

It is my understanding that this issue wouldn't have come to Treasury for approval. Under PA 436, only requested purchases/contracts of over \$50,000 need approval by Treasury, if they were not competitively bid.

The statutory provision is below:

141.1552 Additional actions by emergency manager; suspension of power of administrative officer and governing body; contracts subject to competitive bidding; sale or transfer of public utility; limitation.

Sec. 12.

(3) Except as otherwise provided in this subsection, any contract involving a cumulative value of \$50,000.00 or more is subject to competitive bidding by an emergency manager. However, if a potential contract involves a cumulative value of \$50,000.00 or more, the emergency manager may submit the potential contract to the state treasurer for review and the state treasurer may authorize that the potential contract is not subject to competitive bidding.

From: Gary Ridley [<mailto:GRIDLEY@mlive.com>]
Sent: Tuesday, February 09, 2016 9:31 AM
To: Stanton, Terry A. (Treasury) <StantonT@michigan.gov>
Subject: Help finding EM orders on water investigator

Terry,
I'm working on a story over here and I'm hoping you could help me out.

Flint Emergency Manager Darnell Earley apparently gave two Flint water investigators a contract extension, but I have been unable to find any actions by him approving the expenditure on the city side. Below, is an email I sent to city attorney Tony Chubb on the issue for your reference.

I have a copy of the initial order appointing them for 9 months, copies of the county's motions to extend the contract and the eventual approval. However, I cannot find anything involving Earley approving these extensions (although I found multiple other resolutions/orders from the same time frame extending and/or modifying extensions for other contracts.)

So, I'm trying to figure out if there is anything with the state approving this extension? Also, could you clarify the rules for me that Mr. Earley was required to follow in terms of approving such extensions?

Thanks.

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From: Gary Ridley
Sent: Thursday, February 04, 2016 5:48 PM
To: 'achubb@cityofflint.com' <achubb@cityofflint.com>
Cc: 'bgrisi@cityofflint.com' <bgrisi@cityofflint.com>
Subject: Help finding EM orders on water investigator

Tony,

Per our conversation, I am seeking the EM order/resolution authorizing the extension of the contract with the county employing Marcus Mahan and Daniel Mata as special water investigators.

What I have:

- 1) EM Earley's resolutions allowing the entrance of the contract (EM submission nos: EME3262014 and eME5992014)
- 2) Requests to the county's gov. operations board on March and May 2014, asking for an extension until Jan. 2016 on the contract. http://www.gc4me.com/departments/board_of_commissioners_1/docs/GOC_032315.pdf
http://www.gc4me.com/departments/board_of_commissioners_1/docs/GOC_051115.pdf
- 3) Documents showing the county approved the extensions (attached)

What I need:

The EM's order/resolution authorizing the city to enter into the extension proposed in item no. 2 above. I couldn't find it on the resolution/order list on the city's website.

Also, if you could provide the running list you referenced of their investigations it would be much appreciated.

Thanks.

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