important to remember that the technology is only as good as the people who will apply it, the compliance of the people it will serve, and the processes in place to help guide its use as a part of a holistic security program. RMA is committed to helping our clients understand the options available to them and working with them to implement an effective and efficient program that addresses the threats present at their facility or on their campus with an eye towards the future, the challenges of change, and the dynamics of their organizational culture.



RMA QUALIFICATIONS

As detailed in our resumes and company profile, RMA believes that it is uniquely qualified to provide the services requested in this matter. RMA consultants have years of experience in conducting these types of sensitive investigations and assessments in both public and private sector organizations. The principal consultants include a retired Under Sherriff from a New York Sheriff's Department and graduate of the national FBI Academy with experience in law enforcement operations, management, and administration. The team will also include two retired Captains from the City of Raleigh Police Department. These experienced law enforcement officers held supervisory and command positions in their organizations that included Internal Affairs, Patrol Operations, General Investigations, Administrative, Selective Enforcement (SWAT), Training, Vice and Narcotics, Homicide investigations, Organized Crime investigations, multi-agency task force operations, and Community Policing and Crime prevention approach to the delivery of police service. In addition to their law enforcement experience, RMA consultants have during the past ten to fifteen years applied their education, experience, and training to solving problems in both the public and private sectors. These investigators will be supported by several other members of the RMA team with additional law enforcement and private sector experiences that will benefit the efforts to ensure an unbiased and directed approach to the issues of concern in this matter.

RMA presents several previous clients as references in this response. However, due to the sensitive and often confidential nature of the investigations and assessments conducted, RMA cannot provide details regarding those investigations. We would encourage the City of Inkster to contact those references to confirm the detail and quality of the work performed. In those cases, RMA provided services associated with inquiries into the conduct, ethical behavior, and reputation of police chiefs in two major North Carolina cities and one in Michigan, the CEO of an international corporation, government managers purported to have created hostile working environments, and the Executive Director of a non-profit accused of professional and personal misconduct. RMA also reviewed the investigative function of a major city police department to ensure the professional and unbiased delivery of those services. During that process, consultants provided services almost identical to those described in this scope of work. Investigators we able to successfully meet the objectives of the client within the dynamic venues and often conflicting political forces engaged in the process.

Education:

Bachelor of Science, North Carolina State University

Graduate, Southern Police Institute
Administrative Officers Course, University of Louisville

Graduate, National Crime Prevention Institute

Training:

- Successful completion of over 3000 hours of training in security, law enforcement, crime prevention, management, etc.
- Served as an instructor or guest lecturer in law enforcement, crime prevention, or security at over 70 institutions of higher learning and professional associations.

Professional Affiliations:

- Certified Protection Professional, Board Certified in Security Management by ASIS International
- Holder of Top Secret Clearance by the United States Defense Security Service
- Board Member, North Carolina Private Protective Services Board, Committee Member – Grievance, Legislative, Training and Education, Armored Car, and Special Event Staffing Committees, and Committee Chairperson – Digital Forensics Committee
- Licensed General Contractor, NC
- Licensed Private Investigator, NC
- Member, North Carolina Association of Chiefs of Police

Experience:

From 1990 present, Risk Management Associates. Currently Chairman of the Board of this security consulting and investigative firm serving government and business clients over the United States. Served as an expert witness in over 400 cases of negligent security litigation. From 1985 to 1989, Owner of Booth and Company, security consultants, and Owner of Training Concepts, security training company, provided security services to commercial clients such as banks, manufacturing, lodging, and restaurants. From 1981 to 1985, Vice-President of Gray, Incorporated, a full-service electronic security, guard, and patrol firm operating in 19 states. Responsible for the operations of a full-service burglar, closed-circuit television, and fire alarm company with clients over the Southeast. From 1980 to 1981, Deputy Director of Crime Prevention Division of the NC Department of Crime Control and Public Safety, responsible for the statewide crime prevention program and the coordination of that program with law enforcement, business, organizations, and individuals. Awarded the Governor's Award by Governor Jim Hunt for crime prevention efforts in North Carolina. From 1977 to 1980, Chairman of Law Enforcement Department of NC Justice Academy, responsible for the design and implementation of the law enforcement training curriculum for the state of North Carolina. Headed up the committee that developed the first Basic Law Enforcement Training program in the state. Taught in the Basic and Advanced Crime Prevention courses. From 1968 to 1977, Patrol Office, Crime Prevention Officer, Investigator, Sergeant, and Lieutenant with the Raleigh Police Dept.

Education:

North Carolina Wesleyan College, Bachelor of Science degree with majors in Accounting and Business Administration

Training:

Military training in infantry tactics, airborne operations, and special operation tactics. Loss prevention and security training that included: The Reid Technique of Interviewing and Interrogation; Factory Mutual "Disaster Planning and Preparedness"; Alexander Hamilton Institute "Understanding Data Communications".

Extensive security products training for security system designs that include: security management and identification systems, "smart card" solutions, digital video and video analytics solutions, as well as IP based networks and communication systems.

