

MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

August 18, 2014



- 1) CALL TO ORDER
- 2) ROLL CALL
- 3) INVOCATION- Richard Gerten, Family Bible Church
- 4) PLEDGE OF ALLEGIANCE
- 5) APPROVAL OF AGENDA – Items can be added or deleted from the Agenda by Council action.
- 6) PRESENTATIONS AND RECOGNITIONS

A. Income Tax Study Presentation

John Kaczor of Municipal Analytics will present the findings of the City of Marshall City Income Tax Feasibility Analysis.

- 7) PUBLIC COMMENT ON AGENDA ITEMS – Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.

8) CONSENT AGENDA

A. Chapel Building Lease Agreement

P. 3

City Council will consider the recommendation to authorize the Clerk to sign the Chapel Building Lease Agreement with a term expiring September 1, 2016.

B. MDOT Trunkline Maintenance Contract

P. 8

City Council will consider the recommendation to approve the resolution authorizing the Clerk to sign the State Trunkline Maintenance Contract No. 2014-0369 effective October 1, 2014 through September 31, 2019.

C. Annexation of Udell Property

P. 45

City Council will consider the recommendation to authorize staff to begin the process of annexation of the Udell property into the City of Marshall.

D. Set Public Hearing – DDA Expansion

P. 46

City Council will consider the recommendation to schedule a public hearing for Monday, September 15, 2014 to receive public comment on the proposed DDA Expansion.

E. City Council Minutes

P. 48

Regular Session..... Monday, July 21, 2014
Work Session..... Monday, July 21, 2014

F. City Bills

P. 60

Regular Purchases \$344,042.98
Weekly Purchases –8/1/14 \$ 21,050.91
Weekly Purchases –8/8/14 \$ 32,803.36
Total..... \$ 397,897.25

9) INFORMATIONAL ITEMS

A. Master PA 425 Agreement

P. 65

City Manager Tarkiewicz will update the Council on the extension of the Master PA 425 Agreement with Marshall Township.

Mayor:

James Dyer

Council Members:

Ward 1 - David Revore

Ward 2 - Nick Metzger

Ward 3 - Brent Williams

Ward 4 - Jack Reed

Ward 5 - Jody Mankerian

At-Large - Kathy Miller



- B. Event Report – Bakers Dozen Beer Run P. 89
- C. Event Report – Historic Home Tour and Civil War Ball P. 90

10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

11) OLD BUSINESS

12) REPORTS AND RECOMMENDATIONS

- A. Special Land Use Amendment #SLU 13.02 (A) for 414 W. Mansion P. 94

City Council will consider the recommendation to approve the Special Land Use Amendment #13.02 (A) for a 9" x 48" at The Way Inn, located at 414 W. Mansion with the condition that the sign's location will be set as proposed in the application.

- B. Redevelopment Ready Communities Program P. 96

City Council will consider the recommendation to approve Marshall's participation in the Redevelopment Ready Communities Program through the Michigan Economic Development Corporation by approving a Resolution and Memorandum of Understanding.

- C. Airport Paving P. 100

City Council will consider the recommendation to approve the resolution authorizing the Clerk to sign the agreement with the Michigan Department of Transportation for the Rehabilitation Taxiway – Hangar Area Construction Project at Brooks Field.

13) APPOINTMENTS / ELECTIONS

- A. City Assessor Appointment

City Council will consider the Mayor's recommendation to appoint a City Assessor.

- B. Airport Board Appointments P. 130

City Council will consider the recommendation to reappoint Desmond Kirkland and Dr. Michael Walraven to the Airport Board with terms expiring October 1, 2017.

- C. Property Maintenance Board of Appeals and Construction Board of Appeals Appointments P. 131

City Council will consider the recommendation to reappoint Barry Goodwin and Larry Rizer to the Property Maintenance Board of Appeals and the Construction Board of Appeals with terms expiring on October 6, 2016.

14) PUBLIC COMMENT ON NON-AGENDA ITEMS

Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any item not on the agenda.

15) COUNCIL AND MANAGER COMMUNICATIONS

16) ADJOURNMENT

Respectfully submitted,

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
August 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: Chapel Building Lease Agreement

BACKGROUND: The City of Marshall approved a two year lease agreement with the Marshall Community Foundation to occupy the Chapel Building located at 614 Homer Road in August of 2012. Since that time, the agreement has been favorable for both organizations.

The lease is being proposed with only minor administrative modifications. The rent is being proposed at the same amount of \$200 per month.

RECOMMENDATION: It is recommended that City Council authorize the Clerk to sign the Chapel Building Lease with a term expiring September 1, 2016.

FISCAL EFFECTS: None at this time.

CITY GOAL CLASSIFICATION:

Community Life Goal Statement: To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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CHAPEL BUILDING LEASE

The City of Marshall, a Michigan municipality of 323 W. Michigan Avenue, Marshall, Michigan, the "Lessor", and The Marshall Community Foundation, a Michigan non-profit corporation with a registered address of 614 Homer Road, Marshall, Michigan, the "Lessee", enter into this lease subject to the following conditions:

1. Premises. The Lessor leases to the Lessee the real property located at 614 Homer Road, Marshall, Michigan which is commonly known as The Chapel Building.
2. Term. The term of this lease shall be two (2) years, commencing on September 1, 2014. The lease may be renewed or modified on the written consent of both parties. Lessor will allow Lessee access to the premises upon the execution of this lease agreement by both parties, at no additional rent.
3. Rent. The Lessee shall pay monthly rent in advance to the City in the amount of \$200.00 on the first day of September, 2014 and a like amount on the first day of each month thereafter for the full term of the Lease. If the leases commences on a day other than the first day of any calendar month, then Lessee shall pay \$6.67 per day for the remainder of the month in which the Lessee actually begins to conduct its regular operations at the premises.
4. Signs. All signs placed on the premises shall be in keeping with the character and decor of the premises and shall comply with local zoning requirements.
5. Acceptance of occupancy. The Lessee accepts the premises as they are.
6. Vacation of the premises. The Lessee shall not vacate or abandon the premises during the term of this lease or any renewal. If the Lessee does abandon or vacate the premises or is dispossessed by process of law or otherwise, any of the Lessee's personal property that is left on the premises more than thirty days shall be deemed abandoned by the Lessee, at the option of the Lessor.
7. Use. The premises are to be used and occupied by the Lessee for office purposes and associated uses. Under no circumstances shall the premises be used for retail sales or residential purposes. No activities shall be conducted on the premises that do not comply with all state and local laws.
8. Maintenance. The Lessor shall be responsible for maintaining the premises in good and safe condition, and compliance with all building codes and requirements. Lessor's

responsibilities shall include snow plowing and de-icing of driveway and parking lotlawn and mowing.

9. Lessee's Responsibilities. Lessee shall be responsible for the payment of all utilities to the premises. Lessee shall also be responsible for snow removal from sidewalk and steps, cleaning and garbage service, landscaping maintenance, and signage.
10. Entry and inspection. The Lessee shall permit the Lessor or the Lessor's agents to enter the premises at reasonable times and with reasonable notice, to inspect and repair the premises.
11. Assignment and subletting. Lessor acknowledges that the Marshall office of the United Way will share space on the premises with Lessee, at no additional cost payable to Lessor. The Lessee may not assign its interest in this Lease without the prior written approval of the Lessor. The Lessee shall not sublease any portion of the premises without prior approval in writing from the Lessor. No sublease of any portion of the premises will serve to excuse the Lessee's performance under the terms of this agreement.
12. Fixtures on the Premises. All movable fixtures and movable equipment installed by the Lessee in connection with the operations it conducts on the premises shall remain the property of the Lessee and shall be removed when this lease expires. The Lessee shall restore the premises to their original condition upon entering into this lease, including repairing any damage caused by the removal of any fixtures or equipment.
13. The Lessee's liability. Lessee's personal property, including moveable fixtures and equipment, shall be kept at Lessee's sole risk and Lessor shall not be responsible for any loss or damage to such personal property not occasioned by any act or negligence of Lessor or Lessor's agents.
14. Destruction of the premises. If the premises are totally destroyed through no fault of the Lessee or if the premises cannot be repaired and restored within 180 days, either party may terminate this lease effective the date of the destruction by giving the other party written notice of termination within 10 days after the determination that restoration cannot be accomplished. If such a notice is given within that time period, this lease shall terminate and rent shall be adjusted between the parties at the date of the destruction of the premises. If the premises are deemed to be restorable and the aforementioned notice is not given, the lease shall continue with rent adjustment for the period of days that Lessee's full use of the premises was limited by such repair and restoration.

15. Indemnity. The Lessor and Lessee agree mutually agree to waive their rights of subrogation against the other for any liability, loss, damage, cost, or expense (including attorney fees) based on any claim, demand, suit, or action by any party with respect to any personal injury (including death) or property damages, from any cause, except for liability resulting from the negligence, intentional acts or gross negligence of the Lessee or Lessor or their employees, agents, invitees, or business visitors.
16. Default and reentry. If the Lessee fails to pay rent when due; if the Lessee fails to perform any other obligations under this agreement within 10 days after receiving written notice of the default from the Lessor the Lessor may terminate this lease, reenter the premises, and seek to relet the premises on whatever terms the Lessor thinks advisable. Notwithstanding reentry by the Lessor, the Lessee shall continue to be liable to the Lessor for rent owed under this lease and for any rent deficiency that results from reletting the premises during the term of this lease.
17. Notices. Any notices required under this lease shall be in writing and served in person or sent by registered or certified mail, return receipt requested, to the addresses of the parties stated in this lease or to such other addresses as the parties substitute by written notice. Notices shall be effective on the date of the first attempted delivery.
18. The Lessee's possession and enjoyment. As long as the Lessee pays the rent as specified in this lease and performs all its obligations under this lease, the Lessee may peacefully and quietly hold and enjoy the premises for the term of this lease.
19. Lessor's Personal Property. Lessee shall upon the termination of this lease return to Lessor all of Lessor's personal property which is located at the premises upon the commencement of this lease.
20. Holding over. If the Lessee does not vacate the premises at the end of the term of this lease, and the parties do not enter into any renewal or subsequent Lease Agreement, the current terms and conditions of this lease shall extend on a month-to-month basis until a renewal is agreed upon or Lessee vacates.
21. Entire agreement. This agreement contains the entire agreement of the parties with respect to its subject matter. This agreement may not be modified except by a written document signed by the parties.

- 22. Waiver. The failure of the Lessor to enforce any condition of this lease shall not be a waiver of its right to enforce every condition of this lease. No provision of this lease shall be deemed to have been waived unless the waiver is in writing.
- 23. Time is the essence. Time is the essence in the performance of this lease.

Lessor
City of Marshall Michigan

Lessee
The Marshall Community Foundation

By: _____
Trisha Nelson
Its: Clerk

By: _____
Its: _____



ADMINISTRATIVE REPORT
August 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: Resolution on authorizing the Clerk to sign MDOT
Trunkline Maintenance Contract No. 2014-0369

BACKGROUND: This is a five year agreement between the City of Marshall and Michigan Department of Transportation for the maintenance of the state trunkline. The contract covers general maintenance, limited sweeping, tree trimming, storm sewer repair and maintenance, and winter snow removal to name a few. This contract is effective October 1, 2014 through September 31, 2019.

RECOMMENDATION: Staff requests that the City Council approve the resolution authorizing the Clerk to sign the State Trunkline Maintenance Contract No. 2014-0369 effective October 1, 2014 through September 31, 2019.

FISCAL EFFECTS: None at this time

CITY GOAL CLASSIFICATION

Infrastructure Goal Statement: Preserve, rehabilitate, maintain, and expand all city infrastructure and assets.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

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**CITY OF MARSHALL, MICHIGAN
RESOLUTION 2014-_____**

WHEREAS, the City Council of the City of Marshall has reviewed attached Contract #2014-0369 with the Michigan Department of Transportation State for Trunkline Maintenance; and

WHEREAS, the City Council agrees to utilize the personnel, equipment, and facilities to maintain the state trunkline highways and provide the services required under the terms of the contract; and

WHEREAS, the term of the contract is for October 1, 2014 to September 30, 2019; and

NOW THEREFORE BE IT RESOLVED that based upon a motion made by _____, and supported by _____ to authorize Trisha Nelson, Clerk to sign contract 2014-0369 for with the Michigan Department of Transportation State for Trunkline Maintenance.

Voting For: _____

Voting Against: _____

Absent: _____

CERTIFICATION OF CITY CLERK/TREASURER

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Marshall at a regular meeting held on the 18th day of August, 2014.

Trisha Nelson, City Clerk

Date

MICHIGAN DEPARTMENT OF TRANSPORTATION
STATE TRUNKLINE MAINTENANCE CONTRACT
CITY OF MARSHALL

THIS CONTRACT is made and entered into this date of _____ by and between the Michigan Department of Transportation, hereinafter referred to as "MDOT," and the City of Marshall, a Michigan municipal corporation, hereinafter referred to as the "MUNICIPALITY."

RECITALS:

MDOT has affirmatively found that contracting with this MUNICIPALITY for the maintenance of state trunklines and bridges within its jurisdiction is in the best public interest; and

1925 PA 17 Section 2, MCL 250.61 et seq; authorizes MDOT to contract with the MUNICIPALITY for the construction, improvement, and/or maintenance of state trunkline highways. MDOT, subject to the approval of State Administrative Board, will do all acts or things necessary to carry out the purpose of 1925 PA 17 supra; and

MDOT has so advised the State Transportation Commission and the Appropriations Committee of the Senate and House of Representatives in accordance with 1951 PA 51 Section 11(c), MCL 247.661(c).

It is agreed as follows:

Section 1. ORGANIZATION, EQUIPMENT, AND FACILITIES

The MUNICIPALITY will provide personnel, equipment, and facilities to maintain the state trunkline highways and provide the services required under the terms of this Contract. The MUNICIPALITY will furnish MDOT, upon request, with an organizational chart showing garage locations, names of supervisory personnel, and any other information incidental to the performance under this Contract.

Section 2. SCOPE OF WORK

- a. The MUNICIPALITY will perform maintenance work at the direction of MDOT'S Region Engineer or a designee of the REGION ENGINEER

hereinafter referred to as the "REGION ENGINEER" or, acting under the general direction of the ENGINEER OF OPERATIONS FIELD SERVICES DIVISION, hereinafter referred to as the "ENGINEER OF OPERATIONS". Work for the Operations Division, including permit issuance and inspection, under this Contract will be performed in accordance with accepted maintenance practices on those sections of state trunkline highway as identified in a written Letter of Understanding.

- i. A written Letter of Understanding shall be drafted by MDOT and signed by both MDOT and the designated representative of the MUNICIPALITY. The letter shall remain in effect until either replaced or modified by the REGION ENGINEER and approved by the MUNICIPALITY. The letter will outline the number and type of maintenance activities to be performed under this Contract (A sample Letter of Understanding is attached as Appendix F). The Letter of Understanding shall provide sufficient detail of the work activities to be performed, expectations or outcomes from the performance of this work, and identification of budget line items for budgeting and billing purposes.
 - ii. The executed Letter of Understanding and all subsequent approved revisions thereto, is incorporated herein by reference as if the same were repeated in full herein.
 - iii. If the MUNICIPALITY is unable to perform any of the services outlined in the Letter of Understanding on a twenty-four (24) hour, seven (7) day-a-week basis, the MUNICIPALITY will immediately notify MDOT. MDOT will work with the MUNICIPALITY to ensure that the services defined in the Letter of Understanding are performed.
- b. Whenever the MUNICIPALITY performs permit assistance and inspection on behalf of MDOT:
- i. MDOT will require as a condition of the issuance of all permits as to which the MUNICIPALITY will perform services for MDOT, pursuant to this Contract, that the Permittee save harmless the State of Michigan, the Transportation Commission, the Department of Transportation and all officers, agents and employees thereof and the MUNICIPALITY, its officials, agents and employees against any and all claims for damages arising from operations covered by the permit.
 - ii. MDOT, for all permit activities for which it wishes the MUNICIPALITY to perform permit services for the DEPARTMENT pursuant to this Contract, will further require that

the Permittee, except as to permits issued to governmental entities and public utilities or unless specifically waived by the MUNICIPALITY in writing, provide comprehensive general liability insurance, including coverage for contractual liability, completed operations, and/or product liability, X, C, & U, and contractor's protective liability with a blasting endorsement when blasting is involved or commercial general liability insurance that includes all the above, naming as additional parties insured on all such policies the State of Michigan, the Michigan Transportation Commission, MDOT and all offices, agents and employees thereof, the MUNICIPALITY, its officials, agents and employees and that the Permittee provide to MDOT written proof of said insurance.

iii. The amounts of such insurance will be no less than the following:

Comprehensive General Liability:

Bodily Injury	--	\$500,000 each occurrence
	--	\$500,000 each aggregate
Property Damage	--	\$250,000 each occurrence
	--	\$250,000 each aggregate

Commercial General Liability Insurance:

\$500,000 each occurrence and aggregate

c. Special maintenance work, work not covered by the Line Item Budget, and work for any other Division of MDOT (non-maintenance work) may be performed under the terms of this Contract only upon written authorization approved by the REGION ENGINEER. Emergency work may be performed based on verbal approval given by the REGION ENGINEER and subsequently supported in writing. Work performed by the MUNICIPALITY for any Division other than the Maintenance Division will be supervised by the Division issuing a state Transportation Work Authorization (TWA).

Transportation Work Authorizations (TWA's) may be issued by the REGION ENGINEER for special maintenance work (work not covered by the Line Item Budget) and non-maintenance work. This work may be performed by the MUNICIPALITY or a subcontractor as set forth in Section 9. TWA's will be performed in accordance with MDOT'S accepted maintenance practices and specifications as specified on the TWA. The MUNICIPALITY will provide the necessary supervision or inspection to assure that the work is performed in accordance with the TWA.

The MUNICIPALITY and MDOT may agree to include additional maintenance items to be covered under this Contract. Such items may include, but are not limited to, maintenance of traffic control devices (signals), freeway lighting and intelligent traffic system (ITS). All such work will be listed in the Letter of Understanding, included in the line item budget and defined in a supplemental scope which will become an attachment to this contract.

The MUNICIPALITY shall be responsible for providing all traffic control necessary to complete the work as outlined in this Contract unless otherwise agreed to by MDOT.

The MUNICIPALITY and MDOT may also enter into separate agreements for the shared payment of installation, maintenance, and energy costs for traffic control devices.

- d. The REGION ENGINEER is authorized to issue written orders, as are necessary, for the performance of maintenance work under the provisions of this Contract.

Section 3. INTEGRATION OF STATE AND MUNICIPAL WORK

The MUNICIPALITY will furnish sufficient personnel, equipment, and approved material as needed to perform maintenance on state trunkline highways. Personnel and equipment will be used on municipal streets and state trunkline highways as conditions warrant.

Section 4. CONTRACT ADMINISTRATOR

The MUNICIPALITY hereby designates _____ as Contract Administrator on state trunkline highways, who will be responsible for budget and the administration of the contract. In the event the MUNICIPALITY desires to replace the Contract Administrator, the MUNICIPALITY will notify MDOT in writing.

Section 5. MAINTENANCE SUPERINTENDENTS AND CONTACTS

The MUNICIPALITY hereby designates, where applicable, the following:

Maintenance Superintendent (Streets): _____

Signal/electrical Superintendent: _____

Storm Sewer Superintendent: _____

Other (Specify): _____

who will supervise all work covered by this contract. In the event the MUNICIPALITY desires to replace the designated contacts, the MUNICIPALITY will notify MDOT in writing.

Section 6. WAGE SCHEDULE

Wages paid by the MUNICIPALITY for work on state trunkline highways will be the same as on street work for the MUNICIPALITY.

Premium Pay and Overtime Pay (specify under what conditions and percentage of regular rate paid if not specified in the attached labor agreement).

Pay for "show-up time" (Specify under what conditions and number of hours, if a minimum number is used and is not specified in the attached labor agreement).

No "stand by at home" pay will be included in charges for work on state trunkline highways.

MDOT will reimburse the MUNICIPALITY for Direct Labor Overhead costs on all labor costs properly chargeable to MDOT, including but not limited to, vacation, sick leave, holiday pay, workers' compensation, retirement, social security, group life insurance, hospitalization, longevity, unemployment insurance, and military leave, hereinafter referred to as "EMPLOYEE BENEFITS," in accordance with Section 16.

Section 7. MATERIALS TO BE ACQUIRED AND MATERIAL SPECIFICATIONS

Material necessary for the performance of this Contract may, at the option of the MUNICIPALITY, be purchased by the MUNICIPALITY unless otherwise directed by the REGION ENGINEER. The MUNICIPALITY shall advertise and receive competitive bids when such purchases exceed Ten Thousand Dollars (\$10,000.00) or if required by federal or state law.

The MUNICIPALITY shall retain documentation that such bids were taken for at least three (3) years following final payment made for such purchases. Failure to retain documentation that such bids were taken may result in denial of reimbursement of the costs of such materials.

The following materials: bituminous pre-mixed materials, bituminous materials, aggregates (except ice control sand), and traffic control devices used on state trunkline highways by the MUNICIPALITY will conform to current or supplemental specifications approved by MDOT, unless otherwise approved in advance by the REGION ENGINEER. The REGION ENGINEER may require approval by MDOT'S Construction Field Services Division or by a laboratory approved by that MUNICIPALITY and the REGION ENGINEER. If MDOT-owned materials are stored jointly with MUNICIPALITY-owned materials, proper and adequate inventory records must be maintained by the MUNICIPALITY, clearly indicating the portion that is MDOT-owned.

Section 8. PRICE SCHEDULE OF MATERIALS AND SERVICES

Materials supplied by the MUNICIPALITY, including aggregates and bituminous materials using raw materials either partially or wholly obtained from municipally-owned property, municipally-leased (in writing) property, or by written permit from state or privately-owned property, may be furnished at a firm unit price, subject to approval of source and price by the REGION ENGINEER. Firm unit prices are not subject to unit price adjustment by audit.

MDOT may audit all records necessary to confirm accuracy of quantities for which reimbursement is requested. Reimbursement for all materials supplied by the MUNICIPALITY that are not included in the firm unit price schedule will be in accordance with Subsection 16(d). Firm unit prices may be changed, added, or deleted upon written request by the MUNICIPALITY and approval by the REGION ENGINEER at least sixty (60) days prior to the effective date of the change, addition, or deletion.

FIRM UNIT PRICES

<u>ITEM KIND</u>	<u>ITEM LOCATION</u>	<u>PRICE UNIT</u>	<u>PRICE INCLUDES*</u>	<u>PER UNIT</u>

Insert above, the following applicable number(s):

7/30/14

6

MAINTREG v9w

***Firm Unit Price Includes:**

<u>Item Kind</u>	<u>Item Locations</u>
1. Processing/or Mixing Costs	1. Pit Site
2. Stockpiling/or Hauling to Stockpile Costs	2. Yard 3. Other (Describe)
3. Royalty Costs	
4. Municipal Supplied Salt or Calcium Chloride (when used in a winter salt/sand mixture)	
5. Winter Sand	
6. Bituminous Costs	
7. Other (Describe)	

MDOT may audit all records necessary to confirm the accuracy of the material quantities for all materials on the Firm Unit Price List for which the MUNICIPALITY requests reimbursement.

Listed items purchased from a vendor source or vendor stockpile for direct use on the trunklines are not eligible for firm unit price consideration and should be billed at vendor cost.

Section 9. SUBCONTRACTS

The MUNICIPALITY may subcontract any portion of the work to be performed under this contract. Bid/price solicitation and subcontracts will be in conformance with the MUNICIPALITY's contracting process, and applicable state laws, except as modified herein. All subcontracted work will require the MUNICIPALITY to submit a Quotation Request for Services or Equipment (Form 426) along with relevant bid and contract documents, and bid or quote tabulation.

