STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

ASSOCIATED BUILDERS AND CONTRACTORS, GREATER MICHIGAN CHAPTER, a Michigan Non-Profit Corporation,

Plaintiff,

Case No.: 12-406-CZ

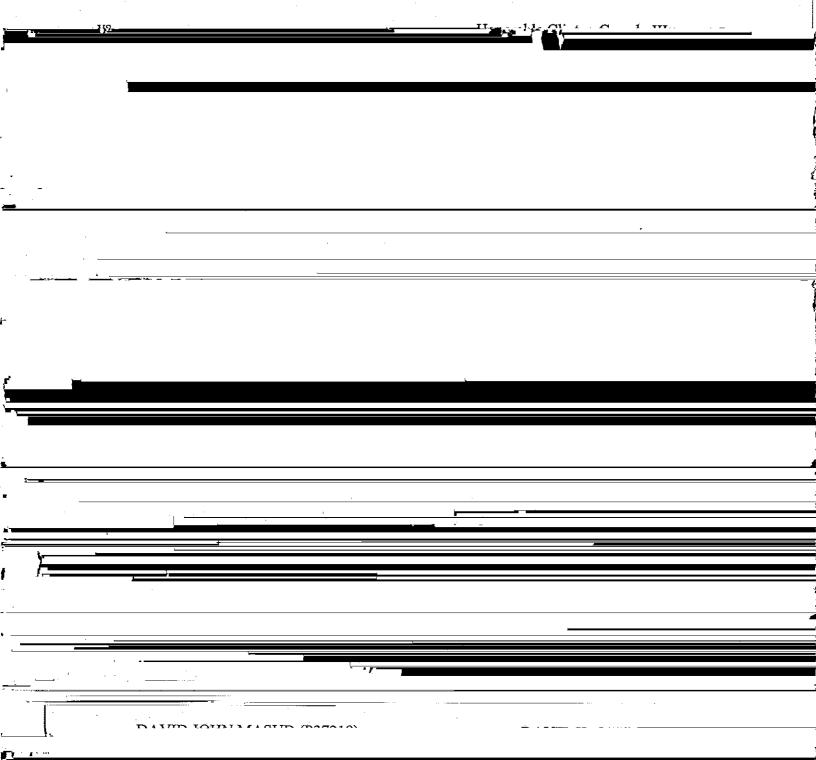
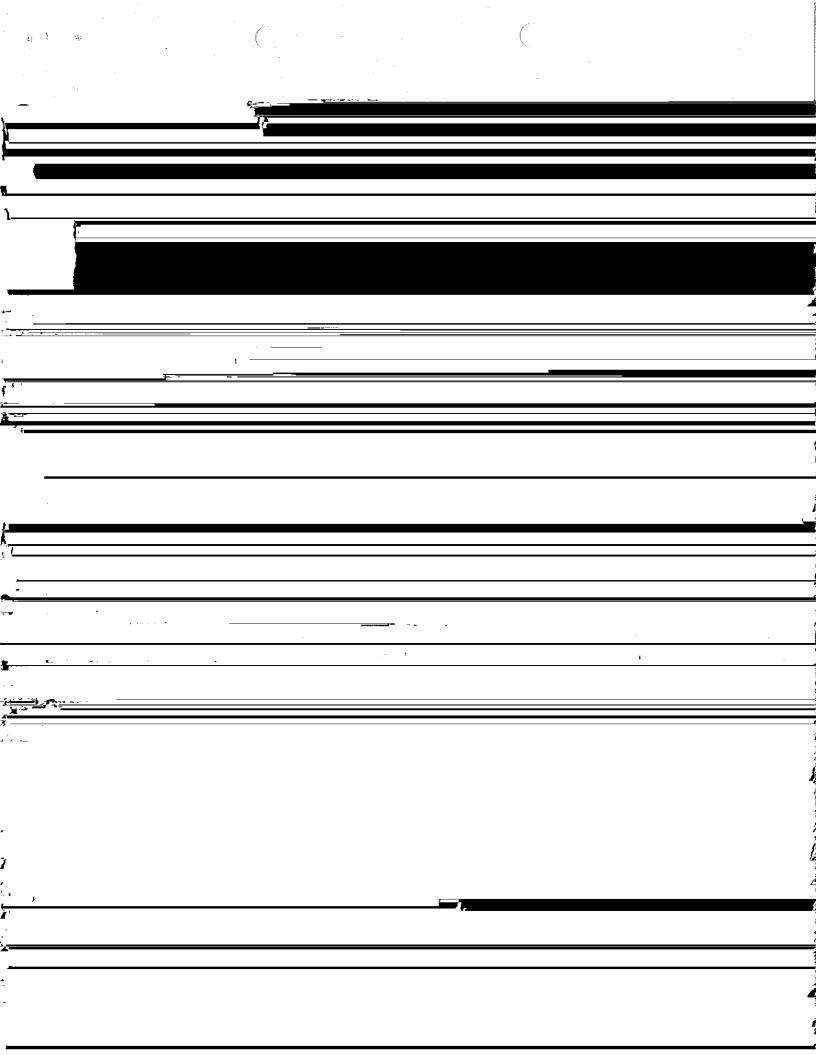