Professional Affiliations:

- Certified Protection Professional – Board Certified by ASIS International
- Holder of Top Secret Clearance by the United States Defense Security Service
- Member, National Fire Protection Association
- Member, Illumination Engineering Society of North America
- Licensed Private Investigator Associate, North Carolina
- Licensed Counter-Intelligence Associate, North Carolina

Experience:

Consultant and private investigator for RMA since 1995. Appointed as Vice President in 2000 and as Senior Vice President in 2007. Current responsibilities include managing the day-to-day operations of the company, planning and marketing activities, general security consulting, and management of all technical aspects of RMA including security systems designs, product research, technical security assessments, and computer forensics. Projects have included hundreds of assessments and system designs for a variety of clients. Prior to RMA, four years as the manager of a progressive corporate Loss Prevention Department at Crown Crafts, Inc. Managed the creation and development of the department that included the development of practical corporate loss prevention policies, procedures and programs. Performed numerous corporate investigations with respect to product/asset theft and fraud. Designed several sophisticated security systems with integrated access control systems, alarm systems, closed circuit television systems, communications systems and perimeter protection systems. Prior to Crown Crafts, three years as a Security Coordinator for Northern Telecom (Nortel). Supervised security activities and managed the electronic security systems in 17 Research Triangle Park locations. Prior to Northern Telecom, four years in the United States Army, three years as a member of a special operations unit with duties that included special weapons, special warfare tactics, and communications.

Education:

Bachelor of Science, Police Science, North Carolina Wesleyan University

Graduate of the Traffic Institute, Training Option, Northwestern University (effective traffic patterns, safety programs, enforcement, system design, accident investigation and reconstruction)

Training:

Completed over 3,000 hours of law enforcement and security related training including: Narcotics Investigations, Conflict Management and Resolution, Workplace Violence Issues, Human Relations, Criminal Investigations, Security Management, Supervision and Management, Defensive Driving, Dignitary Protection, and Firearms Training. A high concentration of training in Special Weapons and Tactics and Personnel Training. Completed a two week training program at the FBI Academy on Criminal Profiling.

Professional Affiliations:

- Certified Protection Professional – Board Certified by ASIS International
- Certified Fraud Examiner, Association of Certified Fraud Examiners
- Holder of Secret Clearance by the United States Defense Security Service
- Licensed Private Investigator, North Carolina
- Licensed Counter-Intelligence, North Carolina
- Advanced Law Enforcement Certificate, NCCJTSC

Experience:

With Risk Management Associates from 2006 to present and from 1994 to 2001. Forty-two years of law enforcement and private security experience. Twenty-four years in supervisory/command levels with the Raleigh Police Department including field commander with the responsibility for delivery of all police services to a community of 225,000 residents; and Staff Captain in Field Operations with responsibility for coordination of divisional functions and staff guidance to divisional personnel. Seven years with Risk Management Associates with emphasis in civil and criminal case investigations, security consulting to major corporations and businesses in security related issues. Six years with Progress Energy Corporate Security Department. Instructor in law enforcement and security related topics.

Education:

Bachelor of Arts – Criminal Justice
American Military University,
Charles Town, WV

Associate of Applied Science - Criminal Justice
(with Honors) Herkimer College,
Herkimer, NY

FBI National Academy #203
University of Virginia
Quantico, VA

Training:

Military
US Army Reserves – Combat Engineer
Honorable Discharge

Law Enforcement/Public Safety
Completed more than 2700 hours of law
enforcement, public safety and security training.

Traffic Accident Reconstruction, University of
North Florida IPTM and Northwestern University

Certifications:

- Private Investigator NC PPSB #3808
- Police, NYSDCJS
- Police Supervisor, NYSDCJS
- Instructor (GT), NYSDCJS
- Instructor Evaluator, NYSDCJS

Professional Affiliations:

- Licensed Private Investigator, North Carolina PPSB
- Member – FBI National Academy Associates – National Membership
- Member – FBI National Academy Associates – North Carolina Chapter
- Member – ASIS International

Experience:

Marty comes from a 26 year law enforcement and security operations and management career with the skills learned from operations, supervising and executive management. Marty is currently a Security Consultant/Investigations Manager for Risk Management Associates, Inc and has been with RMA since 2009. In this capacity he directs activities of investigators and provides consultant and investigator duties for RMA clients including vulnerability and threat analyses, security assessments and analysis, and criminal, civil, background, asset and accident investigations. Marty's expertise includes high risk terminations, project management, personal protection assessment and operations, operational security analyses, interviewing and statements, policy and procedure analysis and development, and submission of detailed project and investigative reports. Marty teaches PPSB-approved training courses to security personnel and private investigators. Prior to RMA Marty handled SIU and surveillance investigations for a number of insurance companies. Security operations management consists of supervision of personnel and management of the armed security details at superior and local courts and state and local government offices. Marty wrote policy and procedures for security, law enforcement and public safety organizations. Marty is a former Under-Sheriff, County Police Captain and Police Instructor. As Captain, he supervised a County Police Force, a Criminal Investigations Division, a multi-jurisdictional Drug Enforcement Task Force and a Collision Reconstruction Unit. As Under-Sheriff, Marty was second in command of a busy upstate NY Sheriff's Office and directed the activities of a correctional facility, police division, courthouse and government offices security detail, civil division and E911 emergency communications division. For 17 years Marty also maintained duties as an investigator conducting and supervising criminal, surveillance, narcotics, white collar, computer crime, organized crime, internal affairs, traffic accident reconstruction, background investigations, and administrative investigations.