All subcontracted work will be performed in accordance with the established Scope of Work outlined on Form 426 and any specifications developed by the MUNICIPALITY and/or MDOT for said subcontracted work. The scope of work and specifications (if any) must be approved by the REGION ENGINEER. The MUNICIPALITY will provide the necessary supervision or inspection to assure the subcontracted work is performed in accordance with the scope of work and specifications. At no time will the MUNICIPALITY pay for subcontracted work until the work has been inspected and approved for compliance with the scope of work and specifications.

Emergency work will be subcontracted based on a verbal approval given by the REGION ENGINEER. The work must be supported by the subsequent submission of Form 426 upon completion of work. State Administrative Board approval is required within thirty

(30) days of completion of emergency work for contracts of \$250,000 or greater. Work will be completed according to MDOT Emergency Guidelines.

It is the intent of the parties to extend the terms of the Contract if the subcontract work is in progress at the conclusion of the Contract term. This provision shall not apply if this Contract is terminated by the MUNICIPALITY or MDOT.

Failure to obtain the necessary approvals or to retain the documentation that the bids, prices, or rate quotations were solicited as required under this Section, may result in a denial of the reimbursement of the costs.

For subcontracts involving the items of Cleaning Drainage Structures, Roadway Sweeping and Flushing or Grass and Weed Control, the MUNICIPALITY will include a cancellation clause that will allow the MUNICIPALITY to cancel the subcontract if funds are not made available by MDOT.

County and/or Municipality-based advantage programs (CBA Process) or any type of preference program that awards contracts based on criteria other than low bid through the competitive bidding process, will not be used for MDOT-funded projects.

The term of the subcontract will not exceed five (5) years, said term will include any time extensions.

The subcontract solicitation and approval process will be as follows:

- a. **Subcontracts \$24,999 or less:** The MUNICIPALITY will solicit either a bid price, or rate quotation from three or more qualified sources. Documentation of solicitation from all qualified sources must be retained for at least three (3) years following final payment made for each subcontract. REGION ENGINEER approval of Form 426 is required.
- b. **Subcontracts \$25,000 or greater:** The MUNICIPALITY will advertise and award by competitive bid. Advertisements must clearly define contract term and location of work. Documentation of the solicitation from all qualified sources must be retained for at least three (3) years following final payment made for each subcontract. REGION ENGINEER approval of Form 426 is required.

State Administrative Board approval is required prior to the execution of contracts that are \$250,000 or greater.

State Administrative Board requirements for Amendments (previously referred to as overruns, extra work and adjustments), are outlined in Appendix E, attached hereto and made a part hereof.

Section 10. NON-DISCRIMINATION

- a. In connection with the performance of maintenance work under this Contract, the MUNICIPALITY (hereinafter in Appendix C referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix C, dated June 2011, attached hereto and made a part hereof. This provision will be included in all subcontracts related to this Contract.
- b. During the performance of this Contract, the MUNICIPALITY, for itself, its assignees, and its successors in interest (hereinafter in Appendix G referred to as the "contractor") agrees to comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6, and the Regulations of the Department of Transportation (49 CFR Part 21) issued pursuant to said Act, including Appendix G, dated June 2011, attached hereto and made a part hereof. This provision will be included in all subcontracts relating to this Contract.
- c. The MUNICIPALITY will carry out the applicable requirements of MDOT's Disadvantaged Business Enterprise (DBE) program and 49 CFR Part 26, including, but not limited to, those requirements set forth in Appendix H, dated October 1, 2005, attached hereto and made a part hereof.

Section 11. ANTI-KICKBACK

No official or employee of the MUNICIPALITY or of the State of Michigan will receive direct or indirect remuneration from purchases of materials, supplies, equipment, or subcontracts required for trunkline highway maintenance purposes.

Section 12. JURISDICTION OF STATE TRUNKLINE HIGHWAY

It is declared that the work performed under this Contract is a governmental function that the MUNICIPALITY performs for MDOT. This Contract does not confer jurisdiction upon the MUNICIPALITY over the state trunkline highways encompassed by this contract or over any other state trunkline highways. This Contract may not be construed to confer temporary or concurrent jurisdiction in the MUNICIPALITY over a state trunkline highway. Nothing inconsistent with the underlying statutory jurisdiction, duties, prerogatives, and obligations of MDOT is herein intended. The parties hereto further declare that this Contract is not made for the benefit of any third party.

Section 13. INSURANCE

- a. The MUNICIPALITY will furnish MDOT with a certificate of automobile liability insurance, which complies with the No-Fault Automobile Insurance laws of the State of Michigan. Insurance coverage shall include owned, non-owned, and hired motor vehicles. Such insurance shall be not less than Two Hundred

Fifty Thousand Dollars (\$250,000.00) for bodily injury or death of any one person. Coverage for public liability, property damage, and combined single limit shall also comply with Michigan No-Fault Automobile Insurance laws. The MUNICIPALITY shall also provide thirty (30) days notice to MDOT prior to cancellation, termination, or material change of the policy. The certificate of said insurance shall be submitted to MDOT on DEPARTMENT Form 428 (Certificate of Insurance for State Highway Maintenance Contract) covering public liability and property damage, indicating thereon the policy number, and the aforesaid thirty (30) days notice provisions and the limits of liability.

In the event the MUNICIPALITY is self-insured, a copy of the Secretary of State's certificate of self-insurance shall be submitted to MDOT.

- b. In the event that the MUNICIPALITY receives a Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the MUNICIPALITY for its alleged acts or omissions on a state trunkline highway, the MUNICIPALITY shall provide a copy of such notice within fifteen (15) days of receipt of said notice or complaint to the Assistant Attorney General in Charge, hereinafter referred to as the "ASSISTANT ATTORNEY GENERAL," Van Wagoner Building, 4th Floor, 425 West Ottawa Street, Lansing, Michigan, 48909. Thereafter, the MUNICIPALITY shall provide copies of pleadings and other information regarding the claims or lawsuits when requested by the ASSISTANT ATTORNEY GENERAL and shall comply with all the obligations, duties and requirements of the general liability policy provided herein.

Section 14. WORKERS' DISABILITY COMPENSATION

The MUNICIPALITY will comply with the Michigan Workers' Disability Compensation Law as to all employees performing work under this Contract.

Section 15. BUDGET MANAGEMENT FOR MUNICIPALITIES WITH A BUDGET OF \$200,000 OR MORE (OPTIONAL FOR OTHER MUNICIPALITIES)

Each MDOT fiscal year, for Municipalities with a budget of \$200,000 or more, a winter and non-winter maintenance budget will be prepared separately. These budgets will be established by the Region Engineer within guidelines established by MDOT.

Prior to the development of an annual budget by the REGION ENGINEER, the MUNICIPALITY and REGION ENGINEER will meet and develop a proposed work plan which will include a schedule for routine maintenance and the associated cost of the work plan for the coming year. This proposed work plan will be broken down by month, and form the basis of the non-winter maintenance budget for the MUNICIPALITY for the next fiscal year. The non-winter budget will be balanced over all twelve months of the fiscal year. The budget will be adjusted each month to address budget overruns and under-runs to ensure that total MUNICIPALITY budget is not exceeded. The REGION ENGINEER will work with the MUNICIPALITY to reach agreement on the components

of this annual work plan, taking into consideration the features and conditions of the state trunkline system within the MUNICIPALITY's contract area, as well as the size of the MUNICIPALITY's staff that is available for state trunkline Highway maintenance. The REGION ENGINEER and the MUNICIPALITY will identify maintenance activities that can be performed in the winter months when not performing winter maintenance.

The MUNICIPALITY will work with the REGION ENGINEER to develop an annual priority plan for scheduling work over the term of this Contract consistent with MDOT'S road preservation objectives.

MDOT will establish the winter maintenance budget based on a five (5)-year average of winter expenditures which includes the costs for labor, fringe benefits, equipment, State Salt Stores, MUNICIPALITY-supplied road salt, winter sand, other de-icing chemicals and overhead.

The REGION ENGINEER and the MUNICIPALITY will review the non-winter maintenance budget together at least every other month. This review will cover work planned and conducted, work planned and not conducted, and the current status of the non-winter maintenance budget. Any adjustments to the proposed work plan to curtail or expand operations to meet budget limitations will be covered in this budget review. During winter operations, the winter budget will be reviewed monthly by the REGION ENGINEER and the MUNICIPALITY.

The REGION ENGINEER and MUNICIPALITY will meet between March 1 and May 15 of each budget year to discuss a supplemental non winter program. The supplemental non winter program will be funded by the remainder of the winter budget. During this meeting, participants will estimate the remainder of the winter budget; review the status of current and future bills for winter maintenance and propose a supplemental non winter program. The proposed work activities will be prioritized to support MDOT'S preservation strategy (APPENDIX I).

Section 16. REQUEST FOR REIMBURSEMENT

MDOT will reimburse the MUNICIPALITY for the following costs incurred in the performance of routine maintenance, non-maintenance, and all other work covered by this Contract, except as set forth in Sections 18, 19, 20, and 21. To be eligible for reimbursement under this Section, costs must be submitted to MDOT prior to the start of the audit for each respective year of the Contract period.

- a. MDOT'S share of the actual cost of all direct labor employed in the performance of this Contract, including the expense of permit inspection, field and office engineering, and including audit expenses in connection with projects on force account work by subcontractors.
- b. MDOT'S share of the cost of EMPLOYEE BENEFITS as referred to in Section 6 as a percentage of payroll. The percentage shall be developed

using MDOT Form 455M (Report of Employee Benefit Costs for the Municipality) and shall conform with the general accounts of the MUNICIPALITY on the MUNICIPALITY'S previous fiscal years' experience. These charges are subject to audit in accordance with Section 25.

- c. MDOT'S share of the actual cost of MUNICIPALITY owned or purchased energy.
- d. MDOT will reimburse the MUNICIPALITY for the cost of purchased bulk (measured by volume or weight) materials and Non-Bulk (measured by area or count) material used in the performance of this contract. The MUNICIPALITY shall deduct all discounts or rebates in excess of two percent (2%), to establish the reimbursed cost.
- e. MDOT will reimburse the MUNICIPALITY for the cost of handling materials furnished by the MUNICIPALITY and materials furnished by MDOT as follows:
 - i. **Bulk Items (measured by volume or weight):**
The direct expenses of handling, such as unloading, processing, stockpiling, heating or loading of materials measured by volume or weight in bulk, bags or drums such as aggregates, bituminous materials and chemicals, on condition that reimbursement of such expenses is not provided elsewhere herein, provided that these costs can be identified within the records of the MUNICIPALITY.
 - ii. **Non-Bulk Items (measured by area or count):**
A five percent (5%) handling and storage charge may be added to the purchase price of all materials measured by area or count provided such materials are stocked in and distributed from approved storage facilities. When reported by the MUNICIPALITY, charges for handling and storage in excess of five percent (5%) will be reimbursed to the MUNICIPALITY upon audit, provided that these charges can be identified and supported within the records of the MUNICIPALITY.
- f. Equipment owned by the MUNICIPALITY will be reimbursed at the established rental rates found in Schedule C, Report 375 Equipment Rental Rates, issued annually by MDOT. Rented equipment will be reimbursed at actual cost for the equipment rental.
- g. The amounts paid by the MUNICIPALITY to a subcontractor, as provided for in Section 9.

- h. The cost to the MUNICIPALITY for labor, materials, and equipment rental incurred in connection with engineering, supervision, and inspection of subcontract work.
- i. Overhead in Accordance with Attached Overhead Schedule.

MDOT will reimburse the MUNICIPALITY for overhead costs at the appropriate percentage rate as indicated in Appendix B. The overhead rate shall be based upon the original annual budget established for the MUNICIPALITY and shall not change.

The overhead amount payable under Section 16(i) is reimbursement to the MUNICIPALITY for all costs and expenses arising out of the performance of this Contract not specifically described in other sections of this Contract. This reimbursement includes salary and expenses (including transportation) of the Maintenance Superintendent (except as noted in Section 16(k)), salaries of clerical assistants, including radio communication staff, office expense, storage rentals on MUNICIPALITY owned property, and the cost of small road tools. Work tools without a power assist and used in a road or a bridge maintenance activity, are considered small road tools. Small road tools do not have an equipment rental rate listed in Schedule C, Report 375, Equipment Rental Rates. Small road tools are reimbursed as an overhead cost.

- j. MDOT will reimburse the MUNICIPALITY for MDOT'S pro-rata share of the cost to maintain chemical storage facilities as provided for in the chemical storage facility contracts between the MUNICIPALITY and MDOT.
- k. Requests for reimbursement to be made quarterly on the basis of certified statement of charges prepared and submitted by the MUNICIPALITY within thirty (30) days from the end of each quarter on forms furnished by MDOT or using an equivalent approved alternative format. Costs submitted beyond sixty (60) days from the end of each quarter will include written justification for the delay and will be paid only upon approval of the REGION ENGINEER. Upon written request to the REGION ENGINEER, payment may be made to the MUNICIPALITY on a monthly basis, after submission to MDOT of certified statements of costs for each monthly payment period. MUNICIPALITIES with a line item budget contract of \$200,000 or greater shall submit request for reimbursement on a **monthly** basis through MDOT'S Local Agency Payment System (LAPS).
- l. The MUNICIPALITY will be reimbursed as a direct cost for work performed by the Maintenance Superintendent making regular inspections

of state trunkline highways in accordance with written instructions from the REGION ENGINEER. This time shall be specifically recorded on daily time sheets and reported as a direct labor charge.

It is further agreed that in smaller municipalities, the Maintenance Superintendent designated above may at times be engaged in tasks other than those of a strictly supervisory nature, such as operator of a truck or other highway equipment. The MUNICIPALITY may be reimbursed for this time worked on state trunklines, provided that all such time for non-supervisory work is specifically recorded on the daily time sheet and reported on the Maintenance Payroll Report Form 410A. The exact dates on which the Maintenance Superintendent so worked, the number of hours worked, and the number of hours worked under each classification shall be indicated on the Maintenance Payroll Report Form 410A.

Section 17. ELECTRONIC FUNDS TRANSFER

Public Act 533 of 2004 requires that payments under this contract be processed by electronic funds transfer (EFT). The MUNICIPALITY is required to register to receive payments of EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us).

Section 18. WINTER MAINTENANCE

The MUNICIPALITY will be compensated for winter maintenance on the basis of actual expenditures only. MDOT will share in the cost of snow hauling when each snow hauling effort is approved by the REGION ENGINEER. MDOT'S share of snow hauling will be determined based on the ratio of area designated for traffic movement to the total area of the state trunkline highway right-of-way within the agreed upon area of snowhaul. MDOT will subtract the area of parking lanes and sidewalks from the total area of the state trunkline highway right-of-way to determine the area designated for traffic movement. MDOT'S reimbursement for snow hauling from state trunkline highways, based upon this calculation, is paid at the rate of _____ percent (%) of actual charges supported by proper documentation. The frequency (annually, each storm, etc.) will be at the discretion of the REGION ENGINEER. The MUNICIPALITY should denote snow hauling charges as Activity 149, Other Winter Maintenance, on Trunk Line Maintenance Reports. A prior written authorization for each snow haul event from the REGION ENGINEER shall be required and kept on file for audit purposes.

The MUNICIPALITY agrees that it will prohibit additional snow from being deposited on the highway right-of-way from side streets.

Section 19. PAVEMENT MARKING

Compensation for the item of Pavement Marking will be made on the basis of actual expenditure only, except in no case will the MUNICIPALITY be compensated for a total

expenditure in excess of the amount designated for pavement marking in the Line Item Budget for the appropriate MDOT fiscal year. Compensation for Pavement Marking is limited to only painting authorized by the REGION ENGINEER. The MUNICIPALITY shall not include charges for curb painting in the routine maintenance cost for state trunkline maintenance.

Section 20. COMPENSATION FOR AESTHETIC WORK ITEMS

Compensation for the items of Sweeping and Flushing (activity 132), Grass and Weed Control (activity 126) and Roadside Clean up (activity 124) will be made on the basis of actual expenditures only, except that in no case will the MUNICIPALITY be compensated for a total expenditure in excess of the budget amount designated each of these three work activities on the Summary of the Field Activity Budget for the appropriate MDOT fiscal year.

The number of work operations for each of these three activities will be agreed upon between the MUNICIPALITY and REGION ENGINEER; and reflected in each line activity budget amount.

Section 21. TREES AND SHRUBS

Except for emergency work, the MUNICIPALITY will request MDOT'S written approval to remove dead trees and/or trim trees prior to the start of work. MDOT will pay all costs to remove dead trees. MDOT and MUNICIPALITY shall equally share costs when state and local forces combine efforts to trim trees within the trunkline right-of-way as approved by the REGION ENGINEER.

Section 22. EQUIPMENT LIST

The MUNICIPALITY will furnish MDOT a list of the equipment it uses during performance under this Contract, on MDOT form 471 (Equipment Specifications and Rentals.) This form shall be furnished to MDOT no later than February 28 of each year.

Section 23. RECORDS TO BE KEPT

The MUNICIPALITY will:

- a. Establish and maintain accurate records, in accordance with generally accepted accounting principals, of all expenses incurred for which payment is sought or made under this Contract, said records to be hereinafter referred to as the "RECORDS." Separate accounts will be established and maintained for all costs incurred under this Contract. The RECORDS include, but are not limited to:
 - i. Daily time cards for employees and equipment signed by the employee and his immediate supervisor or by a timekeeper and the supervisor when a timekeeper is employed. The daily time cards shall also indicate the

distribution to route sections and work items. Those MUNICIPALITIES using crew day cards may, if they prefer, retain crew day cards backed by a time record for the pay period signed as above in lieu of daily time cards detailing the distribution.

- ii. Properly signed material requisitions (daily distribution slips) showing type of material, quantity, units, date issued, and indicating distribution thereof to route sections and work items.
 - iii. Additional cost records as needed to support and develop unit cost charges and percentages applied to invoice cost. No such cost records are necessary in support of the overhead percentage or the five percent (5%) handling charge.
- b. Maintain the RECORDS for at least three (3) years from the date of MDOT'S receipt of the statement of charges for the quarter ending September 30 of each year of this contract period. In the event of a dispute with regard to the allowable expenses or any other issue under this Contract, the MUNICIPALITY will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.
- c. Allow MDOT or its representative to inspect, copy, scan, or audit the RECORDS at any mutually acceptable time. However, the MUNICIPALITY cannot unreasonably delay the timely performance of the audit.

Section 24. CERTIFIED STATEMENT OF CHARGES

The MUNICIPALITY hereby certifies that, to the best of the MUNICIPALITY'S knowledge, the costs reported to MDOT under this Contract will represent only those items that are properly chargeable in accordance with the Contract. The MUNICIPALITY also hereby certifies that it has read the contract terms and is aware of the applicable laws, regulations, and terms of this Contract.

Section 25. AUDIT

The MUNICIPALITY'S records will be subject to audit. Charges by the MUNICIPALITY for maintenance of state trunkline highways and authorized non-maintenance work performed under this Contract will not be adjusted (increased or decreased) by audit after twenty-four (24) months subsequent to the date of MDOT'S receipt of certified statement of charges for the quarter ending September 30 of each year of this contract period. This limitation will not apply in case of fraud or misrepresentation of material fact or if mutually agreed to in writing.

The firm unit prices for aggregates and bituminous materials that are processed and furnished by the MUNICIPALITY will not be subject to adjustment.

If any adjustments are to be made, the MUNICIPALITY will be notified of the tentative exceptions and adjustments within the above twenty-four (24) month period. The twenty-four (24) month period is intended only as a limitation of time for making adjustments and does not limit the time for payment of such amounts. In the event that an audit performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, MDOT will promptly submit to the MUNICIPALITY a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings communicated to the MUNICIPALITY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the MUNICIPALITY will:

- a. Respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the audit report;
- b. Clearly explain the nature and basis for any disagreement as to a disallowed item of expense; and
- c. Submit to MDOT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE." The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the MUNICIPALITY may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Contract.
- d. The MUNICIPALITY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to make a final decision to either allow or disallow any items of questioned cost, or no opinion expressed cost.

Upon review of the RESPONSE, if MDOT'S Dispute Audit Review Team (DART) does not agree with the RESPONSE, MDOT will provide the MUNICIPALITY an opportunity to appear before DART to explain and support its RESPONSE. This will occur within ninety (90) days of receipt of the RESPONSE, unless the time has been extended by MDOT. MDOT will make its decision regarding any disallowed or questioned cost items within 30 days after DART considers the appeal.

If after a DART decision MDOT determines that an overpayment has been made to the MUNICIPALITY, the MUNICIPALITY shall repay that amount to MDOT or notify MDOT of the MUNICIPALITY'S intent to appeal to the three member panel, which is described in this section of the contract or file a lawsuit in the court of proper jurisdiction to contest MDOT'S decision. MDOT shall not withhold or offset funds in dispute if the

MUNICIPALITY appeals to the three member panel or files a lawsuit in the court of proper jurisdiction. The appeal to the three member panel or the filing of a lawsuit in the court of proper jurisdiction shall be initiated by the MUNICIPALITY within thirty (30) days of the receipt of MDOT'S written notice that an overpayment has been made. If the MUNICIPALITY fails to repay the overpayment or reach an agreement with MDOT on a repayment schedule within the thirty (30) day period, the MUNICIPALITY agrees that MDOT will deduct all or a portion of the overpayment from any funds due the MUNICIPALITY by MDOT under the terms of any maintenance contract. The MUNICIPALITY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to appeal to the three member panel or to file a lawsuit in the court of proper jurisdiction to contest MDOT'S decision only as to any item of expense the disallowance of which was disputed by the MUNICIPALITY in a timely filed RESPONSE. The MUNICIPALITY may ask the court of proper jurisdiction to bar MDOT from withholding or offsetting funds until the court finally decides the dispute.

The individuals on the three member panel shall be selected from state agencies not directly associated with MDOT. The MUNICIPALITY will appoint one (1) member and MDOT will appoint one (1) member. The third member of the panel will be selected by the two (2) appointed panel members. The decision of the panel shall be binding unless appealed to the proper court by either party within one hundred twenty (120) days after the decision of the panel has been issued.

Section 26. TERM OF CONTRACT

This Contract will be in effect from October 1, 2014 through September 30, 2019.

Section 27. TERMINATION OF CONTRACT

Either party may terminate this Contract. Termination may occur in any year, but only in the months of April, May, or June. Written notice of intent to terminate this Contract shall be provided to the other party at least ninety (90) days prior to the date of termination.

Section 28. STATE ADMINISTRATIVE BOARD RESOLUTION

The provisions of the State Administrative Board Resolution 2011-2 of August 30, 2011, as set forth in Appendix D, attached hereto and made a part hereof.

Section 29. CONTRACT CONTENT

In case of any discrepancies between the body of this Contract and any exhibits hereto, the body of this Contract will govern.

Section 30. AUTHORIZED SIGNATURE(S)

This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized official(s) of the MUNICIPALITY and of MDOT and upon adoption of a resolution approving said Contract and authorizing the signature(s) thereto of the respective official(s) of the MUNICIPALITY, a certified copy of which resolution will be sent to MDOT with this CONTRACT, as applicable.

CITY OF MARSHALL

BY: _____
TITLE:

BY: _____
TITLE:

MICHIGAN DEPARTMENT OF TRANSPORTATION

BY: _____
TITLE: MDOT Director

APPENDIX A

MICHIGAN DEPARTMENT OF TRANSPORTATION

MUNICIPALITY CONTRACT

DEFINITIONS

Annual Work Plan: A schedule developed by the Municipality, and a Region Engineer designee, of the routine maintenance work to be performed annually on state trunklines by the Municipality.