TABLE OF CONTENTS

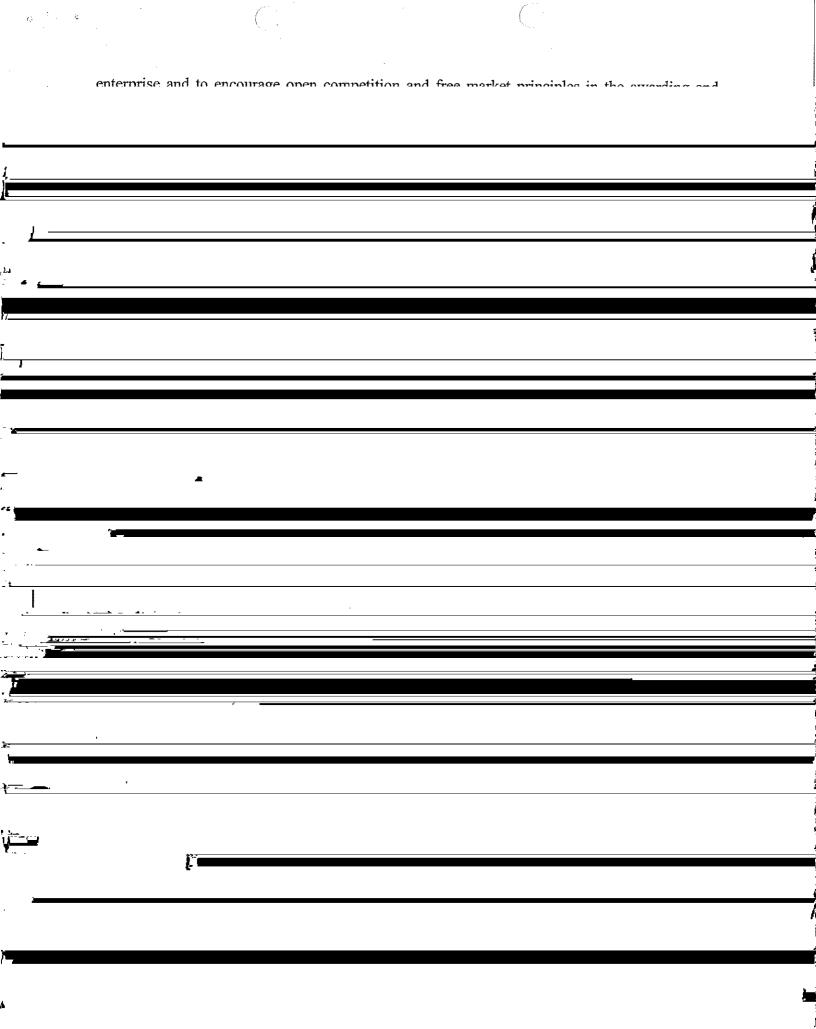
A CHINA

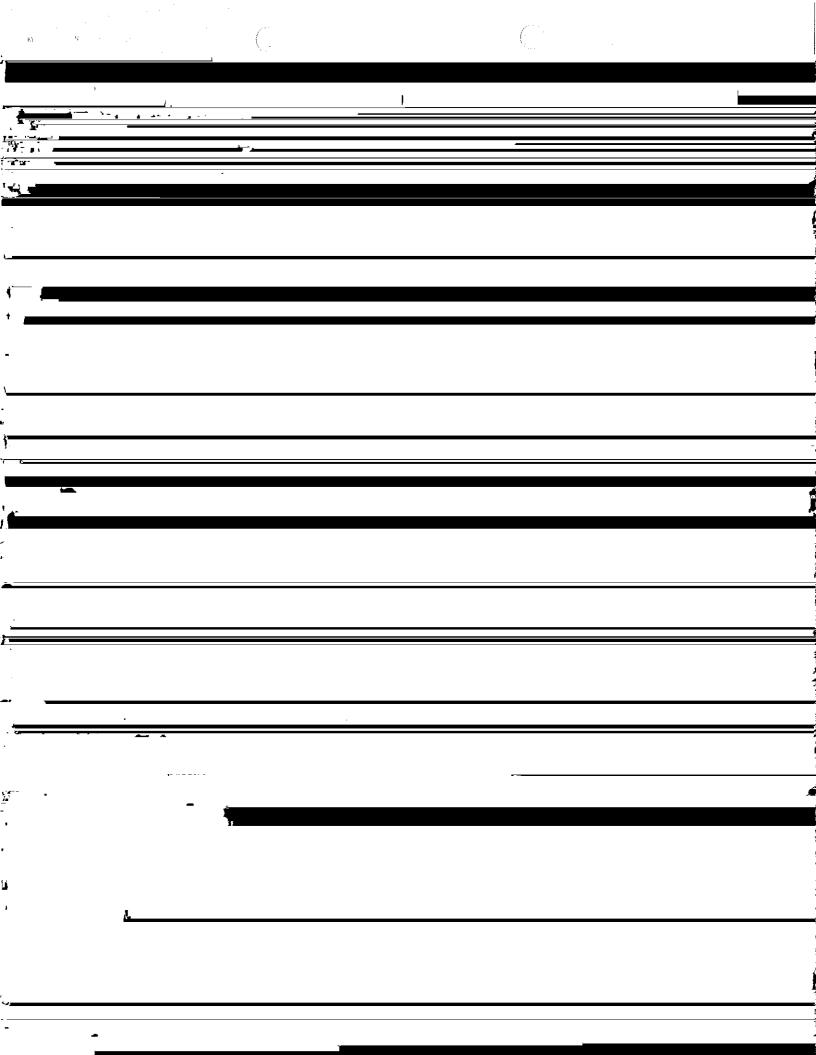


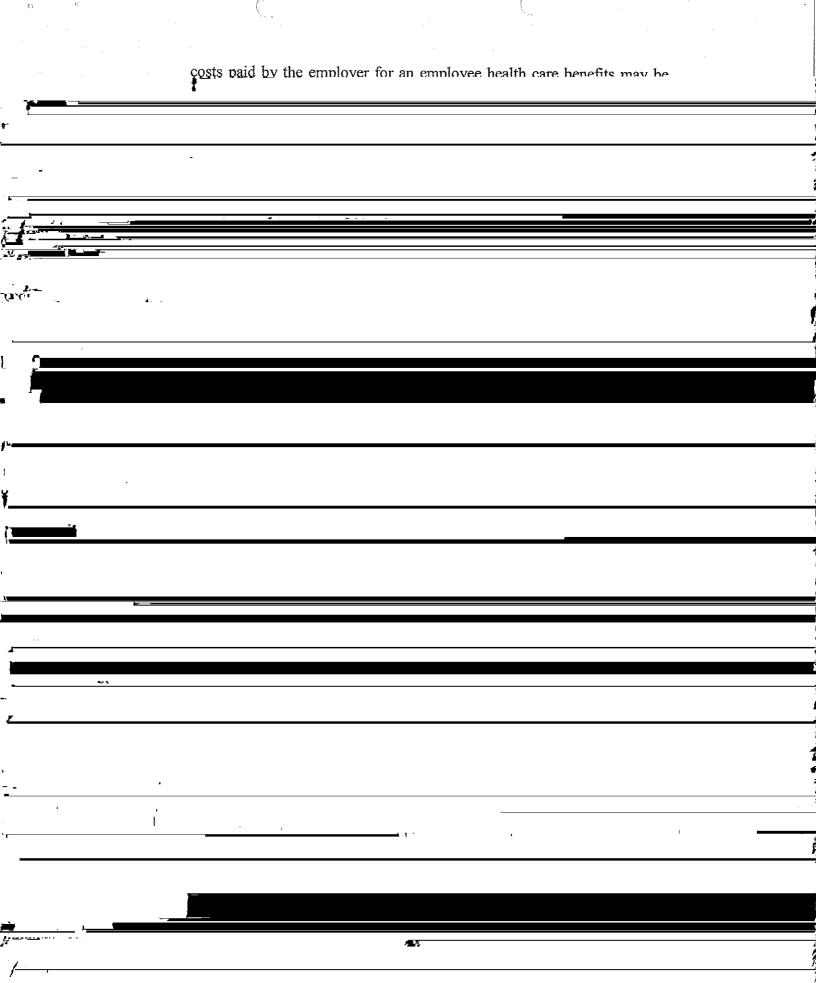
INTRODUCTION

Plaintiff, Associated Builders and Contractors, Greater Michigan Chapter ("ABC"), is a Michigan non-profit corporation comprising various employers operating in the construction industry. Defendant, the City of Lansing ("Lansing") is a "body corporate" established pursuant to the Home Rule City Act, MCL § 117.1 et seq. ("Home Rule Act"). On behalf of its members, ABC is challenging Lansing's Prevailing Wage and Benefit Standards Ordinance and Lansing's Living Wage Ordinance on the basis that they unlawfully regulate the payment of