Education:

Bachelor of Arts degree in English, with Honors,
University of Florida

Training:

Web Development Tools,
Johnston Community College

Introduction to Web Graphics,
Johnston Community College

Introduction to AutoCAD,
Wake Technical Community College

Professional Affiliations:

- Licensed Private Investigator Associate,
North Carolina
- Holder of Secret Clearance by the United
States Defense Security Service
- Member, Phi Beta Kappa

Experience:

Thirteen years of experience at Risk Management Associates in related topics. Creates and modifies architectural drawings in support of RMA's system design services. Designed previous web page and maintains current web page for Risk Management Associates. Analyzes and modifies deliverables for quality review. Provides assistance on a variety of topics for consulting cases. Creates marketing materials. Collates, analyzes, and formats information obtained from investigative and other databases. Formats investigative products and reports. Conducts investigative inquiries using subscription databases in background, civil, and criminal investigations. Possesses experience in Microsoft Word, Excel, PowerPoint, Access, and Visio as well as AutoCAD, PhotoImpact, Dreamweaver, Flash, and Trainersoft.

Education:

Campbell University, *Juris Doctoral*
Radford University, Bachelor of Science,
Criminal Justice
New River Community College, Associate of
Applied Science, Police Science

Training:

Military training in intelligence and counterintelligence operations, and information security management. Law enforcement training in drug interdiction, undercover investigations, human and technical intelligence gathering, tactical operations, interviews and interrogations, evidence collection, and arrest, search and seizure. Advanced legal training in business law, administrative law and federal civil rights litigation.

Professional Affiliations:

- Licensed Attorney: NC
- Licensed Private Investigator: NC
- Electronic Countermeasures Trainee: NC
- Lieutenant, United States Navy Reserve
- Certified Property and Evidence Specialist
- Member, Society for Corporate Compliance and Ethics (SCCE)
- Member, American Society for Industrial Security (ASIS)
- Member, International Association of Chiefs of Police (IACP)
- Member, International Association for Property and Evidence (IAPE)
- Member, Naval Intelligence Professionals
- Member, American Bar Association
- Member, NC State Bar
- Member, Phi Kappa Phi
- Member, Pi Gamma Mu
- Member, Omicron Delta Kappa

Experience:

Legal Counsel, Investigator & Consultant for Risk Management Associates since 2010. Serves as in-house legal counsel to RMA. Performs consultant and investigator duties for RMA clients including: vulnerability and threat analyses; criminal, civil and administrative, investigation; personal protection assessment and operations; operational security analyses; and technical surveillance countermeasures (TSCM). Develops and presents training courses in investigative and privacy law, corporate compliance and ethics; threat assessment; and DNA evidence.

Staff Attorney, NC Innocence Inquiry Commission. Provided legal counsel to state agency in all areas of its operation. Planned, coordinated, and conducted complex legal and forensic investigations. Coordinated and oversaw training of all staff attorneys and investigators.

Assistant Attorney General, NC Department of Justice. Provided legal counsel to NC Department of Crime Control and Public Safety. Represented agency and personnel in civil and administrative litigation. Represented State in criminal and civil appeals. Provided basic and advanced law enforcement instruction in areas of criminal law, criminal procedure, constitutional law and civil liability.

Lieutenant, United States Navy Reserve. Provided tactical, operational, and strategic intelligence support to U.S., joint and multi-national military forces. Duty stations included Naval Criminal Investigative Service, and Naval and Marine Corps Intelligence Training Center.

Special Officer, Virginia State Police. Planned, coordinated, and conducted multi-jurisdictional drug and organized crime investigations.

Education:

Associates Degree, Criminal Justice,
Wake Technical Community College

Novell Certified System Administrator

Training:

- EnCase Intermediate Analysis and Reporting
- Reviewing Email Artifacts with EnCase Software
- Cell Phone Forensics
- How to use Linux and Linen for Acquisition of Workstations and RAID Servers
- How to Create and Perform Effective Keyword Searches
- Detecting Advanced Malware such as Rootkits and Diskless Compromises
- Forensics, what the case law says
- Examining the Windows Registry
- Criminal and Civil Investigations

Professional Affiliations:

- Certified Information Systems Security Professional (CISSP)
- Certified Information Security Manager (CISM)
- Encase Certified Examiner (EnCE)
- Licensed Counterintelligence Service Trainee, North Carolina Private Protective Services
- Licensed Private Investigator Associate, North Carolina Private Protective Services
- Member, InfraGard Eastern Carolina Chapter
- Member, Information Systems Audit and Control Association
- Member, International Information Systems Security Certification Consortium

Experience:

At Risk Management Associates since 2004. Conducts all system related activity for the Risk Management Associates computer network. Manages all systems, networks, and servers at RMA. Assists with all investigations involving computer related issues. Assists with all physical security projects involving computer and/or IT related issues. Conducts all computer forensics in cases where it is required. Instructor or guest lecturer in computer forensics for Caldwell County Sheriff's Department, North Carolina Retail Merchants Association, ASIS Chapter 119, North Carolina InfraGard Security Conference, and others.

Network Security Analyst, Northrop Grumman. Member of the USPS Field Security support staff. Assisted in the design and implementation of a team of network security personnel with the primary goal of assisting all USPS IT managers with security in each of the 85 districts.