Budget/Field Activity Budget: Both items are defined as the budgeted amount distributed to the Municipality at the beginning of the fiscal year (October 1).

Chemical Storage Facilities: Bulk salt storage buildings.

Components of an Annual Work Plan: An outline of agreed upon maintenance activities to be performed to meet the needs of the trunkline. The components of this plan shall be a list of prioritized maintenance needs and a general break-down of how the Municipality's budget will be applied to the standard maintenance activity groups to facilitate work on the maintenance needs.

DEPARTMENT: Means the Michigan Department of Transportation.

Dispute Audit Resolution Team (DART): Is a team comprised of the Deputy Director for the Bureau of Finance and Administration as the chairperson, the Commission Auditor, the Deputy Director for the bureau involved, and the Assistant Attorney General in Charge of the Transportation Division, as the legal advisor.

Equipment Specifications and Rentals: An annual list of equipment proposed to be used on the state trunkline system by the Municipality forwarded to the Department with the hourly rates of each piece of equipment, for which rates may be modified by the Municipality based on their equipment experience.

Equipment Questionnaire: A report prepared by the Municipality and forwarded to the Department to substantiate the previous year's actual equipment costs.

Michigan State Transportation Commission: The policy-making body for all state transportation programs. The Commission establishes policy for the Michigan Department of Transportation in relation to transportation programs and facilities and other such works as related to transportation development as provided by law. Responsibilities of the Commission include the development and implementation of comprehensive transportation plans for the entire state, including aeronautics, bus and rail transit, providing professional and technical

assistance, and overseeing the administration of state and federal funds allocated for these programs.

Office of Commission Audit (OCA): The Office of Commission Audit reports directly to the Michigan State Transportation Commission. The Office of Commission Audits is charged with the overall responsibility to supervise and conduct auditing activities for the Department of Transportation. The auditor submits to the Commission reports of financial and operational audits and investigations performed by staff for acceptance.

Region Engineer: The Department's designated chief engineer (or designee) responsible for the oversight of each MDOT region.

Schedule C Equipment Rental Rates: The Department's annual list of statewide hourly equipment rental rates that shall be charged for the use of road equipment calculated from the average costs submitted by each agency in the Equipment Questionnaire.

Small Hand Tools: Hand tools which do not have power assist (non-powered) used for general road and bridge maintenance such as rakes, shovels, brooms, etc.

State Administrative Board: The State Administrative Board consists of the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, and the Superintendent of Public Instruction. The State Administrative Board has general supervisory control over the administrative activities of all state departments and agencies, including but not limited to, the approval of contracts and leases, oversight of the state capitol outlay process, and the settlement of small claims against the state.

State Trunkline Highway: A road, highway, or freeway under the jurisdiction of the Department, and usually designated with an M, US, or I preceding the route number.

Winter maintenance: Maintenance operations centered on the process to remove snow and ice from the trunkline to provide a reasonably clear and safe driving surface under winter conditions. The work codes (PCA codes) that define the budget line items for winter maintenance are:

14100: Winter maintenance

14400: Winter road patrol (*See winter maintenance patrol above*)

14900: Other winter maintenance (*Shall include maintenance items resulting from winter maintenance, but not actual winter maintenance, i.e. sweeping and flushing immediately after winter ends*)

This work includes all material costs required to conduct work under the above PCA codes.

APPENDIX B

MICHIGAN DEPARTMENT OF TRANSPORTATION

MUNICIPALITY CONTRACT

OVERHEAD SCHEDULE

Effective October 1, 2014, through September 30, 2019

Set forth below is the table of allowable percentages for Overhead, Supervision, and Expense of Small Tools paid by the Michigan Department of Transportation in connection with state trunkline highways maintenance contracts. Small tool expense includes tarpaulin, barricades, hand sanders, torches, flags, picks, shovels, saws, axes, wheelbarrows and other tools up to seventy five dollars in value for each tool, except for those units presently classified in the Equipment Rental Rate Book.

Original Annual Budget Amount	Percent Allowed for Overhead	Percent Allowed for Small Tools	Total Percent Allowed
Up to \$25,000 _____	10.50 _____	.50 _____	11.00
\$25,001 to \$50,000 _____	9.65 _____	.50 _____	10.15
\$50,001 to \$75,000 _____	8.75 _____	.50 _____	9.25
\$75,001 to \$100,000 _____	7.85 _____	.50 _____	8.35
\$100,001 and over _____	7.00 _____	.50 _____	7.50

APPENDIX C
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX D

STATE ADMINISTRATIVE BOARD

RESOLUTION 2011-2

PROCEDURES APPLICABLE TO MDOT CONTRACTS AND GRANTS
AND
RESCISSION OF RESOLUTIONS 2003-2 and 2005-2

WHEREAS, the State Administrative Board ("Board") exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this State, and of all State institutions pursuant to Section 3 of 1921 PA 2, MCL 17.3;

WHEREAS, the Board may adopt rules governing its procedures and providing for the general conduct of its business and affairs pursuant to Section 2 of 1921 PA 2, MCL 17.2;

WHEREAS, exercising its power to adopt rules, the Board adopted Resolution 2003-1 on March 4, 2003, lowering the threshold for Board approval of all new contracts, grants and amendments to \$25,000 or more for the purchase of materials or services unless specifically approved by the Governor, and simultaneously adopted Resolution 2003-2 setting forth certain exceptions to Resolution 2003-1;

WHEREAS, the Board has adopted Resolution 2011-1, raising the threshold for Board approval of all new contracts and grants to \$250,000 or more and of all amendments to \$125,000 or more, and rescinding Resolution 2003-1;

WHEREAS, the Michigan Department of Transportation ("MDOT") is a party to a considerable number of contracts, the majority of which are funded via grants administered by federal agencies including the U.S. Department of Transportation's Federal Highway Administration, Federal Transit Administration, Federal Railroad Administration and Federal Aviation Administration, which oversee MDOT's administration of such contracts and amendments thereto;

WHEREAS, MDOT has implemented internal procedures to assure the proper expenditure of state and federal funds and is subject to financial and performance audits by the Office of Commission Audits pursuant to 1982 PA 438, MCL 247.667a;

WHEREAS, MDOT is a party to a significant number of contracts which by their nature involve substantial consideration and often require amendments arising out of changes in scope, differing field conditions and design errors and omissions;

WHEREAS, delays in the approval of amendments to contracts can result in: postponement of payments to subcontractors and suppliers; work slow downs and stoppages; delays in the completion of projects; exposure to additional costs; and exposure to litigation arising out of contractor claims; and

WHEREAS, recognizing the Board's duty to promote the efficiency of State Government, the Board resolves as follows:

1. Resolution 2003-2 is rescinded.
2. Resolution 2005-2 is rescinded.
3. A contract for professional design, engineering or consulting services requiring MDOT prequalification in connection with the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Professional Engineering Consultant Contract") or a contract for the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Construction Contract") must be approved by the Board prior to execution by MDOT if the amount of the contract is \$500,000 or more. MDOT may obtain approval of the solicitation of a Professional Engineering Consultant Contract or a Construction Contract which, based on the estimate prepared by an engineer employed by the State of Michigan, is estimated to be \$500,000 or more. A contract arising out of such solicitation must be approved by the Board prior to execution by MDOT if the amount of the contract exceeds 110% of the State engineer's estimate.
4. An amendment to a Professional Engineering Consultant Contract or a Construction Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments exceeds 10% of the original contract, except that an amendment to a Professional Engineering Consultant Contract or a Construction Contract need not be approved by the Board if: a) approved in accordance with applicable federal law or procedure by a representative of a federal agency contributing funds to the project that is the subject of the contract; or b) approved in accordance with MDOT's internal procedures provided the procedures include approval by at least one MDOT employee who has managerial responsibility and is neither the project manager nor directly involved in the administration of the project.
5. A contract for services not requiring MDOT prequalification ("Service Contract") in the amount of \$250,000 or more must be approved by the Board prior to execution by MDOT. A Service Contract does not include a Professional Engineering Consultant Contract or a Construction Contract.
6. An amendment to a Service Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments total \$125,000 or more. Thereafter, an amendment to a Service Contract must be approved by the Board if the amount of the amendment and the sum of all amendments executed after the most recent Board approval total \$125,000 or more.
7. A contract involving the conveyance of any real property interest under the jurisdiction of MDOT must be approved by the Board prior to execution by MDOT if the fair market value of the interest is \$250,000 or more. Fair market value must be determined in accordance with procedures approved by the State Transportation Commission.

8. MDOT may enter into a contract with a sub-recipient without approval of the Board if: a) the purpose of the contract is to provide federal or state matching funds for a project; b) MDOT has been authorized by an agency administering any federal funds to award them to the sub-recipient; and c) the sub-recipient has agreed to fully reimburse the State in the event the sub-recipient does not use the funds in accordance with the purpose of the funding. A sub-recipient includes, but is not limited to, a local unit of government, a governmental authority, a private non-profit entity, a railroad or a rail service provider.

9. MDOT may enter into a cost participation contract with a local unit of government without approval of the Board if: a) the contract involves the construction or physical improvement of a street, road, highway, bridge or other structure congruous with transportation; b) the construction or improvement is funded by federal, state or local funds; and c) the contract is approved by each entity providing funds or in accordance with applicable law.

10. MDOT may enter into a contract in connection with the award of a grant, including state matching funds, to a local unit of government, a governmental authority, a private non-profit entity, a railroad or a rail service provider, without approval of the Board if the contract provides that the recipient will fully reimburse the State in the event grant funds are not used in accordance with the terms of the grant.

11. MDOT may enter into a contract with an airport sponsor without approval of the Board if the contract has been approved by the Michigan Aeronautics Commission.

12. MDOT may enter into a contract or award a grant without approval of the Board in situations where emergency action is required. For all emergency contracts or grants of \$250,000 or more, MDOT must transmit to the Board a written report setting forth the nature of the emergency and the key terms of the contract or grant within 30 days of executing the contract or awarding the grant.

13. Notwithstanding any provision of this resolution, the Board may require MDOT to report the status of any project and may require MDOT to obtain Board approval of any contract, grant or any amendment to a contract.

This Resolution is effective _____, 2011.



APPENDIX E

SUBCONTRACT REQUIREMENTS

SUMMARY OF STATE ADMINISTRATIVE BOARD REQUIREMENTS FOR AMENDMENTS (PREVIOUSLY REFERRED TO AS OVERRUNS, EXTRA'S AND ADJUSTMENTS)

Administrative Board Resolution (2011-2, August 30, 2011)

Amendments

Amendment Amount	Subcontract Requirements	State Administrative Board Approval
\$124,999 or less	<ul style="list-style-type: none">• Prior to start of work, Region Engineer verbal approval required.• Documentation of amendment is required by the Municipality. A revised Form 426 must be completed and signed by the Region Engineer.• A copy of the approved Form 426 is sent to the Operations Field Services Division Contract Administrator.	Not required
\$125,000 or greater	<ul style="list-style-type: none">• Documentation of amendment is required by the Municipality A revised Form 426 must be completed and signed by the Region Engineer.• When amendment amount and sum of all previous amendments total \$125,000 or greater, the Form 426 packet is sent to the Operations Field Services Division Contract Administrator. 2.State Administrative Board (SAB) approval is required prior to the start of work.	Required

Definition of Term: Amendment includes situations where the original contract quantity or contract cost is exceeded. It also includes situations where quantities or work are added to the original contract as extra's or adjustments.



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

RICK SNYDER
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

APPENDIX F

SAMPLE: Letter of Understanding

Date

Contract Agency Name
Address
Contact Person, Title

**RE: Clarification of State Trunkline Maintenance Contract between Michigan
Department of Transportation (MDOT) and the (insert name of contract agency)**

Dear _____:

This Letter of Understanding is in follow up to our recent meeting held on _____ and will serve as a reference to clarify the Scope of Work set forth in Section 2, of the State Trunkline Maintenance Contract.

The Scope of Work will be limited to (insert type of work activities and frequency of work to be performed) on the state trunkline (indicate routes) in the City of _____. The work activities are to be conducted by the City as a part of the Contract with MDOT.

The Scope of Work shall include traffic control to perform the work.

Request for reimbursement of the Scope of Work activities identified herein shall be in accordance with Section 16 of the Contract.

Subcontracting of any work activities shall be in accordance to Section 9 of the Contract.

Please sign each of the two original letters enclosed. Please keep one copy for your records and return the other copy to my attention.

Sincerely,

Name
Maintenance Engineer
MDOT ____ TSC

APPROVED BY:

City of _____ agrees to the terms and conditions stated in this agreement.

Dated this _____ day of _____, 2014

Name, Title

APPROVED BY:

Region Engineer
Michigan Department of Transportation

Date _____

**APPENDIX G
TITLE VI ASSURANCE**

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
 - a. Withholding payments to the contractor until the contractor complies; and/or
 - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

(Revised October 1, 2005)

APPENDIX H

Assurances that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR § 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

APPENDIX I

Non-Winter Maintenance Activity & Level of Service Priority

For the purposes of defining priority levels, the following guidance is suggested:

"Critical" work activities are those which address conditions in the infrastructure that pose an imminent threat to public health and safety. This would include instances in which defects or damage currently exist and must be repaired to restore the infrastructure to a safe operating condition. Examples may include filling existing potholes, repairing significantly damaged guardrail, grading shoulders with an edge drop in excess of 1 ½ inches or replacing a collapsed culvert.

"High Priority" work activities are those which address serious deficiencies in the condition of the infrastructure which, in the professional judgment of the Region and TSC management, could lead to defects or damage in the near future that would seriously impact public health and safety if they are not addressed now. Examples may include repairing significantly deteriorated pavement joints and cracks or repairing culverts with section loss.

"Routine/Preventive" work activities are those which address the condition of the infrastructure in such a way as to maintain or prevent the condition from deteriorating to serious condition. Examples may include sealing pavement cracks, grading shoulders, cleaning culverts and ditches, and brushing.

Priority Group 1:

- Traffic Signal Energy
- Facility Utilities
- Freeway Lighting Energy
- Operation of Pump Houses
- Operation of Movable Bridges
- Auto Liability Insurance (county contracts)
- Supervision (county contracts)
- Roadway Inspection (minimum acceptable level- county contracts)
- Billable Construction Permits
- Equipment Repair and Servicing
- Fuel
- Critical Surface Maintenance
- Critical Guardrail Repair
- Critical Sign Replacement
- Critical Drainage Repair
- Critical Traffic Signal Repair
- Critical Freeway Lighting Repair
- Critical Response to Traffic Incidents (to assist in traffic control, facility restoration)

Critical Drainage Area Sweeping (to prevent roadway flooding)
Critical Structural Maintenance on Bridges
Critical Pump House Maintenance
Critical Shoulder Maintenance (to address shoulder drops greater than 1 ½")
Critical Impact Attenuator Repair
Clear Vision Area Mowing
Removal of Large Debris and Dead Animals (from the traveled portion of the roadway)
Rest Area and Roadside Park Maintenance

Priority Group 2:

High Priority Surface Maintenance
High Priority Guardrail Repair
High Priority Sign Replacement
High Priority Drainage Repair
High Priority ROW Fence Repair
High Priority Shoulder Maintenance
High Priority Structural Maintenance
Adopt-A-Highway
Youth Corps in designated urban areas
Mowing (First Cycle)
Freeway Slope Mowing in designated urban areas
Litter Pickup in designated urban areas
Graffiti Removal in designated urban areas
Freeway Lighting Maintenance & Repair

Priority Group 3:

Mowing (Additional Cycles)
Brushing
Sweeping, beyond critical drainage areas
Litter Pickup, outside designated urban areas
Graffiti Removal, outside designated urban areas
Routine/Preventive Surface Maintenance
Routine/Preventive Guardrail Repair
Routine/Preventive Sign Replacement
Routine/Preventive Drainage Repair
Routine/Preventive Shoulder Maintenance
Routine/Preventive Structural Maintenance
Routine/Preventive Pump House Maintenance
Routine/Preventive Traffic Signal Maintenance
Youth Corps outside of designate urban areas
Non-motorized path maintenance



ADMINISTRATIVE REPORT
August 18, 2014 – CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Michael D. Hindenach, Industrial Developer
Tom Tarkiewicz, City Manager

SUBJECT: Annexation of Udell Property

BACKGROUND: On August 15th of 2011, the Local Development Finance Authority purchased the Udell Farm for future economic development projects. The City must annex this parcel into the City to realize any tax revenue from such projects.

Section 9 of the Home Rule Cities Act, Act 279 of the Public Acts of 1909 as amended, permits annexation of a park or vacant property owned by a city, located in a township, and adjacent to the city with no one residing thereon. The Udell parcel meets this criterion. The annexation becomes effective solely by resolution of the City Council. Doug Damon, Fredonia Township Supervisor, has been notified that the City will be pursuing the annexation for this parcel.

RECOMMENDATION: Authorize staff to begin the process of annexation of the Udell Property into the City of Marshall.

FISCAL EFFECT: As the property develops, the City will realize an increase in tax revenue.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Michael D. Hindenach
Industrial Manager

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com



ADMINISTRATIVE REPORT
August 18, 2014 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council
FROM: Michael D. Hindenach, Industrial Manager
Tom Tarkiewicz, City Manager
SUBJECT: DDA Expansion Public Hearing

BACKGROUND: On April 1, 1982, the City Council approved Marshall Downtown Development Authority (DDA) Development/TIF plan. The plan has been amended by City Council most recently on September 16, 2002. Staff is requesting that the City Council hold a public hearing to discuss the expansion of the DDA district to include the following properties:

Marshall Public Schools Property located at 100 East Green Street, Marshall, Michigan including all adjacent properties owned by the school system.

Calhoun County Property located at 315 West Green Street, Marshall, Michigan including the parking lot that is South of the County Building.

The properties would become part of the DDA district.

RECOMMENDATION: Set a public hearing on September 15, 2014 to receive public comment on the proposed expansion.

FISCAL EFFECT: Due to the fact that neither of the properties produce tax revenue, there is no discernable fiscal effect.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Michael D. Hindenach
Industrial Manager

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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CALL TO ORDER

IN REGULAR SESSION Monday, July 21, 2014 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

ROLL CALL

Roll was called:

Present: Council Members: Mayor Dyer, Mankerian, Metzger, Miller, Reed, and Revore.

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: Council Member Williams.

Moved Williams, supported Mankerian to excuse Council Member Williams. On a voice vote – MOTION CARRIED.

INVOCATION/PLEDGE OF ALLEGIANCE

Jeremy Young of Marshall Church of Christ gave the Invocation and Mayor Dyer led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Metzger, supported Mankerian, to approve the agenda with the addition of item 11B – Michigan Main Street Program Discussion and item 17 – Closed Session. On a voice vote – MOTION CARRIED.

PUBLIC COMMENT ON AGENDA ITEMS

None.

CONSENT AGENDA

Moved Miler, supported Reed, to approve the Consent Agenda:

- A. Approve minutes of the City Council Regular Session and Work Session held on Tuesday, July 8, 2014;
- B. Approve city bills in the amount of \$ 1,482,958.20.

On a roll call vote – ayes: Mankerian, Metzger, Miller, Reed, Revore, and Mayor Dyer; nays: none. **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITIONS

A. Farmer's Market:

Moved Metzger, supported Mankerian, to continue the Farmer's Market Study Committee as a community committee of the Council and have the committee make a recommendation to the City Council regarding structure, marketing, and location by the 2nd meeting in January 2015. On a voice vote – MOTION CARRIED.

INFORMATIONAL ITEMS

None.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

None.

OLD BUSINESS

A. Approval of changes to the addition of §156.224, draft Donation Collection Bins Ordinance and accompanying addition of definitions to §156.003:

Moved Metzger, supported Miller, to approve the changes to the addition of §156.224, draft Donation Collection Bins Ordinance and accompanying addition of definitions to §156.003. On a roll call vote – ayes: Miller, Reed, Revore, Mayor Dyer, Mankerian, and Metzger; nays: none. MOTION CARRIED.

**CITY OF MARSHALL
ORDINANCE #2014-03**

AN ORDINANCE TO AMEND CITY OF MARSHALL CODE, CHAPTER AND SECTION 156.003 DEFINITIONS AND TO ADD CHAPTER AND SECTION 156.224: DONATION COLLECTION BINS. THE CITY OF MARSHALL ORDAINS:

Section 1. That chapter and section **§156.003 Definitions** of the Marshall City Code, is hereby amended to add the following:

Donation Collection Bin A receptacle or container designed with a door, slot or other opening which is intended to receive items donated from the public such as clothing, household items, or other salvageable personal property. This term does not include recycle bins for the collection of recyclable material, any rubbish or garbage receptacle.

Donation Collection Bin Operator A person who owns, operates or otherwise is in control of donation collection bins to solicit collections of salvageable personal property.

Property Owner The person who is an owner of real property.

Real Property A lot of record located in the City of Marshall.

Section 1a. That chapter and section **§156.224 Donation Collection Bins** be added to the Marshall City Code:

- (A) The intent of this section is to facilitate Donation Collection Bins in the city so that they remain, clean, safe and do not create hazards to pedestrians or to vehicular traffic.
- (B) Donation Collection Bins are prohibited unless the Donation Collection Bin Operator has first obtained a Donation Collection Bins Permit Application and Affidavit and Acknowledgment of Owner Giving Permission to Locate a Donation Collection Bin on Real Property.
1. Donation Bin Collection permits are valid for a one (1) year period and are renewable annually.
 2. A maximum of six (6) Donation Collection Bins permits will be issued on an annual basis with preference given to continuing permit owners in good standing.
 3. A maximum of one (1) Donation Collection Bins permit will be issued per Donation Collection Bin Operator.
- (C) Donation Collection Bins are allowed in the B-2 Local Business District, B-4 Commercial Business District, I-1 Research and Technical District and I-2 General Industrial District.
- (D) Donation Collection Bins shall conform to the following standards:
1. Donation Collection Bins shall be maintained in good condition and appearance with no structural damage, holes or visible rust and shall be free of graffiti. Donation Collection Bins are required to be placed on a paved or concrete surface. Bins must be level and stable.
 2. Donation Collection Bins shall be locked and be equipped with a secure safety chute so contents cannot be accessed by anyone other than those responsible for the retrieval of the contents.
 3. Donation Collection Bins shall have signage on each bin limited to the name, mailing address, email address, website and phone number of the operator, as well as whether the Donation Collection Bin is owned and operated by a for-profit company or a not-for-profit company. The Donation Collection Bin may include a company logo but shall not have information, advertising or logos other than those relating to the operator. Total sign area on the Donation Collection Bin may not exceed 6 square feet. The font size used on the sign shall not be less than 1 inch in height.
 4. The Donation Collection Bin Operator and Property Owner shall maintain, or cause to be maintained, the area surrounding the bins, free from any junk, noxious odor, debris and donated items.

5. Donation Collection Bins shall be located on a parcel where there is a functioning, permitted use.
6. Up to two Donation Collection Bins on a single lot of record are permitted if the two Donation Collection Bins are side by side and are no more than one foot apart.
7. The total size of a Donation Collection Bin shall not exceed 7 feet in height, five feet in width and four feet in depth.
8. Donation Collection Bins shall not cause a visual obstruction to vehicular or pedestrian traffic. Any Donation Collection Bins shall be placed greater than ten feet from: (i) a public or private sidewalk except that this provision does not apply to a private sidewalk as long as the private sidewalk maintains a five-foot clearance; (ii) a public right-of-way; (iii) a driveway; or (iv) a side or rear property line of adjacent property used for residential purposes.
9. Donation Collection Bins shall not be placed in a designated fire lane or blocking a building entrance or exit.