•	
•	
•	
1	
- •	



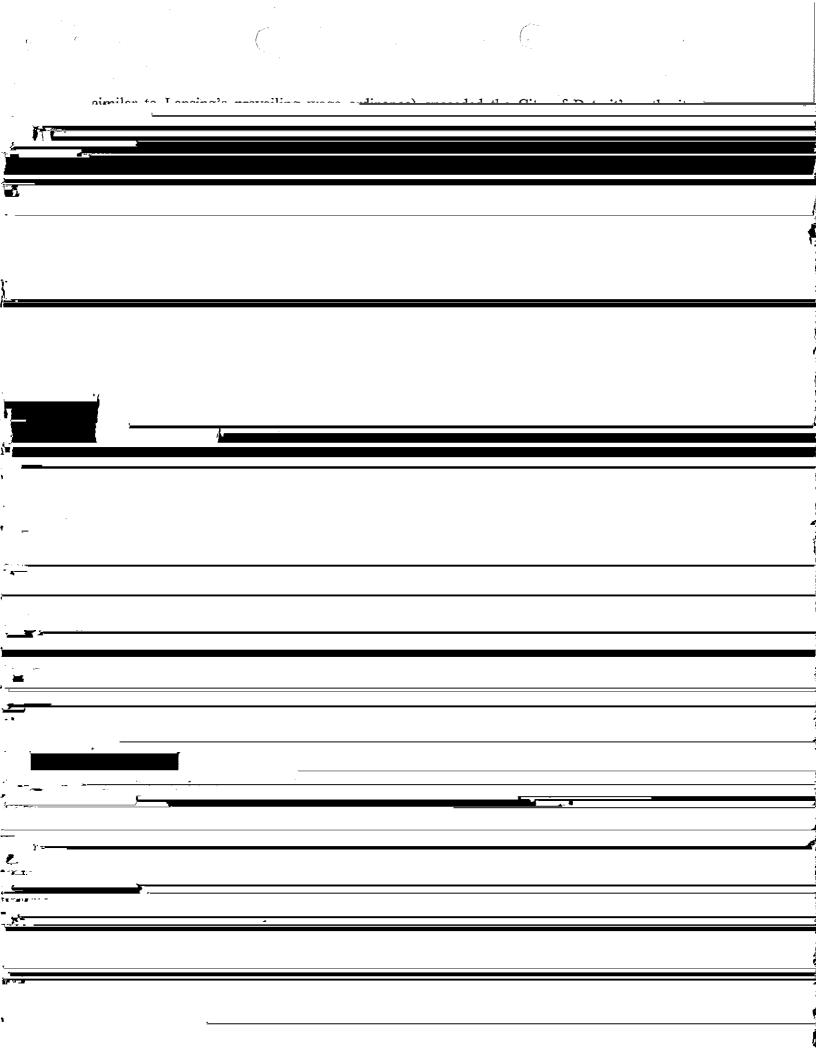


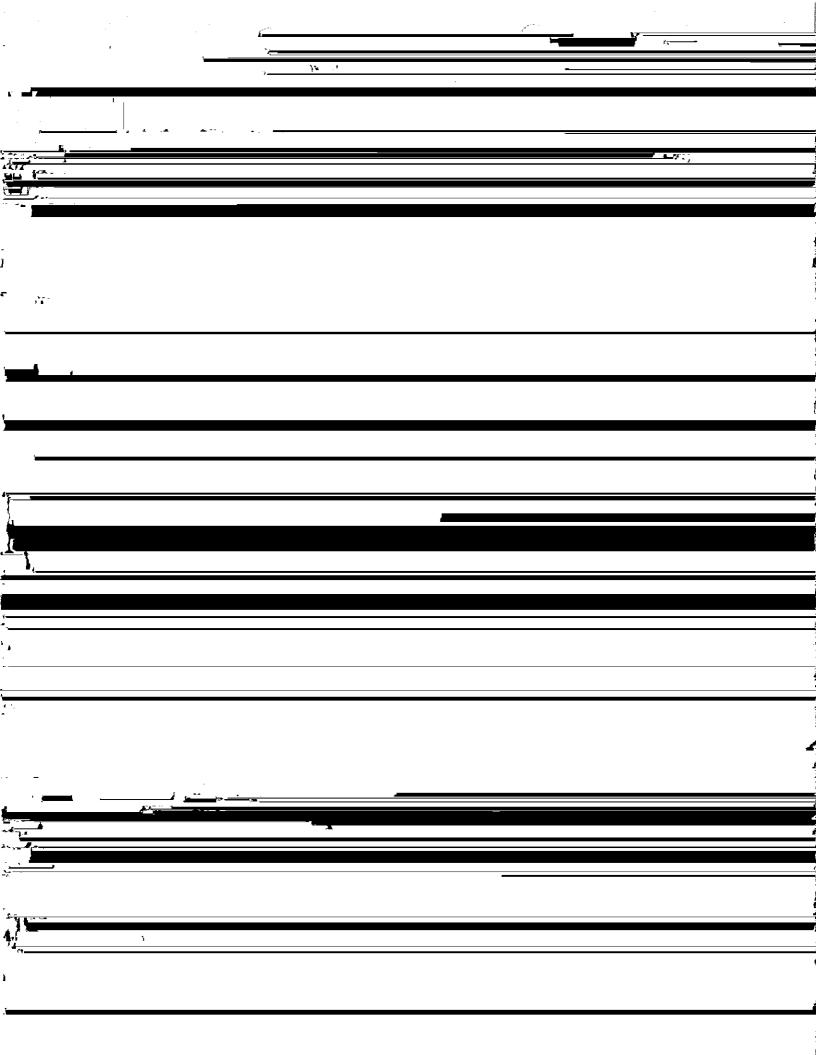


(Ex. B)

As a result of Lansing's Prevailing Wage and Benefit Standards Ordinance and Lansing's Living Wage Ordinance, contractors awarded construction contracts with Lansing are required to pay wage and fringe benefits to their