Conducted wireless network vulnerability testing.

Network Security Analyst, Lockheed Martin (EPA Contract). Member of security team responsible for investigation and resolution of security incidents related to the EPA Enterprise Network. Supported installation, testing, and troubleshooting of security software tools. Assisted all regions of the EOA Enterprise Network with security issues relating to workstations, servers, and the Internet. Worked with system administrators to verify that networked systems were in compliance with current security policy.

Drugs and Vice Detective, Federal Drug Task Force Member, Law Enforcement Officer, Raleigh Police Department.

Education:

- Bachelor of Arts, Economics and Business Administration, North Carolina State University
- Master of Education, Adult and Community College Education, North Carolina State University

Training:

- SBI Academy
- FBI National Academy
- US Army Hazardous Devices School
- FBI Bomb Squad Commanders Conference
- Annual IABTI International Terrorism Training Conferences
- US Army Terrorism Counteraction Course and XVIII Airborne Corps Sniper Course
- Over 3500 hours law enforcement skill and management development programs

Professional Affiliations:

- Certified Protection Professional – Board Certified by ASIS International
- Certified in Homeland Security Level III, American College of Forensic Examiners
- Licensed Private Investigator, North Carolina
- Licensed Electronic Countermeasures Profession, North Carolina
- Holder of Secret Clearance by the United States Defense Security Service
- Charter Member, International Association of Bomb Technicians and Investigators
- Member, FBI National Academy Associates
- Board Member, Society of Former Special Agents of the NC SBI
- Member – Phi Kappa Phi

Experience:

Consultant for Risk Management Associates since 1999. Performs consultant and investigator duties for RMA clients including vulnerability and threat analyses, security assessments and analysis, systems criminal, civil and administrative, investigation, security and management training, project management, personal protection assessment and operations, operational security analyses, and technical surveillance countermeasures (TSCM). Develops and presents training courses in basic security officer skills, managing aggressive behavior, explosive-biological-chemical weapon screening, emergency management, workplace violence, executive protection, terrorism and criminal behavior, interviewing and interrogation, and security strategies and applications. Coordinates operations in workplace violence protection, covert electronic surveillance, executive and special event security. Writes security plans; post orders; travel threat assessments, detailed project and investigative reports.

Special Agent – North Carolina State Bureau of Investigation. Criminal investigator, drug enforcement agent and intelligence analyst. Special Agent-in-Charge of the SBI Training Division. Senior SBI bomb technician; Hostage negotiator and tactical operator; TSCM operator and security analyst; Personal protection agent. Patrolman with the Raleigh Police Department. News photographer and television production technician with WRAL-TV in Raleigh, NC.

Education:

Electrical Technology Certificate, Wake
Technical Community College

Training:

Various specialized manufacturer training classes
on security electronics, including Airteq, Galaxy
Access Control, Pelco, Integral, Magal Perimeter
Systems, and GE Fanuc

Professional Affiliations:

- Member, Society of American Military
Engineers

Experience:

Ten years of experience in electronic security and related systems. Productive, competent and reliable multi-trade technician with the training, experience, and technical knowledge to install, plan, repair, maintain oversee security electronics, and hardline projects in commercial and correctional facilities. As former Service and Warranty Manager, Norment Security Group, Inc., managed electronic security projects, scheduled service personnel, oversaw the repair of electronic and hardline security systems, planned and estimated projects, and presented contract proposals to potential clients. As Wake County Field Supervisor, Norment Security Group, Inc., supervised and managed maintenance for the Wake County Public Safety Center, Hammond Road Detention Center, and Hammond Road Annex and maintained electronic security (PLC's, CCTV, intercom) and hardline security (cell locks, sliders, food pass). As Field Installer/Service Tech, Norment Security Group, Inc., installed security electronics systems in North Carolina Department of Juvenile Justice and Delinquency Prevention detention centers, installed and maintained intercom system for Wake County Public Safety building and installed and maintained access control systems for other customers.

Emily K. Liner**Support Analyst****Education:**

Bachelor of Science in Interior Design, minor in Studio Art, Meredith College

Experience:

Creates and modifies architectural drawings in support of RMA's system design services. Analyzes and modifies deliverables for quality review. Provides assistance on security system design cases. Former Administrative Assistant / Graphic Artist for Wake County: General Services Administration. Responsible for daily upkeep of Plans Library and Project Manuals, space planning, and drafting of system furniture. Possesses experience in AutoCAD, PowerPoint, Publisher, Microsoft Word, Excel, SketchUp, InDesign, Photoshop, and Microsoft Maximo.