(E) Upon determination of the Zoning Administrator that a Donation Collection Bin has been placed or is being maintained in violation of this chapter, an order to correct the offending condition shall be served by certified mail on the Donation Collection Bin Operator and Property Owner of the parcel in which the Donation Collection Bin has been placed. The order shall describe the offending condition and the actions necessary to correct the condition. The order shall provide that the offending condition be corrected within three (3) business days after mailing or an appeal from the order with the Zoning Board of Appeals must be filed, pursuant to §156.403 Administrative Appeals. If a violation is neither remedied nor appealed within the given time period set forth by the order, the Zoning Administrator shall permanently revoke the Donation Collection Bin permit and transmit notification to the Public Works Superintendent who thereafter shall impound the Donation Collection Bin that has been determined to be in violation of this chapter.

(F) Unless the Donation Collection Bin and its contents are being held as evidence in a criminal prosecution, the owner of a Donation Collection Bin may, within sixty (60) days of impoundment, recover the Donation Collection Bin and its contents upon payment of an impound fee of \$50.00, plus labor for removing the bin and a storage charge of \$1.00 per day that the Donation Collection Bin is in the possession of the city.

Section 2. This Ordinance [or a summary thereof as permitted by MCL 125.3401] shall be published in the *Marshall Chronicle*, a newspaper of general circulation in the City of Marshall qualified under state law to publish legal notices. This Ordinance shall be recorded in the Ordinance Book and such recording shall be authenticated by the signatures of the Mayor and the City Clerk.

Section 3. This Ordinance is declared to be effective immediately upon publication.

Adopted and signed this 21st day of July, 2014.

James L. Dyer, MAYOR

Trisha Nelson, CITY CLERK

I, Trisha Nelson, being duly sworn as the City Clerk for the City of Marshall, hereby certify that the foregoing is a true and complete copy of an ordinance approved by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on July 21, 2014, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available by said Act.

Trisha Nelson, CITY CLERK

B. Michigan Main Street Program:

Moved Miller, supported Metzger, to accept the recommendation made by the DDA in 2011 and the recommendation of the Community Board and indicate to the Michigan State Housing and Development Authority that the City of Marshall respectfully requests to graduate from the Michigan Main Street program. On a roll call vote – ayes: Reed, Revore, Mayor Dyer, Mankerian, Metzger, and Miller; nays: none. **MOTION CARRIED.**

REPORTS AND RECOMMENDATIONS

A. Proposed fees for Donation Collection Bin Permits:

Moved Reed, supported Metzger, to approve a \$200 annual fee for Donation Collection Bin Permits. On a roll call vote – ayes: Miller, Reed, Revore, Mayor Dyer, Mankerian, and Metzger; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2014-15**

RESOLUTION ESTABLISHING FEES UNDER CHAPTER 156: ZONING,
SECTION 156.224 OF THE MARSHALL CITY CODE.

WHEREAS, the City of Marshall may adopt a fee to defray the City's expenses for administrative time, inspection and enforcement, and;

WHEREAS, the City of Marshall now wishes to establish those fees in accordance with City policy;

NOW THEREFORE, BE IT RESOLVED, that the following fees shall be established.

Permit fee for Donation Collection Bins, shall be:

\$200.00 Annually

A copy of this Schedule as amended from time to time, shall be maintained by the Marshall City Clerk.

AYES, Council members: Mayor Dyer, Mankerian, Metzger, Miller, Reed and Revore.

NAYES, Council members:

ABSTAIN, Council members:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and a complete copy of the resolution adopted by the City Council and the City of Marshall at a regular meeting on July 21, 2014. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976, as amended). Minutes of the meeting will be available as required by the Act.

City Clerk

B. FY 2015 Fire Vehicle Purchase:

Moved Miller, supported Reed, to approve the resolution authorizing the purchase of a 2014 Spartan Mini Attach Pumper/Emergency Medical Vehicle from EVS of Greenville, MI in the amount not to exceed \$135,000. On a roll call vote – ayes: Mankerian, Metzger, Miller, Reed, Revore, and

Mayor Dyer; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION 2014-16**

WHEREAS, the City of Marshall desires to purchase a 2014 Spartan ERV mini pumper; and

WHEREAS, The City of Marshall will forego the formal bid process as required by the City of Marshall's Code of Ordinance, chapter 32.03 due to a demo vehicle meeting the needs of the City and available; and

WHEREAS, Spartan Motors is a Michigan Based Company located in Charlotte, MI. and has provided four other fire apparatus for the City of Marshall; and

WHEREAS, Spartan ERV has submitted a bid not to exceed \$135,000, including delivery; and

WHEREAS, the City of Marshall's Code of Ordinance chapter 32.07 allows exceptions to the formal competitive bid process where no advantage to the city would result; and

NOW THEREFORE BE IT RESOLVED that based upon a motion made by Miller, and supported by Reed that the purchasing agent may execute a purchase order to Spartan ERV Company for a not to exceed amount of \$135,000 for the purchase of the Spartan ERV mini pumper.

Voting for: Mankerian, Metzger, Miller, Reed, Revore, and Mayor Dyer.

Voting Against: None.

Absent: Williams.

CERTIFICATION OF CITY CLERK/TREASURER

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Marshall at a regular meeting held on the 21st day of July, 2014.

City Clerk

Date

C. Fourth Quarter Financial Report:

Moved Metzger, supported Mankerian, to receive and place on file the 4th Quarter Financial Report for the City of Marshall. On a voice vote – **MOTION CARRIED.**

D. Fourth Quarter Investment Portfolio:

Moved Reed, supported Mankerian, to receive and place on file the 4th Quarter Investment Portfolio for the City of Marshall. On a voice vote – **MOTION CARRIED.**

E. BS&A Software Purchase:

Moved Miller, supported Mankerian, to approve the purchase of the BS&A Utility Billing, Cash Receipting and Human Resources software modules, for an estimated amount of \$54,000. On a roll call vote – ayes: Metzger, Miller, Reed, Revore, Mayor Dyer, and Mankerian; nays: none. **MOTION CARRIED.**

F. Assessing Contract:

Moved Metzger, supported Reed, to approve the resolution to approve the City of Marshall's termination of the Assessment Services Agreement and Employee Leasing Agreement with Calhoun County. On a roll call vote – ayes: Miller, Reed, Revore, Mayor Dyer, Mankerian, and Metzger; nays: none. **MOTION CARRIED.**

CITY OF MARSHALL, MICHIGAN
RESOLUTION #2014-17

THE CITY OF MARSHALL
TERMINATION OF ASSESSMENT SERVICES AGREEMENT and
EMPLOYEE LEASING AGREEMENT

THE CITY OF MARSHALL RESOLVES, pursuant to the termination provisions in the Assessment Services Agreement and the Employee Leasing Agreement entered into between the City of Marshall and the County of Calhoun that the City of Marshall intends to terminate both Agreements as of August 31, 2014.

This Resolution shall take effect immediately.

Dated: July 21, 2014

Trisha Nelson, City Clerk

I, Trisha Nelson, being duly sworn as the City Clerk for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on July 21, 2014 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

Trisha Nelson, City Clerk

G. Testing, Hauling, Land Application, and Agronomic Management of Wastewater Biosolids:

Moved Metzger, supported Miller, to authorize the City Clerk to sign a three-year agreement with Gawne Trucking, LLC for Testing, Hauling, Land Application, and Agronomic Management of Wastewater Biosolids in the amount of \$0.034/gallon. On a roll call vote – ayes: Reed, Revore, Mayor Dyer, Mankerian, Metzger, and Miller; nays: none. **MOTION CARRIED.**

H. Proposal 1 Resolution:

Moved Metzger, supported Reed, to approve the resolution in support of Proposal 1 on the August 5, 2014 ballot. On a voice vote – **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2014-18**

**RESOLUTION SUPPORTING PROPOSITION 1
ON THE AUGUST 5, 2014 BALLOT**

WHEREAS, local governments in Michigan, including the City of Marshall, have struggled with unstable funding needed to provide services; and

WHEREAS, Michigan businesses have struggled with an uncompetitive tax on business; and

WHEREAS, Michigan's personal property tax is an antiquated unfair double tax on Michigan's small businesses; and

WHEREAS, small businesses and manufacturers power our economy and are the largest contributor to job growth in Michigan; and

WHEREAS, no other state in our region taxes business equipment the way Michigan does – and most of those states don't tax it at all, which makes Michigan significantly less competitive when it comes to job creation and business investment; and

WHEREAS, Michigan communities have relied on this shrinking source of Personal Property Tax revenue to provide other community services as well, including roads, transportation and libraries; and

WHEREAS, with bipartisan support the Michigan legislature has voted to reform the antiquated personal property tax to help increase Michigan's competitiveness with other states and remove an onerous tax that will allow more business investment and create more jobs while making local community more financially stable at the same time; and

WHEREAS, this is not a constitutional amendment but the state constitution requires Michigan voters to approve certain changes in local taxes; and

WHEREAS, local governments have struggled with unstable funding needed to provide services and business have struggled with an uncompetitive tax on equipment for years; and

WHEREAS, the proposal will make Michigan more competitive, which will help local communities to attract more businesses and create local jobs; and

WHEREAS, if this proposal is not passed by Michigan voters, the antiquated unfair tax on our state's small businesses and manufacturers will go back into effect and Michigan communities will not have stable revenue to fund local services and ;

WHEREAS, the proposal is supported by the following organizations (among others): Michigan Association of Counties, Michigan Municipal League, the Michigan Townships Association, Michigan Farm Bureau, the Small Business Association of Michigan, Michigan Sheriffs Association, Michigan Chamber of Commerce, and the Michigan Manufacturers Association.

NOW, THEREFORE, BE IT RESOLVED, the Marshall City Council hereby expresses its strong support for the proposal to eliminate the unfair double tax and strengthen our communities. We urge our residents to vote YES on this proposal on August 5, 2014.

DATED: July 21, 2014

James L. Dyer, Mayor

APPOINTMENTS / ELECTIONS

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

COUNCIL AND MANAGER COMMUNICATIONS

CLOSED SESSION

Moved Metzger, supported Mankerian, to convene into closed session under section 8 (c) of the Michigan Open Meetings Act to discuss union contracts. On a roll call vote – ayes: Mankerian, Metzger, Miller, Reed, Revore, and Mayor Dyer; nays: none. **MOTION CARRIED.**

Move to Closed Session at 8:25 p.m.

Return to Open Session at 8:55 p.m.

Moved Metzger, supported Mankerian, to authorize the City Manager to sign a collective bargaining agreement with the teamsters for lineman compensation subject to ratification by the union. On a roll call vote – ayes: Miller, Reed, Revore, Mayor Dyer, Mankerian, and Metzger; nays: none. **MOTION CARRIED.**

ADJOURNMENT

The meeting was adjourned at 8:56 p.m.

James L. Dyer, Mayor

Trisha Nelson, City Clerk

CALL TO ORDER

IN SPECIAL SESSION Friday, August 1, 2014 at 9:00 A.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

ROLL CALL

Roll was called:

Present: Council Members: Mayor Dyer, Mankerian, Metzger, and Miller.

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: Council Members Reed, Revore, and Williams.

Moved Miller, supported Metzger, to excuse the absence of Council Members Reed, Revore, and Williams. On a voice vote – **MOTION CARRIED.**

CONSENT AGENDA

Moved Metzger, supported Mankerian, to approve the Consent Agenda:

- A. Approve city bills in the amount of \$ 461,307.57.

On a roll call vote – ayes: Mankerian, Metzger, Miller, and Mayor Dyer; nays: none. **MOTION CARRIED.**

REPORTS AND RECOMMENDATIONS

- A. **Recognition of the Calhoun County Family and Community Education Center as a Charitable Organization:**

Moved Metzger, supported Mankerian, to approve the resolution that will allow the Calhoun County Family and Community Education Center to be recognized as a nonprofit organization for the purpose of obtaining a charitable gaming license from the State of Michigan to hold their annual bingo tent at the Calhoun County fair. On a roll call vote – ayes: Miller, Mayor Dyer, Mankerian, and Metzger; nays: none. **MOTION CARRIED.**

ADJOURNMENT

The meeting was adjourned at 9:14 a.m.

James L. Dyer, Mayor

Trisha Nelson, City Clerk

User: ctanner

EXP CHECK RUN DATES 08/16/2014 - 09/30/2014

DB: Marshall

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INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
10080	AD-WISE INC	KANOE THE KAZOO FRAMES & SET-UP	633.63
140710729	AMBS CALL CENTER	ANSWERING SERVICE	598.85
41234	APOLLO FIRE APPARATUS	SERVICE CALL	632.34
47717	ARROW ENERGY	100 LL	19,268.05
12-933742	ARROW UNIFORM	CUST #010198-03	117.90
12-926195	ARROW UNIFORM	CUST #010198-01	26.37
12-926203	ARROW UNIFORM	CUST #010198-05	20.00
12-933735	ARROW UNIFORM	CUST #010198-01	26.37
12-933741	ARROW UNIFORM	CUST #010198-04	50.54
12-933743	ARROW UNIFORM	CUST #010198-05	20.00
12-926200	ARROW UNIFORM	CUST #010198-02	56.09
12-926202	ARROW UNIFORM	CUST #010198-03	137.90
12-933740	ARROW UNIFORM	CUST #010198-02	56.09
12-926201	ARROW UNIFORM	CUST #010198-04	50.54
12-941334	ARROW UNIFORM	CUST #010198-01	26.37
12-941340	ARROW UNIFORM	CUST #010198-04	50.54
12-941342	ARROW UNIFORM	CUST #010198-05	20.00
12-941339	ARROW UNIFORM	CUST #010198-02	56.09
12-941341	ARROW UNIFORM	CUST #010198-03	137.90
388-104980-01	AUSTIN-BATTERIES PLUS	150W HPS LAMP	347.88
388-170703	AUSTIN-BATTERIES PLUS	12V BATTERIES	43.90
388-104971-01	AUSTIN-BATTERIES PLUS	BATTERY CHARGERS	156.95
388-170494	AUSTIN-BATTERIES PLUS	BATTERY-BACKUP 500K TOWER	64.95
388-104965-01	AUSTIN-BATTERIES PLUS	400W MH LAMP	239.88
97442	B S & A SOFTWARE	ANNUAL SERVICE/SUPPORT FEES	5,150.00
304636	BATTLE CREEK GLASS WO	REPLACE LOW E TEMPERED GLASS IN MAEDA O	463.12
58331	C2AE	ARCHITECTURAL SERVICES FOR FIRE STATION	5,744.80
14-2797	CB HALL ELECTRIC COMP	PROGRAM TIME CLOCK FOR DOWNTOWN LIGHTS	80.00
14-0172458	CITY OF ALBION	INTERNET	127.49
19103	CLARK CONSTRUCTION CO	CONSTRUCTION MANAGER SERVICES-POLICE DE	214,445.87
8409	COBAN TECHNOLOGIES	COBAN CAR CAMERA	5,450.00
55218	COGITATE INC	MMS STATE TRUNKLINE SUPPORT	155.00
IN46210	CORNERSTONE OFFICE SY	SHARP/X503N	329.47
IN46209	CORNERSTONE OFFICE SY	SHARP/X503N	204.91
IN47069	CORNERSTONE OFFICE SY	STONENET	21.90
9811	COURTNEY & ASSOCIATES	JULY SERVICES	250.00
85139	CRT, INC	MOUNT SWIVEL PIPE, LESS PROJCTR EXT COL	22.00
85675	CRT, INC	EXTENDED WARRANTY & MONTHLY BACKUP SERV	281.00
85721	CRT, INC	PD CLERK & ASSESSING COMPUTERS	2,666.00
85013	CRT, INC	PROJECTOR POWERLITE, CABLE, CEILING MNT	606.00
85883	CRT, INC	EXTENDED WARRANTY & MONTHLY BACKUP SERV	281.00
661229005	CRYSTAL FLASH ENERGY	FUEL	457.48
661229004	CRYSTAL FLASH ENERGY	DYED DIESEL FUEL	739.60
782399	CRYSTAL FLASH ENERGY	PROPANE	17.86
661214001	CRYSTAL FLASH ENERGY	FUEL	442.10
661214002	CRYSTAL FLASH ENERGY	DYED DIESEL FUEL	1,089.24
122527	D & D MAINTENANCE SUP	JANITORIAL SUPPLIES	629.60
450128	DARLING ACE HARDWARE	KEY	2.99
451832	DARLING ACE HARDWARE	KEYS	7.96
451971	DARLING ACE HARDWARE	OXY CARPET CLEANER	15.99
451961	DARLING ACE HARDWARE	KEYS	3.98
449885	DARLING ACE HARDWARE	GLASS & PLEXI	5.00
451469	DARLING ACE HARDWARE	CLIPS, VLV BALL, NIPPLE, COUPL BRS	23.85
451564	DARLING ACE HARDWARE	NUTS, BOLTS, FASTENERS	0.66
450739	DARLING ACE HARDWARE	LINK CHAIN, CHAIN COIL	68.23
451477	DARLING ACE HARDWARE	CLEVIS - LL #2	8.99
451675	DARLING ACE HARDWARE	SLT HX WSHR	4.49
451278	DARLING ACE HARDWARE	DRILL BIT, ELBOW, CHANNEL WIRE, FRAME,	221.06
451127	DARLING ACE HARDWARE	BRUSH CUPS	10.48
451457	DARLING ACE HARDWARE	SIGN, PAINT SUPPLIES	21.47
451824	DARLING ACE HARDWARE	FILTERS	9.98
451594	DARLING ACE HARDWARE	CFL BULBS	13.99
451556	DARLING ACE HARDWARE	CONDUIT, CONNECTORS, WASHERS	21.16
451760	DARLING ACE HARDWARE	BOLT EYE W/NUTS, CORNER BRACES	11.54
2014-2339	EMERGENCY REPORTING	CAD PREFERRED INITIAL INSTALL--SEP 2014	250.00
62300	ENGINEERING SUPPLY AN	HEWLETT PACKARD DESIGNJET T920PS PLOTTE	4,609.00
MIMA154148	FASTENAL COMPANY	SUPPLIES	24.74
MIMA153853	FASTENAL COMPANY	DRILL BIT & BOLTS	49.31
MIMA154476	FASTENAL COMPANY	SUPPLIES	5.84
MIMA154364	FASTENAL COMPANY	BATTERIES	31.38
MIMA153696	FASTENAL COMPANY	CUTOFF WHEELS FOR GRINDER	21.67
857666	FIRST ADVANTAGE	CUST #138969 MARSHALL HOUSE	96.25
412734	FIRST ADVANTAGE	DOT RANDOM TESTING	52.26
9489923129	GRAINGER	SAFETY GLASSES	29.36
9492251054	GRAINGER	MOP/BROOM HOLDERS	144.70
3869	GUTTERS R US	CLEAN & INSPECT GUTTER SYSTEM AT CITY H	375.00
937521	GWIN, DARWIN	BRUSH HOG NEW BROOKS NATURE AREA TRAIL	150.00
937522	GWIN, DARWIN	MOW BROOKS NATURE AREA	100.00
73918	HERMANS MARSHALL HARD	PUNCH, CHISEL, LOCTITE	26.27

User: ctanner
DB: Marshall

EXP CHECK RUN DATES 08/16/2014 - 09/30/2014

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INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
73907	HERMANS MARSHALL HARD	SIGNS	8.08
73887	HERMANS MARSHALL HARD	SPRAYER, ROUND-UP	54.98
73751	HERMANS MARSHALL HARD	20 X 20 X 2	71.88
73731	HERMANS MARSHALL HARD	TRASH GRABBER	27.99
74015	HERMANS MARSHALL HARD	TAP COM, FLANGE	13.98
74032	HERMANS MARSHALL HARD	DECK SCREWS, # 2 BIT	5.48
27970	HOLLAND BOARD OF PUBL	MUTUAL AID ELECTRIAL LINEMAN WORK 7/1/1	9,790.11
2734371	IIX INSURANCE INFORMA	MOTOR VEHICLE REPORTS	64.25
RMS000569	INTERACT	RMS MAINTENANCE SUBSCRIPTION - AUGUST	1,000.00
90102	J & K PLUMBING SUPPLY	GRIP PLUGS	(4.28)
90097	J & K PLUMBING SUPPLY	PLUGS	(0.50)
90688	J & K PLUMBING SUPPLY	STRAINER SS	36.80
90650	J & K PLUMBING SUPPLY	SINK STRAINER, WASHER RUBBER & FIBER, T	45.76
90823	J & K PLUMBING SUPPLY	WAX RING BOWL, ANCHOR FLANGE KIT	6.84
S102817829.001	J.O. GALLOUP COMPANY	PIPE FITTINGS	62.31
073114	JIMMY'S JOHNS	COMPOST CENTER SERVICES	111.25
080914	JUDY'S CATERING	KANOE THE KAZOO CATERING	837.50
405208	KAR LABORATORIES INC	CYANIDE ANALYSIS	100.00
405646	KAR LABORATORIES INC	CYANIDE ANALYSIS	100.00
216159	KELLOGG COMMUNITY COL	CLASSES TAKEN BY AMBROSE & BROWN	400.00
S102855940.001	KENDALL ELECTRIC INCO	1500W 240V CLR 58857 10" DBLE ENDED QTZ	37.88
27135	LAKELAND ASPHALT CORP	BITUMINOUS AGGREGATES	110.73
1031340	LEGG LUMBER	SAND, GRAVEL MIX, LUMBER, NAILS, SCREWS	142.67
1031405	LEGG LUMBER	TREATED 2 X 4	36.44
1528265-20140430	LEXISNEXIS RISK DATA	APRIL SERVICES	148.05
1528265-20140531	LEXISNEXIS RISK DATA	MAY SERVICES	148.05
1528265-20140630	LEXISNEXIS RISK DATA	JUNE SERVICES	148.05
31	MAGIC MAIDS	SEPTEMBER CLEANING	1,400.00
30	MAGIC MAIDS	CLEAN APTS	500.00
062714	MARSHALL PUBLIC SCHOO	SUMMER PLAYGROUND TRIP TRANSPORTATION	345.13
062014	MARSHALL PUBLIC SCHOO	SUMMER PLAYGROUND TRIP TRANSPORTATION	76.28
5560	MARSHALL TIRE CITY	LOOSE TIRES	140.00
5386	MARSHALL TIRE CITY	LOOSE TIRE	172.88
60058	MOTOR SHOP ELECTRICAL	LABOR & MATERIAL TO REPAIR AIR COMPRESS	239.86
50223164	MSC INDUSTRIAL SUPPLY	MARKING PAINT	41.72
C49930445	MSC INDUSTRIAL SUPPLY	PAINT, SFTY GLASSES,	308.76
C50223174	MSC INDUSTRIAL SUPPLY	MARKING PAINT & SAFETY GLASSES, COLD PA	429.67
C52279434	MSC INDUSTRIAL SUPPLY	SUPPLIES	111.73
50234705	MSC INDUSTRIAL SUPPLY	HARD HATS, BATTERIES, TAPE	236.00
RINV03673576	MY ALARM CENTER	ALARM MONITORING 08/01/14--10/31/14	126.00
385387	NAPA OF MARSHALL	ARMOR ALL	4.49
341595	NORTH CENTRAL LABORAT	LAB SUPPLIES	1,438.45
341990	NORTH CENTRAL LABORAT	LAB SUPPLIES - CL2 PROBE	626.06
471909	NYE UNIFORM COMPANY	POLO SHIRTS	91.00
471908	NYE UNIFORM COMPANY	POLO SHIRTS	91.00
471907	NYE UNIFORM COMPANY	POLO SHIRTS	95.35
471912	NYE UNIFORM COMPANY	POLO SHIRTS	91.00
471906	NYE UNIFORM COMPANY	POLO SHIRTS	113.80
471910	NYE UNIFORM COMPANY	POLO SHIRTS	91.00
472695	NYE UNIFORM COMPANY	POLO SHIRTS	106.93
473415	NYE UNIFORM COMPANY	SHIRTS, PANTS	436.27
474053	NYE UNIFORM COMPANY	AMMO POUCH, FLASHLIGHTS	381.66
61748	O'LEARY WATER CONDITI	SANITIZE COOLER, WATER GUARD	45.00
595180	OMEGA DRYWALL & PAINT	UNITS #213 & #311	300.00
162	PALM TEES	SPRING SAND VOLLEY BALL T'S	72.00
I386436-IN	POLLARDWATER.COM	EYEWASH	201.03
5848687	POWER LINE SUPPLY	M-BOLTS	49.30
5848691	POWER LINE SUPPLY	METER CONNECTOR KIT	20.90
5848689	POWER LINE SUPPLY	GRAY SPOOLS	57.19
5848696	POWER LINE SUPPLY	WR419 CONNECTOR	36.50
5848695	POWER LINE SUPPLY	WR289 CONNECTOR	31.63
5848693	POWER LINE SUPPLY	2" METER HUB	55.89
5848690	POWER LINE SUPPLY	METER SOCKETS	649.26
5848692	POWER LINE SUPPLY	1 1/4" METER HUB	58.80
5848697	POWER LINE SUPPLY	M-BOLT	60.89
5848686	POWER LINE SUPPLY	3KV ARRESTER	333.96
5848694	POWER LINE SUPPLY	4-WAY LOADBREAK JUNCTION	574.65
5846665	POWER LINE SUPPLY	WR159 CONNECTOR	19.00
5848685	POWER LINE SUPPLY	#2 ALUMINUM TRIPLEX	634.10
5846663	POWER LINE SUPPLY	M-BOLTS	54.63
5846664	POWER LINE SUPPLY	FRICTION TAPE	549.00
5847271	POWER LINE SUPPLY	200 AMP TRANSFORMER	219.75
597	QUALITY LAWN CARE	LAWN CARE AT MH	818.25
31309	R W MERCER COMPANY	FUEL PUMP SERVICE	510.90
9358	RADIO COMMUNICATIONS	VEHICLE CHANGE OVER PARTS	3,862.42
13744	RADIO SHACK	LOGITECH K400 WIRELESS, DVD, PROTECTION	50.97
8049	REDSTONE ARCHITECTS I	ARCHITECT FEES MRL&C BUILDING--ADDENDUM	5,978.73
90537	RIDDERMAN AND SONS OI	FUEL	8,531.98
70527103	ROSE PEST SOLUTIONS	PEST CONTROL	55.00