employees at levels mandated by Lansing. Consequently, many of ABC's members seeking or doing business with Lansing are required to adjust their

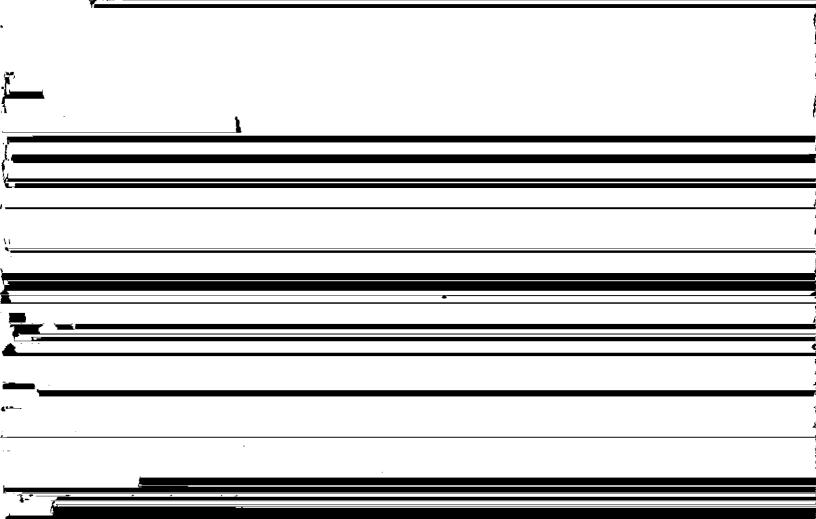
framework for the delegation of State power to municipalities, the current Michigan Constitution states in pertinent part at Article VII, Section 22:

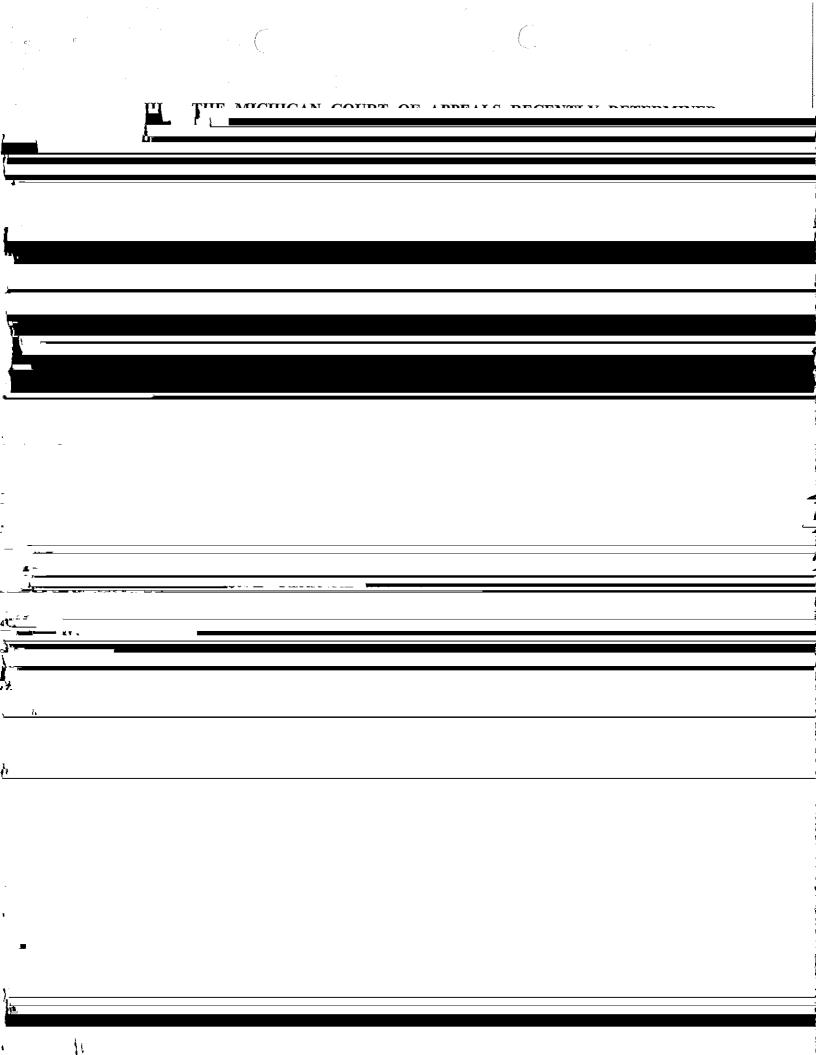




which are purely local but also for its activities as an arm of the State." Id. The Court determined that "[t]his power has not been given it either by the Constitution or the home-rule act." (Emphasis added). Id.