Training:

- Color Theory
- Materials
- Contract
- Lighting Design
- Textiles
- Construction Technology
- Drawing
- 2D and 3D-Design
- AutoCAD
- Drafting Studio

Professional Affiliations:

- Accredited by the Council for Interior Design Accreditation
- Member, American Society of Interior Designers

Education:

Master of Public Administration,
North Carolina State University

Bachelor of Arts in Sociology,
North Carolina State University

Training:

- Administrative Officers Management Program, North Carolina State University
- Advanced Criminal Justice Certification, North Carolina Criminal Justice Training and Standards

Professional Affiliations:

- Holder of Top Secret Clearance by the United States Defense Security Service
- Licensed Private Investigator, North Carolina
- Member, ASIS International
- Past President, AOMP Alumni Association
- Past Board Member, MPA Alumni Association, North Carolina State University
- Pi Alpha Alpha National Honor Society
- Phi Kappa Phi National Honor Society
- Honorable Discharge US Army

Experience:

Consultant and private investigator for RMA since 2001. Selected as Vice President in 2005 and appointed by the Board of Directors as President in 2007. Appointed as CEO and President of RMA in 2008. Responsibilities include general security consulting and conducting selected private investigations. Projects have included administrative investigations for the NC State Board of Education, The City of Jackson, Michigan, The City of Greensboro, NC, and a Fortune 500 company based in the mid-west. Criminal investigations have included several fraud and embezzlement cases for clients working through their corporate attorney. Security consulting and assessment projects include the Social Security Administrative Headquarters in Baltimore, Maryland, Duke University, several large private schools, the City of Winston Salem, NC, the City of Columbia, SC, and numerous private corporations across the country. During a 30 year career in law enforcement held progressive supervisory and management positions in operational and administrative capacities. As Captain of detectives, directed and monitored the investigative efforts of 135 assigned personnel, organized crime unit, DARE and SRO programs, and all juvenile investigative efforts. Also, served as the Captain of the agency's Internal Affairs unit and was charged with investigating allegations of employee corruption, criminal and administrative misconduct.

Education:

Electronics Diploma
Wake Technical Community College

Training:

- Training in various security related systems including TAC-INET and Continuum, Pelco Endura and Integral, CSI, Casi-Rusco, and NCS.
- AGC Sales/Negotiations Skills Training Course
- Dale Carnegie Sales and Recurring Monthly Training Courses

Professional Affiliations:

- Certified Protection Professional – Board Certified by ASIS International
- Member, ASIS International

Experience:

Security Consultant and Systems Designer at Risk Management Associates since 2007 with over 25 years of experience in Security Systems sales, design, project management and implementation. Conducts security analysis, vulnerability assessments, and a variety of site surveys of business operations, physical security, and systems to identify security risks and design the programs and tools to reduce and remove those risks. Designs comprehensive security systems, such as IP-based security management systems, access control, video solutions, intrusion detection, intercom and other systems that utilize multiple technologies; includes all design documentation, integration, training, project management, cost analysis, migration and upgrade strategies, and industrial espionage countermeasures. Provides Project management for multiple projects through the design, bid evaluation and implementation process. Managed an eight-person team responsible for total project management, operation and system administration of large-scale corporate access control system for a Corporate 500 financial company. As Vice President, Commercial Security and Fire Alarm, Inc., was responsible for all day-to-day activities for the company including Sales, Marketing, Design, Project Management and Technical Support with regards to Card Access, CCTV, Fire Alarm and Security Alarm Systems. As Project Manager for Direct Digital Control (DDC) and Security projects, TAC Americas, managed projects from the initial sale of the system(s) through final walk-through and punch-list.

Education:

Bachelor of Arts in Social Science, Gardner Webb College
Government Executives Institute, UNC Institute of Government

Training:

FBI National Academy
Basic & Advanced Kinesic Interview Techniques, University of Delaware
Incident Command System Training through the 800 level, FEMA
Incident Management Team Training, Basic, FEMA
Integrated Emergency Management Training, FEMA
Advanced State Law Enforcement Officer Certification
Advanced Deputy Sheriff Certification
Certified Criminal Justice Instructor
Certified Firearms Instructor

Professional Affiliations:

Licensed Private Investigator, North Carolina
NC Governor's Executive Cabinet Award for Executive Excellence
Member, ASIS International
State of North Carolina Order of the Long Leaf Pine

Experience:

New Hanover County, NC, Sheriff's Office – Chief Deputy, Captain, Lieutenant, Sergeant, Vice & Narcotics Detective. North Carolina Alcohol Law Enforcement – Deputy Director, Deputy Director for Operations, Deputy Director for Administration, District Supervisor, Agent. Managed budgets from \$4 to \$33 million. Supervised from six to over 400 persons. Administered human resource programs. Managed and conducted internal investigations. Managed fleets from 120 to 220 vehicles. Supervised operation of 5 law enforcement divisions, including a jail. Managed and operated a SWAT Team. Supervised a School Resource Officer Unit. Coordinated multi-jurisdictional investigations. Supervised criminal and regulatory investigations. Conducted criminal and regulatory investigations. Supervised and conducted undercover investigations. Engaged in technical surveillance operations. Conducted interviews and collected physical evidence. Made arrests and testified in court.