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
255008	SOLOMON CORPORATION	TRANSFORMERS (75 KVA & 150 KVA) PADMOU	12,175.00
17488	SPECTRUM ENGINEERING	ELECTRIC SYSTEM STUDY	4,322.50
31842	STANDARD PRINTING & O	NAME PLATE FOR LISA HUEPENBECKER	13.00
31857	STANDARD PRINTING & O	TOWN CRIER	336.72
184704	STANLEY LAWN & GARDEN	REPAIR STIHL CHAINSAW	93.97
8030647063	STAPLES ADVANTAGE	HANDSOAP FOR RESTROOMS	137.98
7001346472	STAPLES CONTRACT & CO	DVD-R	29.99
7001341973	STAPLES CONTRACT & CO	PAPER, STAPLER, CD-R	219.09
14-002355	STATE OF MICHIGAN	800 MGHZ RADIO SUBSCRIPTION	7,000.00
WA 368367	STATE OF MICHIGAN - M	AIRPORT WEATHER OBS DATA SYS	850.49
080114	STEPHEN T DEAN	REPAIR OF 2 DAMAGED PLAQUES AT STUART L	435.00
26171	SUMMIT POINTE	2014 MOWING	580.00
S020045399	TELEDYNE ISCO, INC	POWER PACK	260.95
JP17216	TRI-COUNTY INTERNATIO	HOUSING	204.56
11770-14-349	UNION ELECTRIC INC	TVSS AT STANDARD PRINTING	2,996.00
401631	VAN BELKUM	TRANSCRIPT OF AUDIO FILES	445.49
			344,042.98

OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
64360G	AMERICAN MESSAGING	ACCOUNT # Z1-406436	101.98
072814	ANDERSON, MONICA	COOKIES FOR LUNCH - CONVENTION BUREAU &	13.20
072814	ANDERSON, MONICA	STRING FOR GOLF SCRAMBLE	5.29
061314	ANDERSON, MONICA	EXPENSE REIMBURSEMENT	47.04
072514	BALLARD, FRANK R	BUILDING INSPECTOR PAY	2,810.07
BLU-6251	BLU FISH CONSULTING,	4' X 20' BANNER FOR BLUES FESTIVAL	203.12
BLU-6250	BLU FISH CONSULTING,	BLUES FEST MEDIA EXPENSES	6,507.45
072814	BROWN, RICHARD	ENERGY OPTIMIZATION - LED BULBS & FIXTU	99.96
525	CALHOUN CO AG & INDUS	FIRE WORKS DISPLAY CRUISE TO THE FOUNTA	2,500.00
073114	CALHOUN COUNTY TREASU	TRAILER FEE - JULY 2014	80.00
315118914226442	CAPITAL ONE COMMERCIA	ACCT #6004-3004-9900-5848	247.05
2550998203	CHEMICAL BANK SOUTH	HSA CONTRIBUTION #2550998203 FRED'S, TOM	890.83
2550998476	CHEMICAL BANK SOUTH	HSA CONTRIBUTION #2550998476 RAMEY, CHR	700.00
641541	COMMERCIAL OFFICE PRO	PAPER	207.30
642445	COMMERCIAL OFFICE PRO	FOLDERS, STENO PADS, FRAMES, PAPER, COR	108.27
642312	COMMERCIAL OFFICE PRO	CRTDG, TONER	352.18
642564	COMMERCIAL OFFICE PRO	PAPER, ROLL, INDEX, BINDERS	73.54
206965632065	CONSUMERS ENERGY	1000 0916 3435	40.78
206431725655	CONSUMERS ENERGY	1000 0759 4680	18.70
202694049703	CONSUMERS ENERGY	1000 5741 9077	18.80
202872031931	CONSUMERS ENERGY	1000 6710 1772	17.90
204028975573	CONSUMERS ENERGY	1030 0915 7670	22.12
206965632067	CONSUMERS ENERGY	1000 0916 3971	36.22
206965632066	CONSUMERS ENERGY	1000 0916 3708	30.43
206965632064	CONSUMERS ENERGY	1000 0916 3203	14.78
7-4-14	CORNWELL'S TURKEY PRO	SALAD, CONTAINERS & LIDS FOR BBQ	414.43
072514	DEVENEY, JAMES R	INSPECTION COMMISSION	330.00
072414	ECKLOFF, ARTHUR	PRESCRIPTION REIMBURSEMENT	45.45
073114	FEDDERS, CARL	RETIREMENT CAKE	35.00
547725934998321807	FIRST BANKCARD	5477 2593 4998 3218	447.76
547725935000340107	FIRST BANKCARD	5477 2593 5000 3401	637.45
072514	GANO, DARYL	INSPECTOR PAY	515.00
1156340	GRIFFIN PEST SOLUTION	2014 PEST CONTROL FOR PUBLIC SERVICES	46.00
1170003,1165967	GRIFFIN PEST SOLUTION	323 W MICHIGAN AVE, ON CALL SERVICE	128.00
1156339	GRIFFIN PEST SOLUTION	323 W MICHIGAN AVE	33.00
14	GROSS, JOHN	INSPECTION COMMISSION	296.50
072814	HINDENACH, MIKE	BUSINESS LUNCH W/RON SMEDLEY	11.28
072814	KRISTUFEK, JAMES	ENERGY OPTIMIZATION - REFRIGERATOR	25.00
072314	LUIB, EARL	SAFETY GLASSES REIMBURSEMENT	18.00
073114	MARSHALL AREA CHAMBER	START-UP CASH FOR TEE & TASTE GOLF OUTI	700.00
072814	QUIGG, DARRELL	ENERGY OPTIMIZATION - FURNACE & THERMOS	165.00
38-6004708	STATE OF MICHIGAN	SALES TAX RETURN FOR SPECIAL EVENTS, LI	1,291.17
71304J	STATE OF MICHIGAN	MARSHALL AREA ECONOMIC DEVELOPMENT ALLI	20.00
705192-2014	STATE OF MICHIGAN	MARSHALL AREA CHAMBER OF COMMERCE CORP	20.00
127430-0714	THOMAS NEIDLINGER MD	ACCT #127430, VOUCHER 22290980	85.00
127260-0714	THOMAS NEIDLINGER MD	ACCT #127260, VOUCHER #22279780	85.00
072814	THOMPSON, ROBERT	ENERGY OPTIMIZATION - A/C TUNEUP	50.00
072714	TOM TARKLEWICZ	EXPENSE REIMBURSEMENT	55.00
10040269-0714	WOW! BUSINESS	ACCT #010040269	387.72
13934621-0714	WOW! BUSINESS	ACCT #013934621	29.17
10058364-714	WOW! BUSINESS	ACCT #010058364	32.97
			21,050.91

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
080514	AARON, BARBARA	ELECTION INSPECTOR	88.00
WCV 6091237 01 01	ACCIDENT FUND	2ND INSTALLMENT	480.25
8100085-000-0814	AD-VISOR & CHRONICLE	SIDEWALK SALES AD	90.72
080814	AMERICAN LEGION, POST	COMMUNITY SERVICE PROJECT	711.00
501658	ASSOCIATED ADVERTISER	ADS IN MIDWEST TRAVELER	295.00
080514	BEGG, CHERYL	ELECTION INSPECTOR	100.00
7016312/0009-0814	BLUE CROSS BLUE SHIEL	GROUP #007016312/0009 AUGUST	99,121.20
7016312/0007-0814	BLUE CROSS BLUE SHIEL	GROUP #007016312/0007 (SEE 007016312/00	(110,185.05)
2014-7	CALHOUN COUNTY CLERK	JULY DBA LIST 2014-373 THRU 2014-446	9.00
2551020619	CHEMICAL BANK SOUTH	HSA ACCT #2551020619 CONTRIBUTION, KRIS	1,595.58
2550998476-A	CHEMICAL BANK SOUTH	HSA ACCT #2550998476 CONTRIBUTION-RAMEY	800.00
080714	CLARK, DANNY	ENERGY OPTIMIZATION - BULBS	44.91
9-012800-05	COLLINS, ANDREW	REFUND UTILITY OVERPAYMENT	36.81
073014	CORTEVILLE, NILA H	REFUND SECURITY DEPOSIT	274.00
080514	DAY, SUSAN	ELECTION INSPECTOR	200.00
080514	FISHER, CHARLIE	SCHOOL LUNCH	17.33
080614	FREDS, MATT	SCHOOL LUNCH	17.70
080714	HAGERTY, KAREN	DONUTS FOR SMALL BUSINESS WORKSHOP	18.20
080514	HAGERTY, MELISSA	ELECTION INSPECTOR	156.00
080514	HAGERTY, PHILLIP	ELECTION INSPECTOR	160.00
080614	HALL, TRACY	INK CARTRIDGE FOR ELECTION PRINTER	42.39
080714	HOFMAN, DUANE	REFUND PET DEPOSIT	300.00
397325	HUB INTERNATIONAL MID	BUILDERS RISK FOR NEW FIRE STATION	2,028.00
080614	JOSH LANKERD	EXPENSE REIMBURSEMENT	33.43
080514	JUDITH EDSALL	ELECTION INSPECTOR	156.00
073114	KLEIN, GERALD	ENERGY OPTIMIZATION - A/C	215.00
1528265-20140731	LEXISNEXIS RISK DATA	JULY SERVICES	148.05
080514	MACHATA, ROBERTA	ELECTION INSPECTOR	160.00
080614	MARSHALL CIVIC PLAYER	PLAYGROUND TRIP TO FRANKE CENTER FOR AL	255.00
080114	MORRIS, DAVID & JUDY	ENERGY OPTIMIZATION - THERMOSTAT	15.00
385871	NAPA OF MARSHALL	FUSES, HOLDERS, TUBING, GROMMETS	17.07
384871	NAPA OF MARSHALL	CHAIN CABLE LUBE	5.58
61744	O'LEARY WATER CONDITI	WATER DELIVERED	22.50
2006	RED ARROW MANAGEMENT	BILLBOARD S/S I-94, EXIT 110 - AUGUST	440.00
1999	RED ARROW MANAGEMENT	BILLBOARD S/S I-94 EXIT 110 - JULY 2014	440.00
080514	REDDICK, KENNETH E	ELECTION INSPECTOR	152.00
080514	REDDICK, PAULINE	ELECTION INSPECTOR	84.00
080714	SCHWAN'S	REIMBURSEMENT FOR FROZEN GOODS LOST WHE	64.13
140730	SERRA, STEVEN	SETUP & OPERATE SOUND SYSTEM--BAND CONC	200.00
080514	SIZEMORE, DARLYNE	ELECTION INSPECTOR	160.00
13-53-002-590-03	STANTON AND ASSOCIATE	REFUND TAX OVERPAYMENT	2.00
38-6004708-0814	STATE OF MICHIGAN	38-6004708 #160 JULY 2014 SALES TAX	33,423.89
073114	TRUDEAU, TERI	PLAYGROUND SUPPLIES	8.00
258279447	U.S. BANK EQUIPMENT F	LEXMARK XS463 COPIER LEASE	63.67
080514	WALBECK, DEB	ELECTION INSPECTOR	185.00
080514	WALBECK, RICHARD	ELECTION INSPECTOR	40.00
080514	WORKS, SHIRLEY	ELECTION INSPECTOR	112.00
			32,803.36



ADMINISTRATIVE REPORT
AUGUST 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Tom Tarkiewicz, City Manager
SUBJECT: Master PA 425 Agreement with Marshall Township

BACKGROUND: In 2006, the City and Marshall Township entered into a Master PA 425 Conditional Land Transfer Agreement. This agreement expires in 2016. City staff and Township staff is requesting that the agreement be extended to 2026. The current agreement is attached. The only change will be the term of the agreement. Marshall Township is discussing the agreement extension on August 18th.

RECOMMENDATION: No action required. A formal approval will be requested in September.

FISCAL EFFECTS: None at this time.

CITY GOAL CLASSIFICATION: GOAL AREA I. ECONOMIC DEVELOPMENT

Goal Statement: Sustain and intensify the economic vitality of the Marshall area.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

**MASTER 425 DEVELOPMENT AGREEMENT
CITY OF MARSHALL / MARSHALL TOWNSHIP**

AGREEMENT, Made and entered into on this 14th day of March, 2006 by and between the City of Marshall, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the "City"), and the Township of Marshall, a township duly organized pursuant to the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the "Township").

WHEREAS, extensive property suitable for industrial, commercial and residential development within the jurisdiction of the Township lies to the north, west and south of the City, and

WHEREAS, the amount of comparable development property lying within the City is limited, and

WHEREAS, the City has excess sewage treatment and water supply capacity capable of serving the development areas in the Township, and

WHEREAS, the Township does not have sewage treatment or water purification plants or distribution systems, and

WHEREAS, the City and the Township have in the past entered into eleven separate agreements pursuant to Act 425 of the Public Acts of 1984 ("425 Agreements") to bring sewer and water to available developmental lands in the Township, and

WHEREAS, the terms of each individual 425 Agreement have been individually negotiated over considerable periods of time, and

WHEREAS, the Township has recently met with Emmett Township to discuss a joint sewer authority which would benefit the developmental lands in both Emmett Township and the Township, and

WHEREAS, such a joint sewer authority would involve the construction of another sewage disposal plant between the City and the City of Battle Creek, costing the taxpayers of the Township, the City, Emmett Township and the City of Battle Creek additional tax dollars and utility charges because the City of Battle Creek and the City each have excess sewage and water capacity to serve the current needs of the townships lying between the City of Battle Creek and the City, and

WHEREAS, it would be in the economic best interest of the residents of the City and Township if the City sewer and water systems served the development lands in the Township, and

WHEREAS, it is the desire of the City and the Township to adopt a Master 425 Agreement which would affect all development lands in the Township thereby assuring prospective developers of Township land of the immediate availability of sewer and water without the previous delays incurred in the negotiation of individual 425 Agreements, and

WHEREAS, the Township and City, through extensive negotiations, have reached an agreement to be utilized in all 425 Agreements to be executed by the City.

NOW, THEREFORE, for and in consideration of the Township's agreement not to develop its own sewer and water system, either individually or in conjunction with an adjoining township or municipality, for a period of ten (10) years and the City's agreement to supply sewer and water, if capacity is available, to Township lands for a period of ten (10) years, BE IT AGREED AS FOLLOWS:

1. **Term of Agreement.** This Agreement shall extend for a period of ten (10) years from and after the date hereof.

2. **Joint Municipal Planning Commission.** A Joint Municipal Planning Commission ("JPC") shall be formed pursuant to Public Act 226 of 2003 (MCL 125.131 et seq.) and maintained as long as there is a 425 Agreement between the City and Township. The JPC shall have an equal number of members from both the Township and the City and shall control all land usages for lands subject to a 425 Agreement between the City and Township regardless of whether the 425 Agreement is dated prior to or subsequent to the date of this Agreement. The details of the organization and conduct of the JPC are on Schedule A attached hereto.

3. **Definitions.** The definition of residentially zoned lands lying South of I-94 and East of I-69 and commercial and industrial lands regardless of location shall be the definition given those land usages in the Marshall City Zoning Ordinance as currently defined. The definition of residentially zoned lands lying North of I-94 or West of I-69 shall be the definition given those land usages in the Marshall Township Zoning Ordinance as currently defined.

In the event a zoning ordinance is amended and a definition changed, the definition shall not be changed for the purpose of this Agreement without the mutual consent of the City and Township.

4. **Ceresco Exception.** The Township area known as Ceresco and defined as the area extending one quarter mile in diameter from the Ceresco dam, may, contrary to the terms of this Agreement, seek sewer and water services from a source other than the City of Marshall in the event such services are made available at a more economical cost than comparable services in the City of Marshall.

5. **Economic Development – Information and Contribution.** The Township Board of Trustees shall designate an economic development officer, with whom the City shall share all development inquiries and who shall receive notice of and be entitled to participate in all meetings with prospective developers. This representative shall be subject to the same confidentiality rules and regulations as are the City's paid economic developers.

In exchange for the economic development services that the City provides, the Township shall contribute fifteen percent (15%) of all tax sharing funds which it receives from industrial lands subject to 425 agreements executed after the date hereof and pursuant to this Agreement but not to exceed twenty percent (20%) of the City's total general fund contribution to the existing Battle Creek Unlimited Contract or such other economic development entity or person with whom the City is contracting. At such time as the Township begins payments pursuant to this paragraph, the Township Economic Development Officer shall participate in contract negotiations with Battle Creek Unlimited or such other economic development entity or person the City is under contract with or seeking to contract with or employ.

6. **Property Owner Request.** In the event an owner of property located in the Township requests sewer and water services from the City and the City has adequate capacity to service the property owner's development, the City and Township shall, subject to the approval of the JPC, enter into a 425 Agreement based upon the terms and conditions herein contained provided the cost of extending the sewer and water to the property owner is not paid by the City.

7. **City Restrictions.** During the term of this Agreement, the City shall not:

- a. Enter into a 425 Agreement with any other city, township or other governmental subdivision ("Foreign 425 Agreement") except upon the same terms and

conditions as those detailed in this Agreement for Township lands lying west of I-69 and north of I-94 unless the City agrees to amend the existing 425 Agreements with the Township permitting the Township to incorporate into all its existing 425 Agreements one or more of the provisions of the Foreign 425 Agreement.

b. Sell or agree to sell in the future a parcel of land larger than fifteen (15) acres for commercial or industrial development without the consent of the Township.

c. Permit the common ownership, occupancy or combined use for industrial or commercial purposes of two (2) or more parcels sold or leased by the City after the date hereof totaling more than fifteen (15) acres in size.

All commercial and industrial developments in excess of fifteen (15) acres shall, during the term of this agreement, be constructed only in the Township unless:

1. The Township consents to the development in the City, or
2. The land was not owned by the City of Marshall on January 24, 2006 or subsequently acquired by the City of Marshall.

8. **Township Restrictions.** During the term of this Agreement, the Township shall not:

a. Enter into a 425 Agreement with any other township, city or other governmental subdivision other than the City of Marshall pursuant to this Agreement without the express written consent of the City.

b. Construct or develop a sewage treatment plant, water purification plant or sewer and/or water distribution systems or enter into any agreement for the development, construction and/or supplying of these facilities to service Township properties unless the City refuses to increase capacity after a capacity analysis study of the system indicates the inadequacy

of the system to handle the Township's request or the City refuses to proceed with a capacity analysis study of the system within one hundred twenty (120) days after the Township's request that capacity be increased.

9. **Terms and Conditions of Individual 425 Agreements.**

The individual 425 Agreements to be entered into pursuant to this Agreement shall, depending upon the location and usage of the lands, provide as follows:

A. **For commercial and industrial properties east of I-69 and south of I-94:**

(1) Agreements shall be for a term of fifty (50) years after which the property shall remain in the City.

(2) The Township shall receive from the City's tax millage 4 mils on industrial property and 3 mils on commercial property for the term of the 425 Agreement.

(3) The cost for the extension of sewer and water lines shall be paid by the land owner and/or additional new users.

(4) An existing building which is zoned commercial or industrial or is a nonconforming commercial or industrial use, if utilized for any purpose or if connected to a septic tank or drain field, that is within three hundred feet (300') of the sewage lines once installed must tie into the sewer and water system upon failure of its existing sewage system under a separate 425 Agreement complying with the terms of this Master Agreement.

(5) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared. In the event the City reduces its millage, the Township's share of millage shall be proportionately reduced provided no additional tax is levied by the City to replace the reduction in millage. If the City's millage is increased, the Township's share of millage shall be proportionately increased.

(6) Sewer and water rates shall not be greater than the rates charged in the City for similar users.

(7) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

B. For commercial and industrial properties west of I-69 or north of I-94:

(1) Agreements shall be for a term of fifty (50) years after which the property shall be transferred back to the Township and the City shall own the utility infrastructure which will encourage the City and the Township to negotiate extensions of the Agreement upon expiration of the fifty (50) year term.

(2) The Township shall receive from the City's tax millage 4 mils on industrial property and 3 mils on commercial property for the term of the 425 Agreement.

(3) The cost for the extension of sewer and water distribution systems shall be paid by the land owner and/or additional new users.

(4) An existing business (commercial or industrial) which is zoned commercial or industrial or is a nonconforming commercial or industrial use, if utilized for any purpose or if connected to a septic tank or drain field, that is within three hundred feet (300') of the sewage lines once installed must tie into the sewer and water system upon failure of its existing sewage system under a separate 425 Agreement complying with the terms of this Master Agreement.

(5) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared. In the event the City reduces its millage, the Township's share of millage shall be proportionately reduced provided no additional

tax is levied by the City to replace the reduction in millage. If the City's millage is increased, the Township's share of millage shall be proportionately increased.

(6) Sewer and water rates shall not be greater than the rates charged in the City for similar users.

(7) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

C. For new residential developments that are east of I-69 and south of I-94:

(1) For the purpose of this paragraph residential development shall be defined as a single family residence on a lot less than five (5) acres in size or multi-family residences on a lot which averages less than five (5) acres per residence but does not qualify as commercial pursuant to paragraph C 7.