In the present case, Lansing has likewise overstepped its authority under the Constitution and the Home Rule Act by enacting its Prevailing Wage and Benefit Standards Ordinance with striking similarity to the regulation struck down in *Lennane*. In fact, Lansing's power grab extends far beyond that attempted by the City of Detroit in *Lennane*. In addition to regulating wages – a matter of state concern, the Lansing Prevailing Wage and Benefit Standards Ordinance also specifically requires that contractors provide certain fringe benefit rates to employees working on covered municipal contracts. Under *Lennane*, Lansing is without authority to





Plaintiffs appealed the trial court's order granting summary disposition in favor of the contractor. Id. On anneal the Court of Anneals first addressed its obligation to the doctrine of stare

contracting with the City. Yet, as correctly determined in *Rudolph*, *Lennane* makes clear that municipal power does not extend to regulation of wage rates. Importantly, the underlying considerations present at the time the Michigan Supreme Court decided *Lennane* remain true today. Indeed, the current Michigan Constitution still specifically provides that "[e]ach such city and village shall have power to adopt resolutions and ordinances relating to its *municipal concerns*, property and government, subject to the constitution and law." Const 1963, Article VII, §22 (emphasis added). Similarly, the Home Rule Act still merely allows a municipality to pass "laws and ordinances relating to its *municipal concerns* subject to the constitution and

	facts;" thus, pronouncements which have no bearing on a legal conclusion are dicta and lack
•	ngrendertiel value Cuith a Cinthan 270 Minh 200 215 16, 150 NUVO 1 700 (1067) The Pro-
-	
-	
1	· ·
í	
1	
. =	
. 4	
<u>.</u>	
. 4	
. 4	
#	Of the Padalah Count was not recognize to the recolution of the cost and it therefore a mineral
. 4	
*	
*	
. 2	
*	

j—

C) 2			\ .	
	language of the Constitution and	l the Home Rule Act.	On the other hand, the Supreme Court	in
		-	•	
	r <u>C. 15-15-14 about 15 about</u>		с.,	
, ·				
•				
*				
<u>.</u>				
N.S. W.				
-				
				<u>.</u>
				7
1				
ţ				
4				
4				
1				
-				
-				
<u> </u>				
				4
_				
•				
	<u> </u>			
ı				
· — <u>— — — — — — — — — — — — — — — — — </u>	<u> </u>			500
and well a state of				
= :				

CONCLUSION

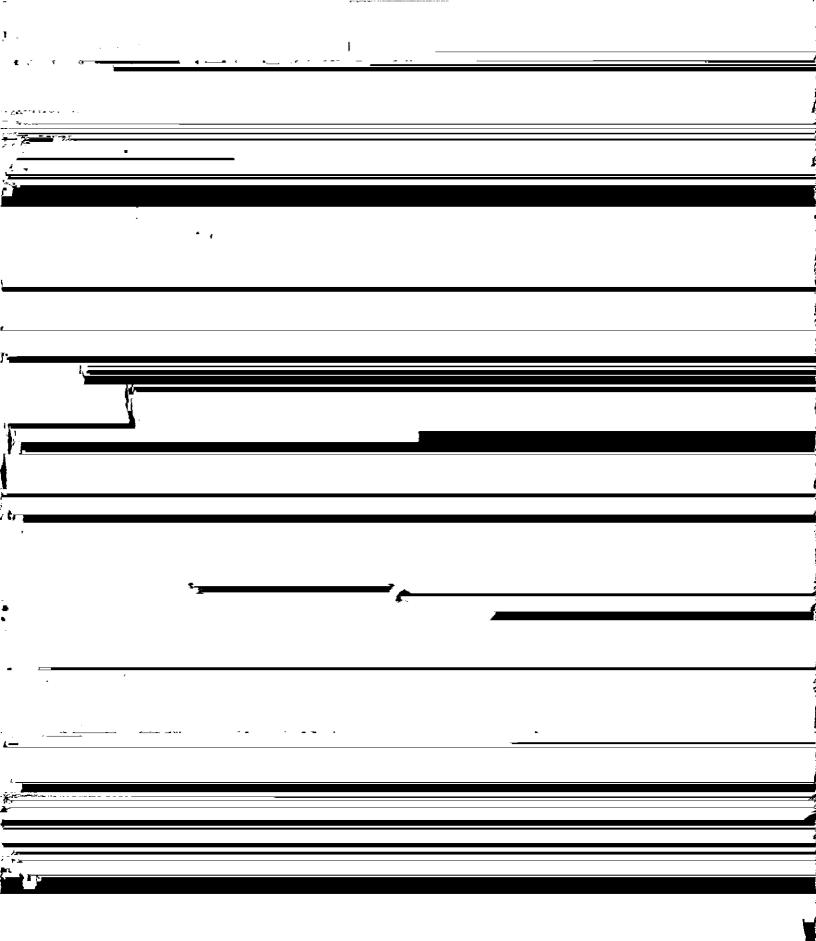


EXHIBIT A

÷	206 18 - F	Prevailing_wage	and henefit	standards ni	rescribed		
	1233 111						
·\ •							
, Y							
¬-,							
	 						