Education:

BBA Degree *summa cum laude*, Business Administration, with a minor in Economics, Campbell University
Associate of Arts, Campbell University

Training:

Defense Security Service Courses:

- Essentials of Industrial Security
- Management & Protecting Secret & Confidential Documents

Various courses and workshops on security related subjects including but not limited to detecting deception in interviews, CPTED, Vulnerability Analysis, Crime and Crime Statistics, Investigation methods

Notary Public since 1991

Professional Affiliations:

Certified Protection Professional – Board
Certified by ASIS International since 2003

Holder of Top Secret Clearance by the United States Defense Security Service

Industrial Security Professional (ISP), National Classification Management Society since 2011

ASIS International

- 1999-2006 Chapter 119 former Treasurer, Scholarships & Awards Chairman, Vice Chairman and Chairman
- 2007-2010 Region 14 Assistant Regional Vice President
- Paul D. Schiller Award – 1998 & 2002

National Classification Management Society

- Carolinas Chapter – 2004-2008 Ad Hoc Committee, former Secretary, former Treasurer
- Carolinas Chapter – 2009-2010 active member, 2011 Co-Chair Carolinas Community Project Committee

Experience:

Over 21 years of experience in the security industry as an administrator and as a consultant. Joined RMA in 1991 and became a member of the executive team in 2000. A Certified Protection Professional (CPP) since 2003 and an Industrial Security Professional (ISP) since 2011. She has played an integral part of Risk Management Associates, Inc. and its growth from a regional security consulting firm to a nationally recognized firm. As an executive, administrator, business developer, and practitioner she has provided services to customers in a variety of security areas including vulnerability assessments, Crime Prevention Through Environmental Design (CPTED), and background investigations.

Greater Raleigh Chamber of Commerce

- Board of Directors 2008-2010
- Central AM Networks Chair 2008-2010
- Member Services/Small Business Board Member 2008-2010
- Government Affairs Board Member 2008-2010
- Meet the Purchasers' Chair 2011

Board of Director Member – Triangle Family Services

Infragard member

Training:

- Hazardous Materials Emergency Manager
- Safety and Health Compliance for Managers
- Disaster Recovery and Hazard Mitigation
- Hazardous Materials Response Training
- Radiological Emergency Response Officer
- Fundamentals for Radiological Response Teams
- Hazardous Compressed Gas Emergencies
- Flammable Liquid Fire Control Emergency
- Hazardous Materials and Radiological Emergencies
- Advanced Arson Investigator Training
- Radiological Emergency Preparedness Training, U.S. Department of Energy
- Level I Hazardous Materials Response Training
- Hazardous Materials Operational Level
- Hazardous Materials Leak, Fire, and Spill Control
- Interview/Interrogations Techniques
- Report Writing
- Background Investigations/Inquiries
- Prior Sworn Law Enforcement Officer (Chatham County NC Sheriff's Department)
- Licensed Private Investigator NC PPS # 1448

Professional Affiliations:

- Certified Fire Investigator (CFI)
- Certified Level Two Fire Fighter by the North Carolina Fire Commission
- Certified Fraud Examiner, Association of Certified Fraud Examiners (CFE)
- Certified Arson Investigator, North Carolina Department of Insurance
- Member, Association of Certified Fraud Examiners
- Member, North Carolina Association of Arson Investigators
- Member, North Carolina County Fire Marshal's Association
- Member, North Carolina Association of Fire Chiefs
- Member, International Association of Arson Investigators

Experience:

Mr. Scott has over 42 years experience in safety and security. His long-term experience in the field of fire, its prevention, cause and origin, and response add an additional perspective and expertise to his other security and investigative experience. As an expert in the investigative field, he has been instrumental in numerous fraud investigations and has worked with federal, state and local law enforcement to investigate, apprehend and prosecute those who would commit fraud against U.S. business and agencies. His vast investigative and vulnerability assessment experience have made him a sought after expert in civil and criminal litigation, and he has testified as an expert witness in a variety of court cases.

Forty-two years of fire suppression, fire prevention, hazardous materials response, training and planning, arson investigation, and fire cause and origin determination.

Short and long term investigative operations for a variety of service and manufacturing firms, both private and governmental. Cases included fire cause and origin, fire cause mitigation, liability, negligence and fire exposure control, drug use and sale, white collar crime, asset diversion, fraud, and expert witness experience in fire cause and origin and arson for profit.

Licensed as a TSCM (technical surveillance counter-measures) trainee with 15 years of experience in this field.



SCOPE OF WORK

Based upon discussions with the City Manager, RMA understands that the City of Inkster, MI, has experienced significant reductions in revenues and the ability to support historic levels of public services to the citizens of their community. Providing for the public safety is a primary role of government and the delivery of police services – along with other City provided services – has suffered in this financial crisis. Coinciding with this disruption of vital services and a reduction in policing resources, the City has been embroiled in numerous civil actions and other complaints regarding quality of and appropriate delivery of these services.

It is the desire of the City Manager to engage the unbiased and independent review of the capacity and competencies of the City to improve on the delivery of City services that impact the efforts of the community to combat crime, violence, and the fear of crime and violence. An assessment of the issues, as understood and expressed by all stakeholders involved in delivery and receiving of services associated with quality of life and public safety issues, is a necessary first step in creating a robust and sustainable strategic plan of action to improve upon the current conditions.

The purpose of this proposed assessment process is to first of all provide an independent forum for all stakeholders to express their specific perspectives of the issues at hand and any solutions, resources, and participation they have and/or are willing to bring to bear on a coordinated plan of action. Consultants will evaluate and analyze the data and information collected, identify and define specific critical issues of public safety, prioritize a response to those issues, and provide a recommended course of action to establish a manageable and focused effort to improve the quality of life issues associated with those problems.

The assessment process begins with the collection of facts and circumstances through an inclusive process of interviews with key stakeholders, including citizens, community/faith-based leaders and representatives from the local-State-Federal criminal justice community. During this assessment consultants will also not only review and evaluate existing public safety/policing related policies and procedures against accepted practices, but consider the degree to which they appear to be understood, implemented, and enforced within the organization. Consultants will also review and consider other related documents, statistics, and process applicable to the delivery of police services.