(2) Agreements shall be for a term of fifty (50) years after which the property shall remain in the City.

(3) The Township shall receive from the City's tax millage 2 mills on residential property for the term of the 425 Agreement.

(4) The cost for the extension of sewer and water distribution systems shall be paid by the land owner and/or additional new users.

(5) Sewer and water rates shall not be greater than the rates charged in the City for similar users.

(6) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

(7) A Multi-family development shall be deemed commercial if it contains more than four (4) residences on one (1) tax parcel and shall be developed in accordance with the provisions of this agreement dealing with commercial property lying east of I-69 and south of I-94.

(8) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared. In the event the City reduces its millage, the Township's share of millage shall be proportionately reduced provided no additional tax is levied by the City to replace the reduction in millage. If the City's millage is increased, the Township's share of millage shall be proportionately increased.

10. The following developments shall not require a 425 agreement but shall be entitled to receive City sewer and water services upon the terms and conditions set forth:

A. For new single-family residential developments west of I-69 or north of I-94:

(1) If requested by the developer, the Township shall form a sewer district comparable to the Lyon Lake project which shall be accepted by the City.

(2) The property shall remain in the Township.

(3) The cost for extension of sewer shall be paid by the developer or users.

(4) A Multi-family development shall be deemed commercial if it contains more than four (4) residences on one (1) tax parcel and shall be developed in accordance with the provisions of this Agreement dealing with commercial property lying north of I-94 and west of I-69.

(5) Single-family residential users shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City.

B. For developed residential property within the Township regardless of location:

(1) The City shall extend sewer and water lines to developed residential areas in the Township pursuant to the provisions of Public Act 129 of 1943 (MCLA 123.231 et seq.) upon the request of the Township or upon a petition being filed with the Township and the City and signed by two-thirds (2/3) of the property owners within 300 feet of the proposed sewer main.

(2) All property owners signing the Petition shall be required to tie into the sewer and water system. A non-signing property owner with a residence within 300 feet of a sewage line once installed must tie into the sewer and water system upon failure of the residence's existing sewer system.

(3) The total cost for extending the distribution lines to developed residential areas including but not limited to bonding, engineering and construction shall be the responsibility of the users to be served by the extended distribution lines.

(4) The distribution lines shall be installed according to City specifications and ownership of the distribution systems shall be conveyed to the City upon the City approving of the installation. The City, upon becoming the owner of the distribution lines, shall thereafter be responsible for the maintenance of the lines.

(5) The users on the new distribution lines shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City.

(6) Users on the new distribution lines shall pay water and sewer utility rates as stated in the City's rate ordinance in effect at that time or at 150% of the rate charged by the City as adjusted from time to time for similar users within the City whichever rate is less.

11. **Additional 425 Agreement's Provisions.** The 425 Agreements executed pursuant to this Agreement shall be in the form of Schedule B or Schedule C (whichever is applicable) attached hereto with the additional applicable provisions of this Agreement incorporated therein depending upon the property's location and use.

12. **Existing 425 Agreements.** All existing 425 Agreements executed between the City and the Township shall remain in full force and effect and all payments provided therein shall continue to the Township with the exception of the following three existing 425 Agreements ("Amended 425 Agreements"):

- A. Vaccaro property (Agreement dated August 21, 1995).
(Intending to include all current development in the southeast quadrant of the I-94 / Old US 27 interchange lying north of the former Belcher Dingman Spaulding property). ("Vaccaro")
- B. Norfolk Development Corporation property
(Agreement dated October 18, 1993). ("Norfolk")
- C. State Farm Mutual Automobile Insurance Company Property (Agreement dated June 21, 1992 on property located in the Southwest quadrant of the I-94 / Old US 27 interchange lying North of F Drive North and East of 16 ½ Mile Road). ("State Farm")

1. The Vaccaro and Norfolk Agreements shall be amended except as to the original transfer date (and the corresponding termination date) to conform with the provisions of this Agreement provided:

a. the City shall reinstate payments of 1.5 mills each year on the Vaccaro and Norfolk Agreements beginning in 2006 and shall continue to pay 2 mills on the Stanton and K-Mart Agreements each year as provided in the Agreements.

b. the City shall incur no obligation to pay the increased millage on the Amended Agreements (1.5 mills on Vaccaro, .5 mills on Norfolk's Condominiums, 1.5 mills on Norfolk's Maplewood Assisted Living) which will result from the amendment of said Agreements until the collection of the 2011 taxes ("Moratorium") except for such sums as are payable prior thereto according to the following formula:

Increased Millage Formula – Each year through 2010 the City shall on or before November 1 pay the Township an additional amount (in lieu of the Amended 425 Agreement additional payments) equal to two (2) mills on residential property three (3) mills on commercial property and four (4) mills on industrial property on all City / Township 425 Agreements entered into after the date of this Master 425 Development Agreement including Amended State Farm Agreement. Payments pursuant to this formula shall not exceed the sums which would otherwise be payable pursuant to the Amended 425 Agreements without the Moratorium.

After January 1, 2011, the obligation to pay the Township the additional tax shall accrue but the City shall not have to pay such funds except from the following source:

Source – Each year after 2010, the City shall on or before November 1 pay the Township an additional amount (to apply upon the additional taxes accruing on the amended 425 agreements) equal to two (2) mills on residential property, three (3) mills on commercial property and four (4) mills on industrial property on all City / Township 425 agreements entered into after the date of this Master 425 Development Agreement including Amended State Farm Agreement. Such payments shall continue until the accrued taxes on the amended 425 agreements shall be paid in full.

2. The State Farm Agreement shall be amended when the land is developed to provide that all provisions thereof shall be in accordance with the terms and conditions of this

Master 425 Development Agreement with an effective date on the date the property is developed and extending for a period of fifty (50) years thereafter. For the purposes of this paragraph, "developed" shall mean the date on which improvements to the land are incorporated into the taxable value and equal more than five percent (5%) of the real estate value incorporated into the taxable value. Until amended, the City shall continue to make millage payments in accordance with the existing Agreement.

13. **City Sewer and Water Capacity.** In the event there is a question as to whether or not the capacity of the City sewage treatment plant, wells, water purification plant or distribution systems is adequate to handle the requested Township service, the issue of capacity shall be determined by an independent consultant agreeable to both the Township and the City. The cost of the consultant shall be paid one-half (½) by the Township and one-half (½) by the City. In the event the City and the Township cannot agree upon a consultant, a consultant shall be selected by the then managing director of the Calhoun County Community Development Office.

14. **Repayment of 425 Payment Withheld Without Notice.** The City shall pay to the Township Eleven Thousand Four Hundred Three and 86/100 Dollars (\$11,403.86) on or before March 15, 2006, which is the sum which was withheld without notice from the City's Act 425 payments for 2005.

15. **Legality of Provision.** In the event any provision of this Agreement shall be contrary to public policy or laws of the State of Michigan, such paragraphs, except paragraphs 7 and 8, shall be stricken from this Agreement and all remaining paragraphs and parts thereof shall be fully enforceable. In the event paragraph 7 or 8 or any portion of either is declared contrary to public policy or the laws of the State of Michigan, this Agreement shall be void.

SCHEDULE A

Joint Municipal Planning Commission Procedures

1. Zoning Ordinance.

Residentially zoned lands lying south of I-94 and east of I-69 and commercial and industrial lands regardless of location shall be administered by the Joint Municipal Planning Commission ("JPC") pursuant to the City of Marshall zoning and planning act and City procedures and definitions will be followed by the JPC.

The residentially zoned lands lying west of I-69 or north of I-94 shall be administered by the JPC pursuant to the Marshall Township zoning and planning acts and Township procedures and definitions will be followed by the JPC.

2. Appointment.

A. The Planning Commissions of the City of Marshall and Marshall Township shall each appoint three (3) of its members as the members of the Joint Planning Commission as well as one (1) alternate member to serve in the event an appointed member is unable to attend a meeting.

B. Appointment to the JPC shall be for a term of three (3) years and each member may be reappointed for two (2) successive terms.

C. A member may be removed for having two (2) unexcused absences from meetings in any twelve (12) month period. An absence shall be excused provided the member advises the JPC in advance of the meeting that he/she is unable to attend the meeting and the reason for such absence. The JPC shall determine rules for excused absences.

- D. A vacancy on the JPC shall be filled by the appointment of the alternate member from the municipality from which the vacancy occurred and a new alternate JPC member shall be appointed at the next regular meeting of the Planning Commission of the municipality in which the vacancy occurred.
- E. The operating budget of the JPC shall be shared equally by the City and Township.
- F. The jurisdictional area of the JPC shall consist of all land subject to 425 agreements between the City and Township regardless of whether the 425 agreement is dated prior to or subsequent to the date of the formation of the JPC.
- G. The JPC shall consist of representatives from Marshall City and Marshall Township and no other municipalities shall be involved. The JPC shall exist as long as there is a Master 425 Development Agreement between the City of Marshall and Marshall Township.
- H. All administrative functions of the JPC including but not limited to service of notices to adjacent property owners and the preparation of and making publications shall be performed by the Township in the event the Township planning and zoning ordinance are to be applied and by the City in the event the City zoning and planning ordinances are to be applied. In the event business to be conducted at a meeting involves both ordinances of the City and of the Township, each organization shall provide the administrative services necessary for the conduct of the business which is being conducted pursuant to its zoning or planning act.
- I. Complete records of all business conducted at the JPC shall be delivered to the City and Township Council and Board, respectively.

"B.1"

(for property south of I-94 and east of I-69)

**CITY OF MARSHALL – TOWNSHIP OF MARSHALL
CONTRACT FOR CONDITIONAL TRANSFER OF PROPERTY**

This Agreement made on the _____ day of _____, 200____, between the CITY OF MARSHALL, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the "City") and the TOWNSHIP OF MARSHALL, a Township duly organized under the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the "Township").

WHEREAS, the City and the Township have adopted a Master 425 Agreement dated _____, 2006 for the purpose of providing sewer and water services which are available in the City to Township properties upon the request of a Township property owner, and

WHEREAS, _____ (name), the owner of the property described on Schedule 1 attached hereto ("Property") has requested that the City extend sewer and water services to the Property, and

WHEREAS, the provision of municipal services by the City to the Property would further the economic well-being of both the City and the Township and increase the probability of additional development of the Property, and

WHEREAS, the City has available sewer and water capacity to service the Property, and

WHEREAS, the parties have each conducted a public hearing to receive input on the proposed transfer of property.

NOW, THEREFORE, by authority of Act 425 of the Public Acts of 1984 and pursuant to the Master 425 Agreement entered into between the City and the Township and in consideration of the mutual promises herein set forth, BE IT AGREED AS FOLLOWS:

1. The Township consents to the transfer to the City of the Property.
2. The City agrees to accept the transfer of the Property for all purposes allowed under Public Act 425 of 1984, as amended, to make available municipal services to the Property provided that the Property owner and other users of the utilities extended from the City to the Property shall pay for the cost of the extension.
3. The transfer of the Property contemplated by this agreement shall occur at midnight on _____, _____

4. Following transfer, and during the term of this Agreement, the City shall have full jurisdiction over the Property subject to the following limitations:

Land usages shall be subject to the Joint Municipal Planning Commission pursuant to the provisions of the Master 425 Agreement.

5. The City and Township agree that the City shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon during (first year of agreement) and for the remainder of the term of this Agreement. The Township shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon through calendar year (the year before the City assesses taxes) .

The City and Township further agree that commencing in the year (first year of the Agreement) and continuing through the fiftieth (50th) full calendar year following the issuance of a Certificate of Occupancy for the first use on the Property, all such taxes which the City collects for its own general operating fund purposes only, and which are attributable to the Property for the term of this Agreement shall be shared between the City and the Township as follows:

A. The Township shall receive the equivalent of (residential – 2; commercial – 3; industrial – 4) mill levied on the taxable value of the Property for the taxable year as established by the City subject to any subsequent adjustments resulting from tax appeals. The City shall transmit the Township's share of such revenues annually on or before 30 days after receipt.

B. Thereafter, all tax revenues from the Property shall be collected and retained by the City.

6. Except as provided in paragraph 7, upon termination, expiration or non-renewal of this Agreement, jurisdiction of the Property shall pass to the City and the Township shall have no further rights or interests in the Property.

7. In the event that the City shall not share tax revenues from the Property as provided in paragraph 5 or shall breach any other provision of this Agreement, the Township shall be entitled to terminate this Agreement, whereupon jurisdiction of the Property shall revert to the Township or the Township may pursue whatever other legal remedies are available to the Township.

8. Any liability the City or the Township incurs to a third party as a result of the performance of duties or the exercise or rights imposed or granted hereunder shall be jointly shared and defended in the same proportion as the taxes are shared as described in paragraph 5.

9. The burden of all tax abatements shall be shared by the City and the Township in the same percentage as the millage is shared. In the event the City reduces its millage, the

Township's share of millage shall be proportionately reduced provided no additional taxes are levied by the City to replace the reduction in millage.

10. Sewer and water rates charged to the Property owner shall not be greater than the rates charged in the City for similar users. Property owners shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

11. In the event there is a conflict between this Agreement and the Master 425 Development Agreement, the terms of the Master 425 Development Agreement shall control unless there is a specific reference in the conflicting provision that it is intended to prevail despite the Master 425 Development Agreement.

12. Within fifteen (15) days of execution of this contract, the City Clerk shall file a duplicate original of this contract with the Calhoun County Clerk, the Michigan Secretary of State and the Calhoun County Register of Deeds.

WITNESSES:

CITY OF MARSHALL

By:

Chester Travis, City Manager

By:

Gail Budrow-Bradstreet, Clerk/Treasurer

WITNESSES:

MARSHALL TOWNSHIP

By:

Eugene Hamaker, Supervisor

By:

Cynthia Sink, Clerk

Prepared in the Offices of:
Schroeder, DeGraw, Kendall
Mayhall, DeGraw & Dickerson, PLLC
By: Ronald J. DeGraw
203 East Michigan Avenue
Marshall, Michigan 49068

11 C 11
(for property north of I-94 and west of I-69)

**CITY OF MARSHALL – TOWNSHIP OF MARSHALL
CONTRACT FOR CONDITIONAL TRANSFER OF PROPERTY**

This Agreement made on the _____ day of _____, 200 __, between the CITY OF MARSHALL, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the "City") and the TOWNSHIP OF MARSHALL, a Township duly organized under the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the "Township").

WHEREAS, the City and the Township have adopted a Master 425 Agreement dated _____, 2006 for the purpose of providing sewer and water services which are available in the City to Township properties upon the request of a Township property owner, and

WHEREAS, _____ (name), the owner of the property described on Schedule 1 attached hereto ("Property") has requested that the City extend sewer and water services to the Property, and

WHEREAS, the provision of municipal services by the City to the Property would further the economic well-being of both the City and the Township and increase the probability of additional development of the Property, and

WHEREAS, the City has available sewer and water capacity to service the Property, and

WHEREAS, the parties have each conducted a public hearing to receive input on the proposed transfer of property.

NOW, THEREFORE, by authority of Act 425 of the Public Acts of 1984 and pursuant to the Master 425 Agreement entered into between the City and the Township and in consideration of the mutual promises herein set forth, BE IT AGREED AS FOLLOWS:

1. The Township consents to the transfer to the City of the Property.
2. The City agrees to accept the transfer of the Property for all purposes allowed under Public Act 425 of 1984, as amended, to make available municipal services to the Property provided that the Property owner and other users of the utilities extended from the City to the Property shall pay for the cost of the extension.
3. The transfer of the Property contemplated by this agreement shall occur at midnight on _____, _____

4. Following transfer, and during the term of this Agreement, the City shall have full jurisdiction over the Property subject to the following limitations:

Land usages shall be subject to the Joint Municipal Planning Commission pursuant to the provisions of the Master 425 Agreement.

5. The City and Township agree that the City shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon during (first year of agreement) and for the remainder of the term of this Agreement. The Township shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon through calendar year (the year before the City assesses taxes) .

The City and Township further agree that commencing in the year (first year of the Agreement) and continuing through the fiftieth (50th) full calendar year following the issuance of a Certificate of Occupancy for the first use on the Property, all such taxes which the City collects for its own general operating fund purposes only, and which are attributable to the Property for the term of this Agreement shall be shared between the City and the Township as follows:

A. The Township shall receive the equivalent of (residential – 2; commercial – 3; industrial – 4) mill levied on the taxable value of the Property for the taxable year as established by the City subject to any subsequent adjustments resulting from tax appeals. The City shall transmit the Township's share of such revenues annually on or before 30 days after receipt.

B. Thereafter, all tax revenues from the Property shall be collected and retained by the City.

6. Except as provided in paragraph 7, upon termination, expiration or non-renewal of this Agreement, jurisdiction of the Property shall return to the Township and the City will have no further rights or interests in the Property except that the City shall own the utility infrastructure.

7. In the event that the City shall not share tax revenues from the Property as provided in paragraph 5 or shall breach any other provision of this Agreement, the Township shall be entitled to terminate this Agreement, whereupon jurisdiction of the Property shall revert to the Township or the Township may pursue whatever other legal remedies are available to the Township.

8. Any liability the City or the Township incurs to a third party as a result of the performance of duties or the exercise or rights imposed or granted hereunder shall be jointly shared and defended in the same proportion as the taxes are shared as described in paragraph 5.

9. The burden of all tax abatements shall be shared by the City and the Township in the same percentage as the millage is shared. In the event the City reduces its millage, the

Township's share of millage shall be proportionately reduced provided no additional taxes are levied by the City to replace the reduction in millage.

10. Sewer and water rates charged to the Property owner shall not be greater than the rates charged in the City for similar users. Property owners shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

11. In the event there is a conflict between this Agreement and the Master 425 Development Agreement, the terms of the Master 425 Development Agreement shall control unless there is a specific reference in the conflicting provision that it is intended to prevail despite the Master 425 Development Agreement.

12. Within fifteen (15) days of execution of this contract, the City Clerk shall file a duplicate original of this contract with the Calhoun County Clerk, the Michigan Secretary of State and the Calhoun County Register of Deeds.

WITNESSES:

CITY OF MARSHALL

By:

Chester Travis, City Manager

By:

Gail Budrow-Bradstreet, Clerk/Treasurer

WITNESSES:

MARSHALL TOWNSHIP

By:

Eugene Hamaker, Supervisor

By:

Cynthia Sink, Clerk

Prepared in the Offices of:
Schroeder, DeGraw, Kendall
Mayhall, DeGraw & Dickerson, PLLC
By: Ronald J. DeGraw
203 East Michigan Avenue
Marshall, Michigan 49068

EVENT REPORT

EVENT: Bakers Dozen Beer Run

EVENT LOCATION: Dark Horse Brewery

SPONSOR: David Giesen

EVENT DATE: Saturday, September 20, 2014

EVENT TIMEFRAME: 9:00a – 12:00p

MDOT PERMIT REQUIRED: No

MDOT PERMIT GRANTED: NA

ROAD CLOSURE DETAIL: S. Kalamazoo Avenue from Industrial Dr. to Hanover Street.

ROAD CLOSURE TIMEFRAME: Saturday 8:30a to 12:00p

EVENT CLOSURE DETAIL: Closure will be used for staging, pedestrian safety, and finish line.

DETOUR DETAIL: Northbound Kalamazoo onto Industrial Drive, North onto Linden Street, East onto Hanover Street and back North onto Kalamazoo.

EVENT DETAIL:

The Bakers Dozen Beer run is anticipation 1,500 runners and bicyclists for this event. The event will stage at the Dark Horse on S. Kalamazoo. The runners will be released at 9:00am and the Bike riders will be released at 10:00am. All participants will finish at the Dark Horse.

The event starts on Kalamazoo and goes north to Prospect Street and turns west and goes to Verona. Verona to Northbound West to F Dr. F Dr. eastbound to 16 ½ Mile Rd. back into the city to North Dr. North Drive eastbound to 17 ½ Mile and turn north to Alto Relevo Way. Through Kesselwood subdivision onto 18 Mile Rd. 18 Mile Rd. south to G Dr and east to 18 1/2 Mile Rd. . 18 ½ Mile Rd south onto Centennial Rd. back to Pratt Park. Then Mann Rd to East Drive to Lincoln. Lincoln Street to Green Street then westbound to Hamilton Street. Hamilton Street to Spruce Street and Spruce Street westbound to Kalamazoo.

COUNCIL NOTIFICATION DATE: August 18th, 2014

EVENT REPORT

EVENT: 51th Marshall Historical Society's Annual Historic Home Tour and Civil War Ball

EVENT LOCATION: Multiple locations

SPONSOR: Marshall Historical Society and the Marshall Area Historical Re-enactors Society

EVENT DATE: Saturday and Sunday, September 6th and 7th

EVENT TIMEFRAME: see request

MDOT PERMIT REQUIRED: No

MDOT PERMIT GRANTED: NA

ROAD CLOSURE DETAIL: N. Kalamazoo Avenue from Michigan Avenue to Mansion Street.

ROAD CLOSURE TIMEFRAME: Saturday 5:30am to Sunday at 7:00pm

EVENT CLOSURE DETAIL: Closure will be used for passenger loading, pedestrian safety, and the civil war ball

DETOUR DETAIL: No posted detours.

EVENT DETAIL:
Homes on the Tour:

222 N. Marshall Avenue
409 N Kalamazoo Avenue
612 Hill Road
518 E. Mansion Street
348 N. Madison Street
213 N. Liberty
612 N. Kalamazoo

Civil War Ball on Saturday Night from 7pm to 10pm

PARKING PROHIBITION: Mansion Street from Sycamore Street to Kalamazoo Avenue and in front of and across from each home that is on the tour

COUNCIL NOTIFICATION DATE: August 18th, 2014

51st Marshall Historic Home Tour

September 6 & 7, 2014

July 22, 2014

Mr. Carl Fedders, Director, Public Services
City of Marshall
323 West Michigan
Marshall, MI 49068

Dear Mr. Fedders:

As co-chair for the 2014 Marshall Historic Home Tour being held September 6 and 7, 2014, I have several requests of you and the city. We request the block of Kalamazoo Avenue, between the Honolulu House and Monarch Bank, be closed to traffic from Saturday morning the 6th at 5:30 a.m. until Sunday evening the 7th at 7:00 p.m.

The Art at the Museum will once again be held on the lawn of the Honolulu House and overflow, if necessary over on the Monarch Bank lawn. Closing that section of Kalamazoo Avenue will provide safe crossings for the tour guests. Closing it early Saturday morning also allows the artists to use that street space for their vehicles as they unload and set up their tents.

The Civil War Ball will take place Saturday evening from 7:00-10:00 p.m. in the street and I am sure they will also be sending you a request to have the street closed that evening.

Additionally, we will need parking for the tour busses coming in and it has been suggested the parking lot south of the County building and/or the lot at the Middle school to accommodate them.

I would also appreciate hanging the Home Tour banner in front of the Honolulu House rather than across Michigan Avenue.

If you have any questions regarding these requests or anything connected to the tour, please do not hesitate to call me at 269/781-3402 or my cell, 269/209-3063.