	. 44.5.44.	. 	1 1	<u>. </u>	1 ' '		
_ <u>-</u> _							
		•			•		
-							
_							
Cp							
1							
1							
k _p u							
_							
3							

EXHIBIT B

20	R 24 - Requiring em			4	• .	
. 211	N 74 L ROMIIFING DITT	MINIMAR TROIT MANNE	PARTITION IN I	FO OF PARAMIA AA	ARAMIA	
						,
<u></u>						
-γ						
·						
* F.						
<u>:</u> 47						
: · <u>-</u>						
- ,						
•						
						,
-						
*						
<u> </u>						
_						
					<u> </u>	
7=						
, p						
Catter Service 2	ξ ⁴ π					
		-				
4						
. \$						
						ı
3						
64-						
۵						,
						,
7						4
4						
1						
<u> </u>						
y	ı					
· ,						

er T

	(6)	the state of the s	
· · · · · · · · · · · · · · · · · · ·		"Employee" means any individual who is paid to work for an employer.	
	(7)		
		"Federal poverty guideline" means the official poverty guideline for a family of	
		four published and updated annually in the federal register by the United	
		• -	
		States Department of Health and Human Services under authority of 42	
	(0)	U.S.C. 9902(2).	
	(8)		
	•	"Full-time employee" means an employee who is employed for not less than	
		40 hours in a calendar week.	
	(9)		
		"Grantee" means a recipient of an I.F.T certificate.	
	(10)	• • • • • • • • • • • • • • • • • • • •	
		"Health care hanofits" means the right or rights granted to an annular and the	•
		"Health care benefits" means the right or rights granted to an employee under	
		A contract certificate or notice of insurance to have navment made by a	
1			
•			
15			
· }			
الله الله الله الله الله الله الله الله		·· <u> </u>	,
The second secon			
	(* -		
<u>, </u>			
-	,		
, -			
- -			
) - 			
i Lip			
\ <u>-</u>			
<u> </u>			

The implementing department shall calculate and publish an annual bulletin stating the minimum living wage rates within 30 days of the publication of the federal poverty guideline in the federal register. The implementing department shall, with the assistance of the purchasing division of the finance department, notify each contractor or grantee of such changes in writing by regular United States mail. Such adjustment shall become immediately effective upon publication of the annual bulletin for new contracts and become effective at the time of contract renewal for existing contracts.

(e)

Equal employment opportunity. To the greatest extent feasible, a contractor or



Living Wage Advisory Committee. The Living Wage Advisory Committee is established to review the effectiveness of this section to create and retain living wage jobs in Lansing and to promote access to living wage jobs for low and moderate income residents of Lansing; review the implementation and enforcement of this section; and make recommendations from time to time in connection with the purpose and applicability of this section.

(l)

Composition of Advisory Committee. The Living Wage Advisory Committee shall

Complaint. Anyone with knowledge of a violation of this section may file a complaint with the implementing department, which will have 90 days to investigate and make a determination regarding the complaint. The implementing department shall provide any contractor or grantee, alleged to be in violation of this section, the opportunity to present appropriate documentation to demonstrate its compliance. A contractor or grantee determined by the implementing department to be in violation of this section shall have the right to appeal accorded by law.

grantee determined by the implementing department to be in violation of this section shall have the right to appeal accorded by law. (o) implementing department to be in violation of the living wage requirement shall be

e e e		·	C.		
	(5) Nothing co	ntained in this section s	shall be construed to limit	in any way the	
er f t	¥ g ∓				
-					
<u>}</u>		-			
i					ŧ
* <u>- </u>					
· ·					
**************************************	K		<u> </u>		
,	,,				
- 1					
ab/ €					
1					

TYLIDIT C





RICHARD RUDOLPH, DAN GRIFFIN, CHRIS WELLS, and CAROLYN ALLEN,

Plaintiff: Annellants v CHARDIAN PROTECTIVE SERVICES INC a/k/a