Consultants will also make independent observations of police and community crime prevention and Crime Prevention Through Environmental Design (CPTED) approached that has a proven impact on reducing crime and enhancing the availability and use of police resources.

An investigation is defined as a systematic process of gathering and documenting facts and circumstances for the purpose of determining whether or not a particular event or events occurred. The investigative process attempts to determine the “Who, What, When, Where, Why, and How” of an event. It also assists decision makers in determining whether or not there is sufficient information to make reasonable conclusions regarding the assignment of responsibility and accountability for that event or events. In the investigative process, there are accepted investigative techniques that assist the investigator in the collection of those facts and circumstances. These techniques must follow accepted rules, guidelines, and legally binding procedures to ensure the rights of the people involved in the process. The investigation must be unbiased and investigators must be clear on knowing the difference between what he or she knows and what they think they know as they make investigative decisions and conclusions. These

investigative techniques are used as a basis to gather information and participation during our assessment process. Rumor and innuendo are set aside and decision makers are allowed to assign importance and priority to resolve and assign resources to issues that are based upon facts and circumstances.

Assessment Process

RMA proposes to approach this assessment effort in three phases. During the first phase, RMA consultants will engage in necessary e-mail and telephone conferences with the client to determine the full scope of the problem and expectations of the City Manager and local government representatives. A request will be made for the submission to consultants of all relevant policies, procedures, ordinances, contracts, agreements, administrative orders, case law, statements, personnel files, and associated background information. This information would be reviewed and conferences with the client held to determine the identity and availability of those to be interviewed and additional documentation that may need to be collected. A comprehensive on-site project strategy would be developed and agreed upon during this phase. During this phase, RMA consultants would commit approximately twenty-five to thirty man hours.

Based upon the results of Phase I, the second phase of the project would be the scheduling of a visit to Inkster, Michigan, by the consulting team to meet with the client and other appropriate stakeholders to finalize the expectations of the client and to begin the interview process and case strategy developed and defined in Phase I. The expected interviews, necessary follow-up and unanticipated interviews would be conducted during this visit. The schedule of interviews would be (as much as possible) prepared in advance by investigators and the client. Consultants would schedule their arrival on a Sunday afternoon and return to Raleigh on a Thursday evening. The RMA would meet with the client at the conclusion of this process to provide an overview of salient matters and return to Raleigh to begin the final phase of the project. RMA would consist of three members who would commit to a collective 120 man hours during this phase.

Phase III would include an analytical evaluation of the facts and circumstances determined to be relevant to the issues collected during the first two phases of the assessment. This would include a peer review and focus group process with RMA investigators and consultants to ensure an unbiased, thorough and complete effort. If any follow-up interviews are deemed to be necessary, they would be scheduled and completed during this phase and coordinated with the client. RMA would provide an oral report summarizing the findings and recommendations of the assessors to the client via a telephone conference. A brief written report will be completed and presented to the client summarizing these findings and will include a general plan of action that could serve as a guide for the development of a more detailed and focused long term strategic plan to promote a safer community. RMA estimates that it will take approximately 30 man hours to complete Phase III.



COST SUMMARY

Risk Management Associates, Inc. typically offers its services in these matters at the rate of \$165.00 per man-hour. RMA normally passes through to the client all expenses incurred regarding travel, meals, and lodging. RMA recognizes the limited resources that the City of Inkster may have available for these purposes. To that end, RMA has decided to alter our normal fee and billing schedule to accommodate the forward thinking of your local government in requesting an independent professional assessment for the purpose of providing for the public safety of your community.

Based upon the scope of consulting services described and the proposed three-phased approach, RMA is prepared to provide the client with a firm fixed cost for this contract. This offer is made based upon a clear understanding of the client to the following assumptions:

1. Fifty percent of the total fees for this project will be paid within two weeks of contract.
2. All documents and information required and agreed upon in Phase I will be provided to RMA for review within seven working days of contract.
3. The client will be diligent in working with RMA to identify and schedule for interviews the people, organizations, and other stakeholders during Phase II.
4. The RMA team of at least three members will make one site visit to Inkster arriving on a Sunday and leaving that week on Thursday. Scheduling will avoid the high cost of travel during holiday periods.
5. Thirty percent of the total fees for this project will be paid within two weeks of the end of Phase II site visit and client de-briefing.
6. The balance of the fees due will be paid within two weeks of the submission of the final summary report and Plan of Action submitted in Phase III.

The total firm fixed price offered for this scope of work to the City of Inkster, Michigan, is \$19,000.00 (consulting services and travel).

RMA offers the consulting services described in the attached Scope of Work and with the assumptions listed above for the fixed cost of \$15,000. Additionally, the travel cost for the three investigators for the five days of the site visit is estimated at \$4,000.00. This represents a significant reduction from our normal hourly rate of \$165.00 and a cost savings to the client of nearly 50% (180 man hours at \$165 would equal \$29,700.00).

The payment schedule is as follows:

1. Fifty percent (\$9500.00) is due within two weeks of contract.
2. Thirty percent (\$5700.00) is due within two weeks of the end of Phase II site visit/de-briefing.
3. The balance (\$3700.00) is due within two weeks of summary report and plan of action.