Thank you, I remain,

Judy Babcock

Co-chair 51st Marshall Historic Home Tour

Judy327@sbcglobal.net

Attachment: list of 2014 tour homes

269.781.8544
107 N Kalamazoo Ave, Marshall MI 49068



info@marshallhistoricalsociety.org
www.marshallhistoricalsociety.org

2014 Home Tour 51st annual – September 6 and 7, 2014

Susan Collins	222 N Marshall	781-4335
Whitney Jonas	409 N Kalamazoo	753-9951
Steve & Ann Rhodes	612 Hill Road	274-1850
Bob & Pat Shirey	518 E Mansion	781-9466
Wayne & Brenda Marshall	348 N Madison	781-3665 274-7371 cell
Nate Palmer	213 N Liberty	Library 781-7821 X13 or 967-2173 cell
Dr Richard & Hannah Goodstein	612 N Kalamazoo	781-8876 616-334-1931 cell



July 25, 2014

Mr. Carl Fedders, Director Public Services
City of Marshall
323 W. Michigan Avenue
Marshall MI 49068

Dear Mr. Fedders,

I am requesting your approval, to close North Kalamazoo Avenue in front of the Honolulu House and Monarch Bank from 5:00 p.m. to 11:00p.m. on Saturday, September 6, 2014.

We will be holding the Civil War Ball once again this year in conjunction with Marshall's Home-Tour. It will take place from 7:00p.m. to 10:00p.m. Saturday evening. Our Ball is a wonderful opportunity for tourist and residents alike, who might wish to partake of it or merely observe it.

Our refreshment tables are set up under pop-ups on the Monarch side of the street, the archway for the grand march is set up at the north side of the street and our dancing is in the closed portion of North Kalamazoo Avenue. All of these are removed the same evening after the ball.

Thank you for your time and consideration and if there are any questions, I can be contacted at 269/781-3402.

Sincerely,

Judy Baccocck,

President

Marshall Area Historic Re-enactors Society
Judy327@sbcglobal.net



ADMINISTRATIVE REPORT
AUGUST 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Natalie Dean, Director of Community Services
Tom Tarkiewicz, City Manager
SUBJECT: Special Land Use Amendment #SLU13.02 (A)
for 414 W. Mansion, Bed & Breakfast Inn

BACKGROUND: On December 11, 2013 the Planning Commission held a public hearing on a Special Land Use request from Andrew Merrild, the owner of 414 W. Mansion, to open a Bed & Breakfast Inn. On January 6, 2014, Council approved the Special Land Use permit for a secondary use of a Bed & Breakfast holding 4 overnight rooms, called the "Way Inn".

At the time of application, the owner, Mr. Merrild, did not think he would need a sign for his business. Normally, signage for a Special Land Use is approved with the application; However, Mr. Merrild did not realize that his guests would be requesting signage, hence the requested amendment to the permit.

The sign Mr. Merrild is requesting is 9" x 48" and will hang on his front porch by hooks. He is proposing to use the sign only when he's open for business, at other times, he would take the sign down. On August 13, 2014, the Planning Commission held a public hearing on this amendment to The Way Inn's Special Land Use permit. During the public hearing, the Planning Commission heard comments from the following residents:

Robert Budesky, 501 W. Mansion St., stated that Mr. Merrild said that he didn't need a sign when he requested the Special Land Use and he shouldn't have one now.

MOTION AMENDED by Banfield, supported by Zuck, to recommend that City Council approve the Special Land Use Amendment #13.02 (A) for a 9" x 48" sign at The Way Inn, located at 414 W. Mansion with the following condition:

- **The sign's location will be set as proposed in the application.**

On a voice vote; MOTION CARRIED.

RECOMMENDATION: The Planning Commission recommends that City Council approve the Special Land Use Amendment #13.02 (A) for a 9" x 48" at The Way Inn, located at 414 W. Mansion with the condition that the sign's location will be set as proposed in the application.

FISCAL EFFECTS: None at this time.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Natalie Dean
Director of Community Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.
Marshall, MI 49068
p 269.781.5183
f 269.781.3835
cityofmarshall.com

Sketch 2





ADMINISTRATIVE REPORT
AUGUST 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Natalie Dean, Director of Community Services
Tom Tarkiewicz, City Manager

SUBJECT: Resolution to approve Marshall's participation in the Michigan Economic Development Corporation's Redevelopment Ready Communities Program and Memorandum of Understanding

BACKGROUND: At the work session on July 21, 2014, Jennifer Rigterink, MEDC representative, presented Council and other community members with information on the Redevelopment Ready Communities (RRC) Program. Staff applied for Marshall to be accepted into the program and in March of 2014, the application was accepted for participation, along with 17 other communities. Among the other participants accepted in 2014 are Battle Creek, Kalamazoo and Jackson.

In order to begin the RRC program, the MEDC requires a signed resolution from City Council to participate in the program, as well as the signed Joint Memorandum of Understanding.

RECOMMENDATION: Staff recommends that City Council approve Marshall's participation in the Redevelopment Ready Communities Program through the Michigan Economic Development Corporation by approving the accompanying resolution and Memorandum of Understanding.

FISCAL EFFECTS: None at this time.

CITY GOAL CLASSIFICATION:

GOAL AREA I. ECONOMIC DEVELOPMENT

Goal Statement:

Sustain and intensify the economic vitality of the Marshall area.

Objectives:

- 4. Through the City's partnership with MAEDA, attract more business to Marshall.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Natalie Dean
Director of Community Services

Tom Tarkiewicz
City Manager

23 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL, MICHIGAN
RESOLUTION NO. ____**

RESOLUTION AUTHORIZING THE CITY OF MARSHALL TO APPROVE AND FULLY PARTICIPATE IN THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC) REDEVELOPMENT READY COMMUNITIES PROGRAM AND APPROVE THE MEMORANDUM OF UNDERSTANDING

WHEREAS, the Michigan Economic Development Corporation (MEDC), selected the City of Marshall as one of the communities to participate in the Redevelopment Ready Communities Program; and

WHEREAS, the expectation of the program is to complete a comprehensive review of the City of Marshall's development processes as established by the City of Marshall, to make improvements in transparency and effective communication; and

WHEREAS, the program includes evaluating the strong partnerships with the all committees related to development, including the Marshall Area Economic Development Alliance (MAEDA), the Downtown Development Authority (DDA), the Local Development Finance Authority (LDFA), and the Planning Commission; and

NOW, THEREFORE, it is resolved as follows:

1. The Marshall City Council is willing to participate in the MEDC Redevelopment Ready Communities Program, which will involve interaction with MAEDA, DDA, LDFA and the Planning Commission.
2. The Marshall City Council authorizes the City Clerk to sign future documentation related to the program as provided by the MEDC, in order to fully participate in the program.
3. This resolution shall take effect upon authorization by the Marshall City Council.
4. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

A copy of this Schedule as amended from time to time, shall be maintained by the Marshall City Clerk.

AYES, Council members:

NAYES, Council members:

ABSTAIN, Council members:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and a complete copy of the resolution adopted by the City Council and the City of Marshall at a regular meeting on August 18, 2014. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976, as amended). Minutes of the meeting will be available as required by the Act.

Trisha Nelson, City Clerk



Redevelopment Ready Communities® Joint Memorandum of Understanding

This Memorandum of Understanding (“MOU”) by and between the Michigan Economic Development Corporation (“MEDC”), 300 North Washington Square, Lansing, Michigan and City of Marshall (“Community”), 323 West Michigan Avenue, Marshall, Michigan, jointly referred to as the “Parties” and individually as the “Party” is effective as of August 25, 2014 (“Effective Date”).

The Community is interested in applying to the MEDC under the Redevelopment Ready Communities® Program (“Program”) to become certified as a Redevelopment Ready Community (“RRC”) and receive assistance from the Program in promoting sites within the Community.

The MEDC is interested in evaluating the Community and making recommendations for the Community to become certified as a RRC under the Program and help market the Community to the public for redevelopment purposes.

Therefore, the above entities have come together in a strategic collaboration to achieve the above stated goals. This collaboration is based on the following understandings:

Community Responsibilities

1. Identifying a primary Program contact who will serve as the lead contact and provide overall technical support for all aspects of this project on behalf of the Community.
2. Provide adequate staff personnel to attend trainings, perform research collection and assessment of current practices of the Community, respond in a timely manner to MEDC questions, and to implement the needed strategies to achieve certification of the Program after the evaluation.
3. Within thirty (30) days of this MOU, complete the Pre-Evaluation document and provide supporting information as required by the MEDC.
4. Provide monthly updates to the Community’s elected governing body on status of Program progress.
5. Within fourteen (14) days of receiving the draft Community Assessment Report and Evaluation Findings, provide comments and any additional documentation, and schedule the report out presentation for the Community’s elected governing body.
6. Within thirty (30) days of the Community Assessment Report and Evaluation Findings presentation, provide a resolution adopted by the Community’s elected governing body that supports the Community’s intent to implement the needed strategies to achieve certification if necessary to meet the Program best practices.
7. Within one hundred eighty (180) days, complete implementation of the needed strategies to achieve certification, if necessary, to meet the Program best practices.

- 8. Provide documentation that the Community meets the Program best practices as determined by the MEDC prior to being awarded certification.

MEDC Responsibilities

- 1. Provide general training on the Program.
- 2. Provide general technical support to the primary Program contact of the Community in collecting the information necessary to complete the Pre-Evaluation document and implementation of the best practices.
- 3. Evaluate the information from the Pre-Evaluation documents.
- 4. If necessary, make recommendations of steps to meet the best practices as identified by the MEDC.
- 5. Once the Program evaluation is completed, the MEDC will coordinate with the RRC Advisory Council to receive input in certifying the Community as a RRC.
- 6. If certified as a RRC, assist the Community in marketing to the public up to three sites as redevelopment ready.
- 7. Prepare a license agreement between the Community and the MEDC for Community's use of the RRC logo.

This MOU sets forth the intent of the Parties only and does not, and is not intended to, impose any binding obligations on the Parties nor shall it be the basis for any legal claims or liabilities by or among the Parties. Any liability of the Parties, whether in contract, tort or under any other legal or equitable theory, arising out of or in connection with this MOU shall be explicitly excluded. Neither Party shall be entitled to claim compensation for any expenses or losses incurred in bad faith if the intention of this MOU cannot be reached entirely or in part.

This MOU constitutes the entire agreement between the Parties hereto. This MOU may be modified, altered, revised, extended or renewed by mutual written consent of all Parties, by the issuance of a written amendment, signed and dated by all the Parties.

This MOU may be signed in multiple copies and in counterparts which, when taken together, shall constitute the executed MOU. Faxed or scanned copies shall be considered an original.

This MOU is effective until the three year anniversary of the date the Community is certified as a RRC, unless terminated earlier. However, either Party may terminate the MOU by providing notice in writing to the other Party thirty (30) days in advance of the termination.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by their respective authorized representatives.

Trisha Nelson, Clerk
City of Marshall

Date

Jennifer Nelson, Senior VP & General Counsel
Michigan Economic Development Corporation

Date



ADMINISTRATIVE REPORT
August 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: MDOT Contract for Taxistreet Paving

BACKGROUND: The City has received a grant through the Michigan Department of Transportation for the rehabilitation for the taxistreets at Brooks Field. Taxistreets are the paved roads leading to the private hangars on the property. The project is included in the Michigan Department of Transportation 2014 fiscal year budget which began on October 1st. This contract was included in the City of Marshall's capital improvement plan for the 2015 fiscal year.

The City Council approved the design of the Taxistreet paving in October of last year.

The funding is divided between the Federal Aviation Administration, the State of Michigan and the City of Marshall. The project has a total estimated cost of \$270,000, of which the city will be responsible for \$13,461.

RECOMMENDATION: It is recommended that the City Council approve the resolution authorizing the Clerk to sign the agreement with the Michigan Department of Transportation for the Rehabilitation Taxiway – Hanger Area Construction project at Brooks Field.

FISCAL EFFECTS: To appropriate \$13,461 from the General Fund-Airport Capital Outlay budget expenditure line item 295-900-970.00.

CITY GOAL CLASSIFICATION:

Infrastructure Goal Statement: Preserve, rehabilitate, maintain and expand all city infrastructure and assets

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL, MICHIGAN
RESOLUTION 2014-_____**

WHEREAS, the City Council of the City of Marshall has reviewed attached Contract #2014-0905 for federal project B-26-0064-1914 with the Michigan Department of Transportation for the Rehabilitation Taxiway – Hanger area Construction; and

WHEREAS, the City Council agrees to utilize the combination of federal, state, and local funding to fund these improvements as stated within contract #2014-0905 to be performed; and

WHEREAS, the estimated expense of the project is \$270,000; and

WHEREAS, the City participation in the project is estimated at \$13,462; and

WHEREAS, the City Council understands and agrees to the contract and its attached conditions.

NOW THEREFORE BE IT RESOLVED that based upon a motion made by _____, and supported by _____ to authorize Trisha Nelson, Clerk to sign contract 2014-0905 for federal project B-26-0064-1914.

Voting For: _____

Voting Against: _____

Absent: _____

CERTIFICATION OF CITY CLERK/TREASURER

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Marshall at a regular meeting held on the 18th day of August, 2014.

Trisha Nelson, City Clerk

Date

MICHIGAN DEPARTMENT OF TRANSPORTATION
CITY OF MARSHALL
CONTRACT FOR A FEDERAL/STATE/LOCAL
AIRPORT PROJECT
UNDER THE BLOCK GRANT PROGRAM

This Contract is made and entered into this date of _____ by and between the Michigan Department of Transportation (DEPARTMENT) and City of Marshall (SPONSOR) for the purpose of fixing the rights and obligations of the parties in agreeing to the following undertaking at the Brooks Field, whose associated city is Marshall, Michigan, such undertaking (PROJECT) estimated in detail in Exhibit 1, dated July 29, 2014, attached hereto and made a part hereof.

PROJECT DESCRIPTION: REHABILITATE TAXIWAY - HANGAR AREA - CONSTRUCTION.

RECITALS:

The PROJECT is eligible for federal funding pursuant to the Airport and Airway Improvement Act of 1982, as amended, and/or the Aviation Safety and Noise Abatement Act of 1979; and

The DEPARTMENT has received a block grant from the Federal Aviation Administration (FAA) for airport development projects; and

The DEPARTMENT is responsible for the allocation and management of block grant funds pursuant to the above noted act.

The parties agree that:

1. The term "PROJECT COST," as herein used, is defined in Attachment(s) 1, attached hereto and made a part hereof. The PROJECT COST will also include administrative costs incurred by the DEPARTMENT in connection with the PROJECT. Administrative costs incurred by the SPONSOR are not eligible PROJECT COSTS.

THE SPONSOR WILL:

2. Enter into a contract with a consultant for each element of the PROJECT that requires expertise. The consultant will be selected in conformity with FAA Advisory Circular 150/5100-14. The DEPARTMENT will select the consultant for each element of the PROJECT involving preparation of environmental documentation. The SPONSOR will select the consultant for all other aspects of the PROJECT. All consultant contracts will be submitted to the DEPARTMENT for review and approval. Any such approvals will not be construed as a warranty of the consultant's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity. The SPONSOR will neither award a consultant contract nor authorize the consultant to proceed prior to receiving written approval of the contract from the DEPARTMENT. Any change to the consultant contract will require prior written approval from the DEPARTMENT. In the event that the consultant contract is terminated, the SPONSOR will give immediate written notice to the DEPARTMENT.
3. Make payment to the DEPARTMENT for the SPONSOR's share of the PROJECT COSTS within thirty (30) days of the billing date. The DEPARTMENT will not make payments for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of the PROJECT work.

Eligible PROJECT COSTS that are paid by the SPONSOR may be submitted for credit toward the SPONSOR's share of the PROJECT COST provided that they are submitted within one hundred eighty (180) days of the date the costs were incurred or within one hundred eighty (180) days of the date of award of this Contract by the parties, whichever is later. Documentation of the PROJECT COST will include copies of the invoices on which the SPONSOR will write the amounts paid, the check numbers, the voucher numbers, and the dates of the checks. Each invoice will be signed by an official of the SPONSOR as proof of payment. The amount of the SPONSOR billing will be reduced by the amount of the eligible credit, based on documentation submitted, provided it is submitted prior to the date of the billing. Should it be determined that the SPONSOR has been given credit for payment of ineligible items of work, the SPONSOR will be billed an amount to insure that the SPONSOR share of PROJECT COSTS is covered.

The SPONSOR pledges sufficient funds to meet its obligations under this Contract.

4. With regard to audits and record-keeping:
 - a. The SPONSOR will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Contract (RECORDS). Separate accounts will be established and maintained for all costs incurred under this Contract.
 - b. The SPONSOR will maintain the RECORDS for at least six (6) years from the date of final payment made by the DEPARTMENT under this Contract. In the event of a dispute with regard to allowable expenses or any other issue under this

Contract, the SPONSOR will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

- c. The DEPARTMENT or its representative may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.
 - d. If any part of the work is subcontracted, the SPONSOR will assure compliance with subsections (a), (b), and (c) above for all subcontracted work.
5. Provide and will require its subcontractors to provide access by the DEPARTMENT or its representatives to all technical data, accounting records, reports, and documents pertaining to this Contract. Copies of technical data, reports, and other documents will be provided by the SPONSOR or its subcontractors to the DEPARTMENT upon request. The SPONSOR agrees to permit representatives of the DEPARTMENT to inspect the progress of all PROJECT work at any reasonable time. Such inspections are for the exclusive use of the DEPARTMENT and are not intended to relieve or negate any of the SPONSOR's obligations and duties contained in this Contract. All technical data, reports, and documents will be maintained for a period of six (6) years from the date of final payment.
6. The SPONSOR agrees to require all prime contractors to pay each subcontractor for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the prime contractor receives from the DEPARTMENT or SPONSOR. The prime contractor also is required to return retainage payments to each subcontractor within ten (10) calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from these time frames may occur only upon receipt of written approval from the DEPARTMENT. These requirements are also applicable to all sub-tier subcontractors and will be made a part of all subcontract agreements.

This prompt payment provision is a requirement of 49 CFR, Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a subcontractor against the DEPARTMENT. This provision applies to both Disadvantaged Business Enterprise (DBE) and non-DBE subcontractors.

The SPONSOR further agrees that it will comply with 49 CFR, Part 26, as amended, and will report any and all DBE subcontractor payments to the DEPARTMENT semi-annually in the format set forth in Appendix G, dated July 2010, attached hereto and made a part hereof, or any other format acceptable to the DEPARTMENT.

7. In the performance of the PROJECT herein enumerated, by itself, by a subcontractor, or by anyone acting on its behalf, comply with any and all state, federal, and local applicable statutes, ordinances, and regulations. The SPONSOR further agrees to obtain all permits that are applicable to the entry into and the performance of this Contract.

The SPONSOR agrees to comply with the Special Conditions set forth in Appendix F, attached hereto and made a part hereof.

In addition, the SPONSOR agrees to accomplish the PROJECT in compliance with the FAA "Terms and Conditions of Accepting Airport Improvement Program Grants" signed on DEC 19 2013.

THE DEPARTMENT WILL:

8. Bill the SPONSOR for the SPONSOR's share of the estimated PROJECT COST. The DEPARTMENT will bill the SPONSOR for the SPONSOR's share of additional estimated PROJECT COSTS for changes approved in accordance with Section 14 at the time of award of the amendment for approved work.
9. Upon receipt of payment request approved by the SPONSOR, make payment for eligible PROJECT COSTS. The DEPARTMENT will seek reimbursement from the FAA through the block grant issued to the DEPARTMENT for funds expended on eligible PROJECT COSTS.

The DEPARTMENT will not make payments for any PROJECT work prior to receipt of payment from the SPONSOR for the SPONSOR's share of that item of PROJECT work.

10. Make final accounting to the SPONSOR upon completion of the PROJECT, payment of all PROJECT COSTS, and completion of necessary audits. Any excesses or deficiencies will be returned or billed to the SPONSOR.

IT IS FURTHER AGREED:

11. The PROJECT COST participation is estimated to be as shown below and as in the attached Exhibit 1. The PROJECT COST participation shown in Exhibit 1 is to be considered an estimate. The actual DEPARTMENT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

Federal Share	\$243,077.00
Maximum DEPARTMENT Share	\$13,461.00
SPONSOR Share	\$13,462.00
<i>Estimated</i> PROJECT COST	\$270,000.00

12. The PROJECT COST will be met in part with federal funds granted to the DEPARTMENT by the FAA through the block grant program and in part with DEPARTMENT funds. Upon final settlement of cost, the federal funds will be applied to the federally-funded parts of this Contract at a rate not to exceed ninety-five percent (95%) up to and not to exceed the maximum federal obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 14. Those parts beyond the federal funding maximum may be eligible for state funds at a rate not to exceed ninety percent (90%) up to and not to exceed the maximum DEPARTMENT obligation shown in Section 11.

For portions of the PROJECT where only DEPARTMENT and SPONSOR funds will be applied to the final settlement, DEPARTMENT funds will be at a rate not to exceed ninety percent (90%), and the total DEPARTMENT funds applied toward the PROJECT COST may be up to but will not exceed the maximum DEPARTMENT obligations shown in Section 11 or as revised in a budget letter, as set forth in Section 14. Any items of PROJECT COST not funded by FAA or DEPARTMENT funds will be the sole responsibility of the SPONSOR.

DEPARTMENT funds in this Contract made available through legislative appropriation are based on projected revenue estimates. The DEPARTMENT may reduce the amount of this Contract if the revenue actually received is insufficient to support the appropriation under which this Contract is made.

13. The SPONSOR agrees that the costs reported to the DEPARTMENT for this Contract will represent only those items that are properly chargeable in accordance with this Contract. The SPONSOR also certifies that it has read the Contract terms and has made itself aware of the applicable laws, regulations, and terms of this Contract that apply to the reporting of costs incurred under the terms of this Contract.
14. The PROJECT COST shown in Section 11 is the maximum obligation of DEPARTMENT and federal funds under this Contract. The maximum obligation of DEPARTMENT and federal funds may be adjusted to an amount less than the maximums shown in Section 11 through a budget letter issued by the DEPARTMENT. A budget letter will be used when updated cost estimates for the PROJECT reflect a change in the amount of funds needed to fund all PROJECT COSTS. The budget letter will be signed by the Administrator of Airports Division of the Office of Aeronautics.

A budget letter will also be used to add or delete work items from the PROJECT description, provided that the costs do not exceed the maximum obligations of Section 11. If the total amount of the PROJECT COST exceeds the maximum obligations shown in Section 11, the PROJECT scope will have to be reduced or a written amendment to this Contract to provide additional funds will have to be awarded by the parties before the work is started.

15. In the event it is determined by the DEPARTMENT that there will be either insufficient funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or authorizing work performance, may cancel the PROJECT or any portion thereof by giving written notice to the SPONSOR. In the event this occurs, this Contract will be void and of no effect with respect to the canceled portion of the PROJECT. Any SPONSOR deposits on the canceled portion less PROJECT COST incurred on the canceled portions will be refunded following receipt of a letter from the SPONSOR requesting excess funds be returned or at the time of financial closure, whichever comes first.

16. In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, the DEPARTMENT will promptly submit to the SPONSOR a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the SPONSOR at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the SPONSOR will (a) respond in writing to the responsible Bureau of the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense (RESPONSE). The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the SPONSOR may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE will refer to and apply the language of the Contract. The SPONSOR agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the SPONSOR, the SPONSOR will repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the SPONSOR fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the SPONSOR agrees that the DEPARTMENT will deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the SPONSOR under this Contract or any other agreement or payable to the SPONSOR under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The SPONSOR expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT's decision only as to any item of expense the disallowance of which was disputed by the SPONSOR in a timely filed RESPONSE.

17. This Contract will be in effect from the date of award through twenty (20) years.

18. Failure on the part of the SPONSOR to comply with any of the conditions in this Contract may be considered cause for placing the SPONSOR in a state of noncompliance, thereby making the SPONSOR ineligible for future federal and/or state funds until such time as the noncompliance issues are resolved. In addition, this failure may constitute grounds for cancellation of the PROJECT and/or repayment of all grant amounts on a pro rata basis, if the PROJECT has begun. In this section, pro rata means proration of the cost of the PROJECT over twenty (20) years, if the PROJECT has not yet begun.
19. Any approvals, acceptances, reviews, and inspections of any nature by the DEPARTMENT will not be construed as a warranty or assumption of liability on the part of the DEPARTMENT. It is expressly understood and agreed that any such approvals, acceptances, reviews, and inspections are for the sole and exclusive purposes of the DEPARTMENT, which is acting in a governmental capacity under this Contract, and that such approvals, acceptances, reviews, and inspections are a governmental function incidental to the PROJECT under this Contract.

Any approvals, acceptances, reviews, and inspections by the DEPARTMENT will not relieve the SPONSOR of its obligations hereunder, nor are such approvals, acceptances, reviews, and inspections by the DEPARTMENT to be construed as a warranty as to the propriety of the SPONSOR's performance, but are undertaken for the sole use and information of the DEPARTMENT.

20. In connection with the performance of PROJECT work under this Contract, the parties (hereinafter in Appendix A referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, and the Regulations of the United States Department of Transportation (49 CFR, Part 21) issued pursuant to said Act, including Appendix B, attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract.

The SPONSOR will carry out the applicable requirements of the DEPARTMENT's Disadvantaged Business Enterprise (DBE) program and 49 CFR Part 26, including, but not limited to, those requirements set forth in Appendix C, dated October 1, 2005, attached hereto and made a part hereof.

21. In accordance with 1980 PA 278; MCL 423.321 *et seq.*, the SPONSOR, in the performance of this Contract, will not enter into a contract with a subcontractor, manufacturer, or supplier listed in the register maintained by the United States Department of Labor of employers who have been found in contempt of court by a federal court of appeals on not less than three (3) separate occasions involving different violations during the preceding seven (7) years for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 USC 158. The DEPARTMENT may void this Contract if the name of the SPONSOR or the name of a subcontractor, manufacturer, or supplier utilized by the SPONSOR in

the performance of this Contract subsequently appears in the register during the performance period of this Contract.

22. With regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract, the SPONSOR hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT.

The SPONSOR shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT as a third-party beneficiary.

The SPONSOR shall notify the DEPARTMENT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract may have occurred or is threatened to occur. The SPONSOR shall also notify the DEPARTMENT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services that were used to meet the SPONSOR's obligation to the DEPARTMENT under this Contract.

23. In any instance of dispute and/or litigation concerning the PROJECT, the resolution thereof will be the sole responsibility of the party/parties to the contract that is/are the subject of the controversy. It is understood and agreed that any legal representation of the SPONSOR in any dispute and/or litigation will be the financial responsibility of the SPONSOR.
24. The DEPARTMENT and the FAA will not be subject to any obligations or liabilities by contractors of the SPONSOR or their subcontractors or any other person not a party to this Contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.
25. Each party to this Contract will remain responsible for any claims arising out of that party's performance of this Contract as provided by this Contract or by law.

This Contract is not intended to increase or decrease either party's liability for or immunity from tort claims.

This Contract is not intended to nor will it be interpreted as giving either party a right of indemnification, either by Contract or at law, for claims arising out of the performance of this Contract.

26. In case of any discrepancies between the body of this Contract and any exhibit hereto, the body of the Contract will govern.
27. This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and the DEPARTMENT and upon adoption of a resolution approving said Contract and authorizing the signature(s) thereto of the respective representative(s) of the SPONSOR, a certified copy of which resolution will be sent to the DEPARTMENT with this Contract, as applicable.

CITY OF MARSHALL

By: _____
Title:

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: Department Director

EXHIBIT 1

BROOKS FIELD
MARSHALL, MICHIGAN

Project No. B-26-0064-1914
Contract No. FM 13-02-C21

07/29/14

	Federal	State	Local	Total
ADMINISTRATION				
DEPARTMENT-AERO	\$900	\$50	\$50	\$1,000
	\$900	\$50	\$50	\$1,000
ENVIRONMENTAL				
	\$0	\$0	\$0	\$0
DESIGN				
	\$0	\$0	\$0	\$0
CONSTRUCTION				
Rehabilitate Taxiway - Hangar Area	\$233,173	\$12,913	\$12,914	\$259,000
AERO - Construction	\$200,766	\$11,118	\$11,119	\$223,003
CONSULTANT - Construction	\$6,480	\$359	\$359	\$7,198
	\$25,927	\$1,436	\$1,436	\$28,799
CONTINGENCIES				
Funding Contingencies	\$9,004	\$498	\$498	\$10,000
	\$9,004	\$498	\$498	\$10,000
TOTAL PROJECT BUDGET	\$243,077	\$13,461	\$13,462	\$270,000

Federal Billing Breakdown:

Bill #1	\$1,490	SBGP 8111
Bill #2	\$97,684	SBGP 8813
Bill #3	\$143,903	SBGP 9014

MAC Approval: 7/23/14

ATTACHMENT 1

SUPPLEMENTAL PROVISIONS FOR CONTRACTS INVOLVING CONSTRUCTION WORK AT ALL CLASSIFICATIONS OF AIRPORTS FOR WHICH THE DEPARTMENT OPENS BIDS AND AWARDS THE CONTRACTS

1. The "PROJECT COST" is defined as the cost of all work necessary to complete the items identified in the body of this Contract as the PROJECT, including the costs of preliminary engineering, design engineering, construction engineering and supervision, architectural work, surveying, environmental studies and reports, airport layout plan updates relating to the PROJECT, and advertising for and receiving bids.
2. The SPONSOR will select a consultant to perform each element of the PROJECT that requires expertise. All consultant contracts will be between the SPONSOR and the consultant. Consultant contracts will be submitted to the DEPARTMENT for review and approval. Any such approvals will not be construed as a warranty of the consultant's qualifications, professional standing, ability to perform the work being contracted, or financial integrity. The SPONSOR will not execute a consultant contract nor authorize the consultant to proceed prior to receiving written approval of the contract from the DEPARTMENT. Any change to the consultant contract will require prior written approval from the DEPARTMENT. In the event the consultant contract is terminated, the DEPARTMENT will be given immediate written notice by the SPONSOR.
3. The DEPARTMENT is authorized by the SPONSOR pursuant to this Contract to advertise and to award the contract for the construction work in the name of the SPONSOR in accordance with the following:
 - a. Prequalification of bidders will be determined by the DEPARTMENT in accordance with the "Administrative Rules Governing the Prequalification of Bidders for Highway and Transportation Construction Work."
 - b. Prior to advertising the construction work for receipt of bids, the SPONSOR may delete any portion or all of the PROJECT work.
 - c. If after receipt of bids for the construction work, the SPONSOR gives notice of circumstances that affect its ability to proceed, the DEPARTMENT, on behalf of the SPONSOR and with the concurrence of the FAA, if applicable, will reject the bids.
 - d. In the event of the rejection of all bids, any costs incurred by the DEPARTMENT will be deemed to be PROJECT COSTS.

- e. Upon receipt of bids, the DEPARTMENT, on behalf of the SPONSOR, will select the most responsive bid in accordance with the DEPARTMENT's applicable "General Provisions for Construction of Airports." The DEPARTMENT will then prepare a "Recommendation to Award" and submit it to the FAA, if applicable, and the SPONSOR. The DEPARTMENT will forward the contract documents to the contractor and then to the SPONSOR for execution.
 - f. The DEPARTMENT is authorized to receive, hold, and return proposal guarantees on behalf of and in the name of the SPONSOR pursuant to the requirements enumerated in the DEPARTMENT's applicable "General Provisions for Construction of Airports."
 - g. In the event of the forfeiture of a proposal guaranty, in accordance with the DEPARTMENT's applicable "General Provisions for Construction of Airports," and upon receipt of a request from the SPONSOR, the DEPARTMENT will forward to the SPONSOR the forfeited proposal guaranty.
 - h. The DEPARTMENT is authorized to receive performance and lien bonds and certificates of insurance on behalf of and in the name of the SPONSOR pursuant to the requirements enumerated in the DEPARTMENT's applicable "General Provisions for Construction of Airports."
 - i. The SPONSOR, upon presentation of the contract documents by the DEPARTMENT, and subject to the possible implementation of the exceptions provided in paragraphs b and c above, will execute and return the appropriate documents on or before a date to be set by the DEPARTMENT in accordance with the DEPARTMENT's applicable "General Provisions for Construction of Airports."
 - j. Upon receipt of the executed contract documents from the SPONSOR, the DEPARTMENT will award the contract.
4. The DEPARTMENT is authorized by the SPONSOR, pursuant to this Contract, to approve subcontracts between the prime contractor and the subcontractor on behalf of the SPONSOR. Any such approvals will not be construed as a warranty of the subcontractor's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity.
5. Should termination of a construction contract pursuant to Section 80-09 of the DEPARTMENT's applicable "General Provisions for Construction of Airports" occur, the DEPARTMENT will be given immediate written notice by the SPONSOR.

6. Any changes to the PROJECT plans and specifications made after receipt of bids will require prior written approval from the DEPARTMENT and the FAA, if applicable. The SPONSOR or its representative may request such changes by initiating a contract modification to the construction contract in accordance with the "General Provisions for Construction of Airports" and the DEPARTMENT's "Project Engineer's Manual" for airport construction. Any contract modification determined to be significant by the DEPARTMENT will require a prior written amendment to this Contract.

In the event that during the course of PROJECT construction it becomes necessary to exceed estimated quantities of materials or labor, and it is not reasonable to obtain prior consent from the DEPARTMENT without interrupting an ongoing construction activity, the SPONSOR's on-site supervisor may approve such overruns and the DEPARTMENT may share in the costs of such overruns only if all of the following conditions are met:

- a. The construction, including such overruns, remains in conformity with the PROJECT plans and specifications as revised.
 - b. Such overruns do not exceed ten percent (10%) of that category within the PROJECT plans and specifications as revised.
 - c. The SPONSOR or its representative immediately notifies the DEPARTMENT of such overruns and the estimated costs thereof.
 - d. Such on-site approval is necessary for continuity in construction, and obtaining approval prior to proceeding would cause a material interruption in the PROJECT that would result in a significant increase in costs.
7. Any work or material that is determined by the DEPARTMENT not to be in conformity with the plans, specifications, and contract documents will be ineligible for reimbursement with federal and state participating funds or will be subject to a price adjustment approved by the DEPARTMENT and the FAA, if applicable.
 8. Upon completion of the work in each construction contract and acceptance thereof by the SPONSOR, the SPONSOR or its designated representative will give immediate written notice to the DEPARTMENT.
 9. The SPONSOR will operate and maintain in a safe and serviceable condition the airport and all facilities thereon and connected therewith that are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States or the State of Michigan, for a period of twenty (20) years from the effective date of this Contract and will not permit any activity thereon that would interfere with its use for airport purposes,

provided, however, that nothing herein will be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility that is substantially damaged or destroyed due to any act of God or other condition or circumstance beyond the control of the SPONSOR.

The airport will be maintained in full operating condition on a year-round basis, in accordance with the general utility licensing requirements set forth by the Michigan Aeronautics Commission in its rules and regulations. During this period, the airport will not be abandoned or permanently closed without the express written permission of the DEPARTMENT.

10. Should the SPONSOR desire to abandon, close, sell, or otherwise divest itself of the airport or any portion thereof, the SPONSOR agrees to provide to the DEPARTMENT prior written notice of such intent giving the DEPARTMENT, for a period of one hundred eighty (180) days after receipt of such notice, a first right to purchase at fair market value the airport and all facilities thereon. Fair market value will be determined by an independent appraisal of such properties.

The notice of intent and first right to purchase will be provided via registered or certified mail, return receipt, postage prepaid, addressed to the Executive Administrator of the Office of Aeronautics, Michigan Department of Transportation.

11. The SPONSOR will, either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations, prevent the construction, erection, alteration, and/or growth of any structure, tree, or other object in the approach areas of the runways of the airport that would constitute an obstruction to air navigation according to the criteria or standards prescribed in the FAA Advisory Circulars.
12. For a period of twenty (20) years, the SPONSOR will make the airport available as an airport for public use for all types, kinds, and classes of aeronautical use on fair and reasonable terms and without unjust discrimination. Rates charged to aeronautical users will be determined based on the cost to the SPONSOR of providing the facility. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in an approved non-aeronautical activity, the SPONSOR will charge fair market value for the right to conduct such activity. During this period, all revenues generated by the airport for aeronautical and non-aeronautical activities will be expended for the capital or operating costs of the airport, the local airport system, or other local facilities that are owned or operated by the SPONSOR and are directly and substantially related to the actual air transportation of passengers or property.

13. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in any aeronautical activity for furnishing services to the public at the airport, the SPONSOR will insert and enforce provisions requiring the contractor to:

- a. Furnish said services on a fair, reasonable, and not unjustly discriminatory basis to all users thereof; and
- b. Charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.

8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.

9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

Appendix B
(Aeronautics)

**CIVIL RIGHTS ACT OF 1964, TITLE VI - 49 CFR PART 21
CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor will comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. Solicitation for Subcontracts, Including Procurement of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. Information and Reports. The contractor will provide all information and reports required by the Regulations or directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor will so certify to the sponsor of the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions. The contractor will include the provisions of paragraphs 1 through 5 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directive issued pursuant thereto. The contractor will take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX C
Assurances that Recipients and Contractors Must Make
(Excerpts from US DOT Regulation 49 CFR § 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Airport Name: Brooks Field
Associated City: Marshall, Michigan
Project No: B-26-0064-1914

APPENDIX F

SPECIAL CONDITIONS

1. RUNWAY PROTECTION ZONES. The Sponsor agrees to take the following actions to maintain and/or acquire a property interest, satisfactory to the FAA, in the Runway Protection Zones:
 - a. Existing Fee Title Interest in the Runway Protection Zone.
The Sponsor agrees to prevent the erection or creation of any structure or place of public assembly in the Runway Protection Zone, as depicted on the Exhibit "A" Property Map, except for navaids that are fixed by their functional purposes or any other structure approved by the FAA. Any existing structures or uses within the Runway Protection Zone will be cleared or discontinued unless approved by the FAA.
 - b. Existing Easement Interest in the Runway Protection Zone.
The Sponsor agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is a hazard to air navigation or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
 - c. Future Interest in the Runway Protection Zone.
The Sponsor agrees that it will acquire fee title or less-than-fee interest in the Runway Protection Zone(s) for Runway(s) that presently are not under their control within ten years of this grant agreement. Said interest shall provide the protection noted in above Subparagraphs a. and b.
2. EXHIBIT A. It is understood and agreed by and between the parties hereto that notwithstanding the fact that this Grant Offer is made and accepted upon the basis of the Exhibit "A" property map, the Sponsor hereby covenants and agrees that it will update said Exhibit "A" property map to standards satisfactory to the Department and submit said documentation in final form to the Department for approval. It is further mutually agreed that the reasonable cost of developing said Exhibit "A" property map is an eligible administrative cost for participation within the scope of this project.

3. ENVIRONMENTAL COMPLIANCE. Approval of the project included in this agreement is conditioned on the Sponsor's compliance with applicable environmental regulations in accomplishing project construction and in operating the airport. Failure to comply with this requirement may result in suspension, cancellation, or termination of federal assistance under this agreement.
4. BUY AMERICAN REQUIREMENT. Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.
5. OPEN BIDDING. The Sponsor agrees not to include in any bid specification, project agreement, or other controlling documents to perform construction activities under this grant, any provisions which would:
 - a. Require bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or other related construction project(s), or
 - b. Otherwise discriminate against bidders, offerors, contractors, or subcontractors for refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations, on the same or other related construction project(s), or
 - c. Require any bidder, offeror, contractor, or subcontractor to enter into, adhere to, or enforce any agreement that requires its employees, as a condition of employment, to:
 - (1) become members of or affiliated with a labor organization, or
 - (2) pay dues or fees to a labor organization, over an employee's objection, in excess of the employee's share of labor organization costs relating to collective bargaining, contract administration, or grievance adjustment.

The Sponsor further agrees to require any contractor or subcontractor to agree to not include any similar provision that would violate paragraphs a through c above in their contracts or subcontracts pertaining to the projects under this grant.

6. PAVEMENT MAINTENANCE MANAGEMENT PROGRAM. For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance program as is required by the assurance in Section III.C.11 of the "Terms and Conditions of Accepting Airport Improvement Program Grants." The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. As a minimum, the program must include the following:

a. **Pavement Inventory.** The following must be depicted in an appropriate form and level of detail:

- (1) location of all runways, taxiways, and aprons;
- (2) dimensions;
- (3) type of pavement, and;
- (4) year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program (AIP) assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

b. **Inspection Schedule.**

- (1) Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspection may be extended to three years.
- (2) Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

c. **Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:

- (1) inspection date,
- (2) location,

- (3) distress types, and
- (4) maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

- d. **Information Retrieval.** An airport sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.
- e. **Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.

7. PROJECTS WHICH CONTAIN PAVING WORK IN EXCESS OF \$250,000. The Sponsor agrees to perform the following:

- a. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:
 - (1) The name of the person representing the Sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
 - (2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided.
 - (3) Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation referenced in the contract specifications (D 3666, C 1077).
 - (4) Qualifications of engineering supervision and construction inspection personnel.
 - (5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted

for each type of test.

- (6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where necessary, are undertaken.
 - b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and the reasons for accepting any out-of-tolerance material. An interim test and quality control report shall be submitted, if requested by the FAA.
 - c. Failure to provide a complete report as described in paragraph b, or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.
 - d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.
8. AGENCY AGREEMENTS. The Sponsor will not amend, modify, or terminate the agency relationship between the Sponsor, as principal, and the Michigan Aeronautics Commission, as agency, created by the Agency Agreement without prior written approval of the FAA.
9. BANNING TEXTING WHILE DRIVING. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
- a. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
 - b. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - (1) Establishment of new rules and programs or re-evaluation of existing

programs to prohibit text messaging while driving; and

- (2) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

10. DBE PLAN. It is understood and agreed by and between the parties hereto that the Sponsor shall not issue any invitations for bids for work described on Page 1 of the Grant Agreement, nor shall the United States be obligated to make payment representing its share of the project cost, until the FAA has updated Disadvantaged Business Enterprises Program goals as specified by the FAA, Great Lakes Region, Civil Rights Office letter.

According to the federal requirement 49 CFR Part 26, Participation by Minority Business Enterprise in Department of Transportation Programs, recipients of FAA funds shall submit overall DBE goal information annually. As recipient of this block grant, the Department accepts this responsibility.

APPENDIX G

Prime Consultant Statement of DBE Sub-Consultant Payments

Information required in accordance with 49 CFR §26.37 to monitor progress of the prime consultant in meeting contractual obligations to DBEs.

PRIME CONSULTANT	<input type="checkbox"/> CHECK IF PRIME IS MDOT-DBE CERTIFIED	AUTHORIZATION NO.	CONTRACT NO.
BILLING PERIOD:			JOB NO.
			Check if Final Payment <input type="checkbox"/>

CERTIFIED DBE SUBCONSULTANT	SERVICES WORK PERFORMED	TOTAL CONTRACT AMOUNT	CUMULATIVE DOLLAR VALUE OF SERVICES COMPLETED	DEDUCTIONS	ACTUAL AMOUNT PAID TO DATE	ACTUAL AMOUNT PAID DURING THIS REPORTING PERIOD	DBE AUTHORIZED SIGNATURE (Final Payment Report Only)	DATE

As the authorized representative of the above prime consultant, I state that, to the best of my knowledge, this information is true and accurate

PRIME CONSULTANT'S AUTHORIZED REPRESENTATIVE (signature)	TITLE	DATE/MDO
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COMMENTS:

SPECIAL NOTE: "Prime Consultant or Authorized Representative" refers to recipients of federal funds as defined at 49 Code of Federal Regulations Part 26

INSTRUCTIONS

PRIME CONSULTANT OR AUTHORIZED REPRESENTATIVE:

This statement reports the actual dollar amounts of the project cost earned by and paid to DBE subconsultants. Complete and submit to the Payment Analyst with each billing and within 20 days of receipt of final payment. Some forms may be blank if no payment was made since the previous billing.

For "Contract No., Authorization No.," and "Job No." as appropriate, use the numbers assigned by MDOT.

For "Period Covered," report the calendar days covered by the billing.

For "Services Work Performed" report the main service performed by the subconsultant during the reporting period.

For "Total Contract Amount" report the total amount of the contract between the prime consultant and the subconsultant.

For "Cumulative Dollar Value of Services Completed" report the total amount the subconsultant has earned since beginning this project.

For "Deductions," report deductions made by the prime consultant to the subconsultant's "Cumulative Dollar Value of Services Completed" for retainage, bond or other fees, materials, services or equipment provided to the subconsultant according to mutual, prior agreement (documentation of such agreement may be required by MDOT).

For "Actual Amount Paid to Date," report cumulative actual payments made to the subconsultant for services completed.

For "Actual Amount Paid During this Report Period" report actual payments made to the subcontractor for services during this reporting period.

"Provide "DBE Authorized Signature" for final payment only.

Be sure to sign, title and date this statement.

MDOT PAYMENT ANALYST:

Complete "Comments" if necessary, sign date and forward to the Office of Business Development within seven (7) days of receipt.

MDOT Office of Business Development
P.O. Box 30050
Lansing, Michigan 48909
Questions about this form? Call Toll-free, 1-866-DBE-1264



ADMINISTRATIVE REPORT
August 18, 2014 – CITY COUNCIL MEETING

TO: City Council

FROM: James L. Dyer, Mayor

SUBJECT: Reappointments to the Airport Board

BACKGROUND: The terms of Desmond Kirkland and Dr. Michael Walraven on the Airport Board will expire on October 1st. They have both requested to be reappointed.

RECOMMENDATIONS: It is recommended that the City Council approve the reappointment of Desmond Kirkland and Dr. Michael Walraven to the Airport Board with terms expiring on October 1, 2017.

FISCAL EFFECTS: None

ALTERNATIVES: As suggested by City Council.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James L. Dyer", written over a horizontal line.

James L. Dyer
Mayor

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com



ADMINISTRATIVE REPORT
AUGUST 18, 2014 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Tom Tarkiewicz, City Manager
SUBJECT: Property Maintenance Board of Appeals
and Construction Board of Appeals reappointments

BACKGROUND: On March 8, 2005, City Council adopted amendments to Chapter 150 Building Regulations; Construction. In §150.087 Creation and Appointment to the Property Maintenance Board, the ordinance states:

There is hereby established, in accordance with the Housing Law of Michigan (Act 167 of 1917, as amended) a Property Maintenance Board of Appeals for the purposes of hearing appeals related to property maintenance issues and dangerous buildings matters except for matters under §§ 110.0, 302.3, 302.4, 302.8 and 305 of the International Property Maintenance Code (IPMC) over which the Board of Appeals shall have no jurisdiction.

This same chapter of the ordinance also states in §150.002 Construction Board of appeals that:

A Construction Board of Appeals shall be created, either individually by the city or through an inter-local agreement, in accordance with § 14(1) of State Construction Code Act, as amended. All appeal notices shall comply with Act 267 of the Public Acts of 1976 as to time, date and place of the meeting.

The appointments of Barry Goodwin, Master Plumber and Alternate Member_Larry Rizer, Architect are expiring on October 6, 2014. Both Board members have requested to be reappointed.

RECOMMENDATION: It is recommended that the Council reappoint Barry Goodwin and Larry Rizer to the Property Maintenance Board of Appeals and the Construction Board of Appeals in accordance with the International Property Maintenance Code Section 111 and the Stille-Derossett-Hale Sign State Construction Code Act 230 for a term expiring on October 6, 2016.

FISCAL EFFECTS: None at this time.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.
Marshall, MI 49068
P: 269.789.4604 x.106

cityofmarshall.com