Risk Management Associates prides itself on providing efficient and effective services to our clients. We remain objective and flexible to the changing nature of these matters and are willing to negotiate as necessary any changes of scope or pricing that arise. We also remain available for additional services anticipated in fully developing and implementing the strategic plan to focus on the reduction and deterrence of crime in the long term.



Capabilities Statement

Risk Management Associates (RMA) provides world-class security consulting, investigation, and training services for federal, state, and local government, education and corporate clients from coast to coast. The company is recognized for significantly improving safety and security in the workplace since 1988, when RMA was founded.

RMA is on your side, providing unbiased solutions based security expertise:

- 24 years of hands-on experience and more than 3,400 individual security evaluations
- World-class best practices bridge people, process, and technology
- Staff of 14 dedicated consulting professionals
- 32 individual certifications held by RMA employees
- Unbiased approach – RMA does not endorse or represent manufacturers
- U.S. Department of Defense “TOP SECRET” Clearance
- Awarded the RSM McGladrey “Integrity in Business Award” 2008

Core Services

Consulting

- Security Threat Analysis
- Policy and Procedure Development
- Contract Security RFP Development
- Security Mission Development
- Benchmarking Research
- Situational Crime Prevention
- Expert Witness

Security Systems

- Master Plan and Standards Development
- Systems Testing and Validation
- Security System Design and Review
- Console Design
- Design RFP Development

Investigation

- Criminal and Civil Investigations
- Electronic Evidence Recovery
- Fire Origin and Cause
- Computer Forensics
- Background Investigation
- Asset Searches
- Technical Surveillance Counter-Measures

Training

- Security Officers
- Emergency Management
- Workplace Violence Prevention
- Security Concepts
- Security Managers
- Letter and Package Screening
- Bomb Threat Management

Industry Certifications

Certified Protection Professional, ASIS International	6
Certified Fraud Examiner, Association of Certified Fraud Examiners	1
Top Secret or Secret Security Clearance, Department of Defense	10
Certified Information Security Manager, ISACA	1
Certified Information Systems Security Professional, ISC ²	1
Licensed Counterintelligence Service, NC Private Protective Services	4
Licensed Private Investigator, NC Private Protective Services	4
Licensed Private Investigator Associate, NC Private Protective Services	3
Certified in Homeland Security Level III, American College of Forensic Examiners	1
Certified Property and Evidence Specialist, International Association of Property and Evidence	1

Selected Clients

Architects and Engineers

- Calloway Johnson Moore & West
- Clark Nexsen
- LS3P Associates Ltd.
- O'Brien/Atkins Associates, PA
- The Freelon Group, Inc.

Healthcare and Pharmaceutical

- Beth Israel Deaconess Medical Center
- Eli Lilly and Company
- Pfizer, Inc.
- Quintiles Transnational Corp.
- Wilmington VA Medical Center

Education

- Gaston County Schools
- Ivy Tech Community College
- North Carolina School of Science and Mathematics
- University of North Carolina – Wilmington
- Winston-Salem State University

Government and Public Sector

- General Services Administration
- National Aeronautics and Space Administration
- Naval Facilities Engineering Services Command
- Social Security Administration
- Wake County, NC

Corporations

- Lowe's
- Pepsi Bottling Ventures
- PPD
- Progress Energy

Financial and Insurance

- BB&T
- BlueCross BlueShield of North Carolina
- First Citizens Bank

Testimonials

"We are very pleased with RMA's knowledge of the security industry, security products, and application of security principles and concepts"

-- Alan Mather, Chief, Protection Services Division, NASA – Johnson Space Center

"I call on RMA when I need a really expert, comprehensive investigation done ethically"

-- Kurt Stakeman, Attorney, Womble, Carlyle, Sandridge & Rice

"I highly recommend RMA for security consulting including assessments, reviews, planning and recommendations"

--John M. Fichtel, Program Officer, General Services Administration

Risk Management Associates

4000 WestChase Blvd. Suite 350
Raleigh, NC 27607
919-834-8584 | www.rmasecurity.com

GSA Schedule: GS-07F-0292L

CAGE Code: 1SKN3

NAICS Codes: 541330, 541420, 541490, 541612, 541618, 541690, 541990, 561611, 611519

DUNS Number: 608220638

City of Jackson, Michigan

Julius Giglio, City Attorney
City Hall, 12th Floor
161 W. Michigan Avenue
Jackson, Michigan 49201
(517) 788-4050

City of Winston-Salem, North Carolina

Derwick Paige, Deputy City Manager
101 N. Main Street
Winston-Salem, NC 27101
(336) 747-7473

City of Wilmington, North Carolina

William Wolak, Esq., Assistant City Attorney
102 North 3rd Street
Wilmington, NC 28401
(910) 343-3629

Limited Brands

Beth Mara Kessler
Three Limited Parkway
Columbus, OH 43230
(614) 415-7840

North Carolina Attorney General's Office

1505 Mail Service Center
Raleigh, NC 27699
Sarah Lannom, (919) 715-2806
Tiare Smiley, (919) 716-6916
Jim Coman, (919) 716-6500

Womble, Carlyle, Sandridge & Rice

One West Fourth Street
Winston-Salem, NC 27101
Kurt Stakeman
(336) 721-3689